



IPB Insurance CLG
Trading as IPB Insurance

Solvency and Financial Condition Report 2025

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Introduction / Summary

IPB Insurance CLG (“the company” or “IPB”) has prepared this Solvency and Financial Condition Report (“SFCR”) to satisfy the public disclosure requirements under the Commission Delegated Regulation (EU) 2015/35 of the European Parliament supplementing Directive 2009/138/EC, known as Solvency II, which came into effect from 1 January 2016. This SFCR covers the business and performance of the company, its system of governance, risk profile, valuation for solvency purposes, and capital management. The ultimate responsibility for all of these matters lies with the company’s Board of Directors (“the Board”), with support from various governance and control functions that monitor and manage the operations of the business. This SFCR went through both an internal and external review and approval process, including Board approval as per the *EIOPA Guideline 37*. It was subject to controls to ensure that the information contained herein is reliable, complete, and consistent with information and other reports submitted to the Central Bank of Ireland (“Central Bank”).

The company is a mutual non-life insurance company established under the Companies Acts in 1926 and regulated by the Central Bank. The principal activity of the company continues to be the provision of insurance and risk management support to its Members and customers, both in the public and private sectors, with most of its underwriting risk concentrated in the Republic of Ireland. The company is 100% Irish-owned and is an S&P Global A- stable rated insurer with excellent financial strength.

The company made a profit before tax of €52m in 2025 (2024 profit of €109m). This consisted of an underwriting profit of €10.4m (2024: profit of €41.0m) and a positive investment return of €41.6m (2024: positive return of €68m). The reduction in underwriting profit compared to the prior year was mainly driven by a large once-off release in reserves in the prior year reflecting the impact of the Supreme Court decision in upholding the constitutionality of the Personal Injuries Guidelines. In addition, following a change in the methodology used in our earned premium policy there was a one-off adjustment to the Net Earned Premium which flowed directly to the bottom line in the prior year.

The company has in place a comprehensive set of terms of reference, policies and procedures supporting all aspects of its governance and control framework and appropriate to its nature, size, and complexity. The Board delegates authority to its sub-committees to complete separate programmes of work on its behalf whilst ensuring regular reporting with clear terms of reference. The company has also established the four key independent control functions required under the Corporate Governance Requirements for Insurance Undertakings 2015 and in accordance with Articles 44, 46, 47 and 48 of the Solvency II Directive – Risk Management, Compliance, Actuarial, and Internal Audit. These functions are responsible for providing oversight of and challenge to the business and for providing assurance to the Board in relation to the company’s control framework. Each of the independent functions has direct reporting lines to the Board, as well as to the relevant Board Committees.

The Risk Profile of the company is stable and is currently dominated by underwriting and market risk. The company has complied with the Solvency II Directive on an ongoing basis throughout the year and the capital available to the company is of a very high quality, consisting wholly of retained earnings. The assets that comprise the available capital are invested in a very balanced investment portfolio with limited risk accepted within the parameters of the Board approved Risk Appetite Statement.

As at 31 December 2025, the company’s eligible own funds to cover the Solvency Capital Requirement (“SCR”) and Minimum Capital Requirement (“MCR”) stood at €830m (2024: €802m), which represented a solvency ratio of 2.70 times the SCR (2024: 2.96 times). The company’s SCR and MCR were €307.5m and

€76.9m respectively (2024: €271.2m and €67.8m respectively). There was no breach of the SCR (and hence the MCR) over the reporting period.

A: Business and Performance

A.1 Business

The company is a mutual non-life insurance company limited by guarantee and established under the Companies Acts in Ireland in 1926. The company is a single entity and does not form part of a group. It is governed by the “Constitution of IPB Insurance CLG” together with corporate and regulatory legislation. The principal activity of the company continues to be the provision of insurance and risk management support to its Members and customers, both in the public and private sectors, with most of its underwriting risk concentrated in the Republic of Ireland. Membership consists of Local Authorities, Education and Training Boards, Regional Assemblies, the Health Service Executive and the Land Development Agency. The company is 100% Irish-owned and is an S&P Global A- stable rated insurer with excellent financial strength. It is not leveraged, and it maintains large capital buffers accumulated from retained earnings. The company’s current organisational structure is set out on [page 13](#).

The company’s registered office and operating address is: 1 Grand Canal Square, Grand Canal Harbour, Dublin 2 D02 P820.

The Central Bank is responsible for the financial regulation of the company. The Central Bank’s address is: Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1.

The company’s external auditor is: KPMG, Chartered Accountants and Statutory Audit Firm, 1 Harbourmaster Place, IFSC, Dublin 1.

The company’s financial year end is 31 December each year and it reports its results in EUR (Euro).

A.2 Underwriting Performance

The company delivered Gross written premiums (“GWP”) for the year of €180m, up slightly on the previous year (2024: €178m) and an underwriting surplus of €10.4m (2024: €41m).

The primary drivers of the underwriting result are the combination of two significant weather events (Storm Éowyn and the preceding snow event) impacting the property portfolio and some prior year adverse development on a small number of large and catastrophic injury claims on the casualty portfolio. While neither of these gives us any concern on the adequacy of the pricing of the in-force portfolio, they contributed to a negative variance against expected losses. However, considering 2025 saw the largest weather event for the Irish insurance industry in several years, the delivery of an underwriting surplus was viewed extremely positively. Additionally, a change to our accounting estimate in relation to reinsurance ceding premium has had a positive impact which has led to an underwriting surplus in line with the budget. Other key drivers of the 2025 underwriting performance were continued profitable growth, and a prudent reinsurance programme, which protects our balance sheet from significant volatility.

It should be noted that any comparisons to 2024 must consider that a significant reserve release reflecting the impact of the Supreme Court decision in upholding the constitutionality of the Personal Injuries Guidelines (“PIGs”) and a change in our earned premium pattern that were one-off exceptional items which significantly and positively impacted that result.

As the key stakeholders of the business, it is important that Members are protected by having a mutual insurer that delivers a positive underwriting result on a consistent basis. We strive to deliver an optimal level of pricing for our Members, and all our customers, ensuring delivery of a moderate but acceptable underwriting profit throughout the underwriting cycle. Our continued focus on targeted and appropriate pricing is one of the essential components influencing the financial performance. The prudent pricing of Member and non-member business has again delivered a positive underwriting performance this year.

The key challenge we face is pricing future risks adequately. As underwriters we believe that past experience is one of the greatest indicators of future claims, however the level of change in the last number of years has brought greater levels of uncertainty in doing so. Additionally, the increasing scope of services provided by our Members and the emergence of new risks, bring ever changing and new exposures to our portfolio which didn’t previously exist. This mix of reduced claims frequency from long-term services coupled with the potential for increased claims in new areas of risk exposure require us to maintain a prudent approach to pricing risk across the portfolio and throughout the cycle. At this point in time the most significant risk we face to pricing adequacy is the impact of inflation. Whilst this is not a new or recent problem, the significant pricing reductions since 2021, reflecting the positive impact of the PIGs on claims cost, have significantly offset the negative impact of inflation over that period. Now that baseline rates fully reflect the impact of PIGs, we are seeing for the first time in a number of years moderate upward rate movement on our core Casualty lines in 2026.

Claims incurred net of reinsurance amounted to €97m (2024: €64.2m).

The claims environment as experienced by IPB in 2025 remained quite positive and stable despite fluctuation in some key figures. The moderation in injury claim frequency visible over a number of years in both Injuries Resolutions Board (IRB) market figures and IPB internal data, has been maintained. This

represents a welcome dividend from the Government's insurance reform agenda and the considerable steps taken over recent years.

The overall number of claims reported to IPB in 2025 increased by 14% compared to 2024 claims volumes. This increase, however, was primarily driven by low value property damage claims arising from Storm Éowyn which, while accounting for 75% of property claims registered in the full year, amounted to just €2.7m or 29% of net property claims cost after reinsurance recovery. While gross claims paid across all products amounted to €90m in both 2024 and 2025, claims paid net of reinsurance decreased from €79.1m to €75.7m.

Injury claim numbers, which account for less than one-third in count, but three-quarters of claims value over the last 5 years have remained consistent in terms of frequency across our stable Member base, showing a decrease of less than 0.5%.

The Government decision in June 2025 not to bring a proposed 16.7% PIGs increase to the Oireachtas for approval, and instead bringing forward further reform proposals within the Action Plan for Insurance Reform 2025-2029 represents further positive steps to address disproportionate costs within the insurance claim and compensation operating model.

In particular, furthering the remit of the IRB in terms of mediation, remittance back to the IRB where new evidence is presented in litigation, benchmarking injury values, possible scales for legal fees and reform of the litigation processes, were all well received, not just by IPB and our policyholders but across the industry, and both business and consumer groups.

Despite occasional Judgements containing obiter dicta reflecting negative sentiment on the lack of PIGs value increase, values and awards over 2025 on comparable injuries did remain relatively stable, though increasing latitude on psychiatric injury was somewhat visible. It is of note that while injury frequency has fallen, the average severity of remaining claims has naturally increased, which seems like an erosion of savings, but relates more to changing injury severity.

Legal costs continue to represent a significant proportion of overall claims cost. As claims of lower severity fall out of the injury claim environment, an increasing proportion of remaining claims are litigated, and this explains some of the increase in third-party legal cost. The final National Claims Information Database ("NCID") EL/PL report of 2025 indicates that legal costs on litigated claims in the <€150k category which covers 90%+ of all injury claims, rose by 19% between the 2019 average and that of 2024, which is similar to the IPB experience in the same value range. This increase is driven predominantly by third party/claimant legal costs as first party IPB legal costs are managed by agreed fee structures. This disproportionate increase is also evident in market data.

While marginally outside the year 2025, the Civil Reform Bill published on 6 January 2026 proposes many action items targeting excessive costs in the litigation process and are to be welcomed. IPB continues to support these initiatives in claims cost management and continues to proactively pass on these benefits to our Members and policyholders.

Net commission income was €9.4m for the year (2024: €11.9m). Commission income is earned on reinsurance contracts entered with a panel of global reinsurers. Commission expenses are paid to brokers through whom we source some of our customers.

The following tables show an analysis of the underwriting result by product and by location, compared to the prior year, as per the year-end financial statements:

Analysis of underwriting result by product	Fire and other				Total
	Third-party liability	damage to property	Motor	Other	
2025	€'000	€'000	€'000	€'000	€'000
Gross written premiums	95,584	57,321	9,322	17,655	179,882
Premium ceded to reinsurers	(8,505)	(42,723)	(856)	(2,468)	(54,552)
Change in the gross provision for unearned premiums	(466)	(2,399)	(47)	(122)	(3,034)
Change in the reinsurance provision for unearned premiums	765	9,615	106	201	10,687
Net earned premiums	87,378	21,814	8,525	15,266	132,983
Gross claims paid	(60,264)	(19,151)	(5,110)	(5,144)	(89,669)
Claims recovered from reinsurers	506	12,970	-	500	13,976
Gross change in contract liabilities	(25,162)	(939)	(5,058)	6,048	(25,111)
Change in contract liabilities recoverable from reinsurers	7,273	(2,922)	31	(562)	3,820
Claims incurred net of reinsurance	(77,647)	(10,042)	(10,137)	842	(96,984)
Technical underwriting result - net	9,731	11,772	(1,612)	16,108	35,999
Commission income	506	11,392	50	359	12,307
Operating expenses	(17,273)	(10,359)	(1,685)	(3,191)	(32,507)
Underwriting expenses	(1,511)	(3,577)	(63)	(237)	(5,388)
Underwriting result	(8,547)	9,228	(3,310)	13,039	10,410
Net investment return	22,122	13,266	2,157	4,086	41,631
Profit before taxation	13,575	22,494	(1,153)	17,125	52,042
Net insurance liabilities	532,508	22,117	24,124	13,020	591,769

Analysis of underwriting result by product		Fire and other				
2024	Third-party liability €'000	damage to property €'000	Motor €'000	Other €'000	Total €'000	
Gross written premiums	101,344	50,827	9,347	16,158	177,676	
Premium ceded to reinsurers	(9,074)	(37,460)	(836)	(2,246)	(49,616)	
Change in the gross provision for unearned premiums	4,178	(1,543)	350	460	3,445	
Change in the reinsurance provision for unearned premiums	16	(104)	-	-	(88)	
Net earned premiums	96,464	11,720	8,861	14,372	131,417	
Gross claims paid	(68,006)	(13,516)	(5,492)	(2,665)	(89,679)	
Claims recovered from reinsurers	3,562	6,930	-	66	10,558	
Gross change in contract liabilities	11,606	(1,213)	(1,358)	1,871	10,906	
Change in contract liabilities recoverable from reinsurers	1,194	2,210	140	520	4,064	
Claims incurred net of reinsurance	(51,644)	(5,589)	(6,710)	(208)	(64,151)	
Technical underwriting result - net	44,820	6,131	2,151	14,164	67,266	
Commission income	596	13,394	59	349	14,398	
Operating expenses	(20,430)	(10,246)	(1,884)	(3,257)	(35,817)	
Underwriting expenses	(1,367)	(3,197)	(57)	(191)	(4,812)	
Underwriting result	23,619	6,082	269	11,065	41,035	
Net investment return	38,796	19,457	3,578	6,186	68,017	
Profit before taxation	62,415	25,539	3,847	17,251	109,052	
Net insurance liabilities	514,918	25,471	19,157	18,585	578,131	

Analysis of underwriting result by location	2025			2024		
	Republic of		Total	Republic of		Northern
	Ireland	Northern Ireland		Ireland	Ireland	
	€'000	€'000	€'000	€'000	€'000	€'000
Gross written premiums	179,882	-	179,882	177,676	-	177,676
Premium ceded to reinsurers	(54,552)	-	(54,552)	(49,616)	-	(49,616)
Change in the gross provision for unearned premiums	(3,034)	-	(3,034)	3,445	-	3,445
Change in the reinsurance provision for unearned premiums	10,687	-	10,687	(88)	-	(88)
Net earned premiums	132,983	-	132,983	131,417	-	131,417
Gross claims paid	(89,408)	(261)	(89,669)	(89,570)	(109)	(89,679)
Claims recovered from reinsurers	13,976	-	13,976	10,558	-	10,558
Gross change in contract liabilities	(24,615)	(496)	(25,111)	10,996	(90)	10,906
Change in contract liabilities recoverable from reinsurers	3,820	-	3,820	4,064	-	4,064
Claims incurred net of reinsurance	(96,227)	(757)	(96,984)	(63,952)	(199)	(64,151)
Technical underwriting result - net	36,756	(757)	35,999	67,465	(199)	67,266
Commission income	12,307	-	12,307	14,398	-	14,398
Operating expenses	(32,507)	-	(32,507)	(35,817)	-	(35,817)
Underwriting expenses	(5,388)	-	(5,388)	(4,812)	-	(4,812)
Underwriting result	11,167	(757)	10,410	41,234	(199)	41,035
Net investment return	41,631	-	41,631	68,017	-	68,017
Profit/(loss) before taxation	52,799	(757)	52,042	109,251	(199)	109,052
Net insurance liabilities	587,741	4,028	591,769	574,762	3,369	578,131

[Appendix 1](#) and [Appendix 2](#) provide further detail on the underwriting performance as per the year end *S.05 Premium, Claims and Expenses* Templates and the *S.19.01.21 Non-Life insurance Claims* Template.

A.3 Investment Performance

The company gained €41.6m from investments this year, outperforming benchmarks but below last year's figure of €68m. Corporate Bonds yielded strong returns due to economic growth, while Global equities performed well, though US dollar weakness offset US gains in Euro terms. FX derivatives saw high gains, primarily from the declining US dollar. European Government Bonds had modest returns due to ECB caution and increased fiscal spending, but maintained high credit ratings (AA for government, A- for corporate). The office property portfolio also reported positive results, driven by strong rental income and a successful disposal of one of the investment properties.

The following tables show an analysis of the investment return compared to the prior year, as per the financial statements.

Analysis of net investment return						
	Investment income	Net realised gains/ (losses)	Net unrealised gains/ (losses)	FX gains/ (losses)	Investment expenses	Total investment return
2025	€'000	€'000	€'000	€'000	€'000	€'000
Investment properties	4,635	456	477	-	-	5,568
At fair value through profit or loss						
- Debt securities	31,748	2,444	(9,188)	(257)	-	24,747
- Equity securities	4,216	6,694	5,435	(10,821)	-	5,524
Loans and receivables						
- Loans to local authorities	117	-	-	-	-	117
- Deposits with credit institutions	658	-	-	-	-	658
Cash and cash equivalents	823	-	-	-	-	823
Derivatives	-	-	-	8,344	-	8,344
FX gain/(loss) on insurance business	-	-	-	(318)	-	(318)
Investment Income	42,197	9,594	(3,276)	(3,052)	-	45,463
Investment charges	-	-	-	-	(3,832)	(3,832)
Total net investment return	42,197	9,594	(3,276)	(3,052)	(3,832)	41,631

Analysis of net investment return						
	Investment income	Net realised gains/ (losses)	Net unrealised gains/ (losses)	FX gains/ (losses)	Investment expenses	Total investment return
2024	€'000	€'000	€'000	€'000	€'000	€'000
Investment properties	5,502	-	(840)	-	-	4,662
At fair value through profit or loss						
- Debt securities	25,105	(3,396)	13,480	609	-	35,798
- Equity securities	4,810	14,039	7,807	4,237	-	30,893
Loans and receivables						
- Loans to local authorities	314	-	-	-	-	314
- Deposits with credit institutions	1,173	-	-	-	-	1,173
Cash and cash equivalents	1,334	-	-	-	-	1,334
Derivatives	-	-	-	(5,112)	-	(5,112)
FX gain/(loss) on insurance business	-	-	-	(255)	-	(255)
Investment Income	38,238	10,643	20,447	(521)	-	68,807
Investment expenses	-	-	-	-	(790)	(790)
Total net investment return	38,238	10,643	20,447	(521)	(790)	68,017
Allocated investment return transferred to the insurance technical account						(54,009)

The company has no gains / losses recognised directly in equity because all gains and losses are recognised through the Profit & Loss Account as opposed to through the Statement of Changes in Equity. The company does not engage in any securitisation.

The company assets are invested in highly rated investments in accordance with the “prudent person principle”. Investment decisions are made in the best interests of Members and other stakeholders. The fundamental objective is that all valid claims and expenses are paid as they fall due. In practice, assets are allocated into two notional portfolios which have different objectives – the matched portfolio and the risk portfolio. These objectives are discussed in more detail later in this Report.

A.4 Performance of other activities

Operating expenses were up compared to the prior year. Total operating expenses amounted to €35.0m for the year (2024: €34.3m). The largest component of operating expenses related to staff costs.

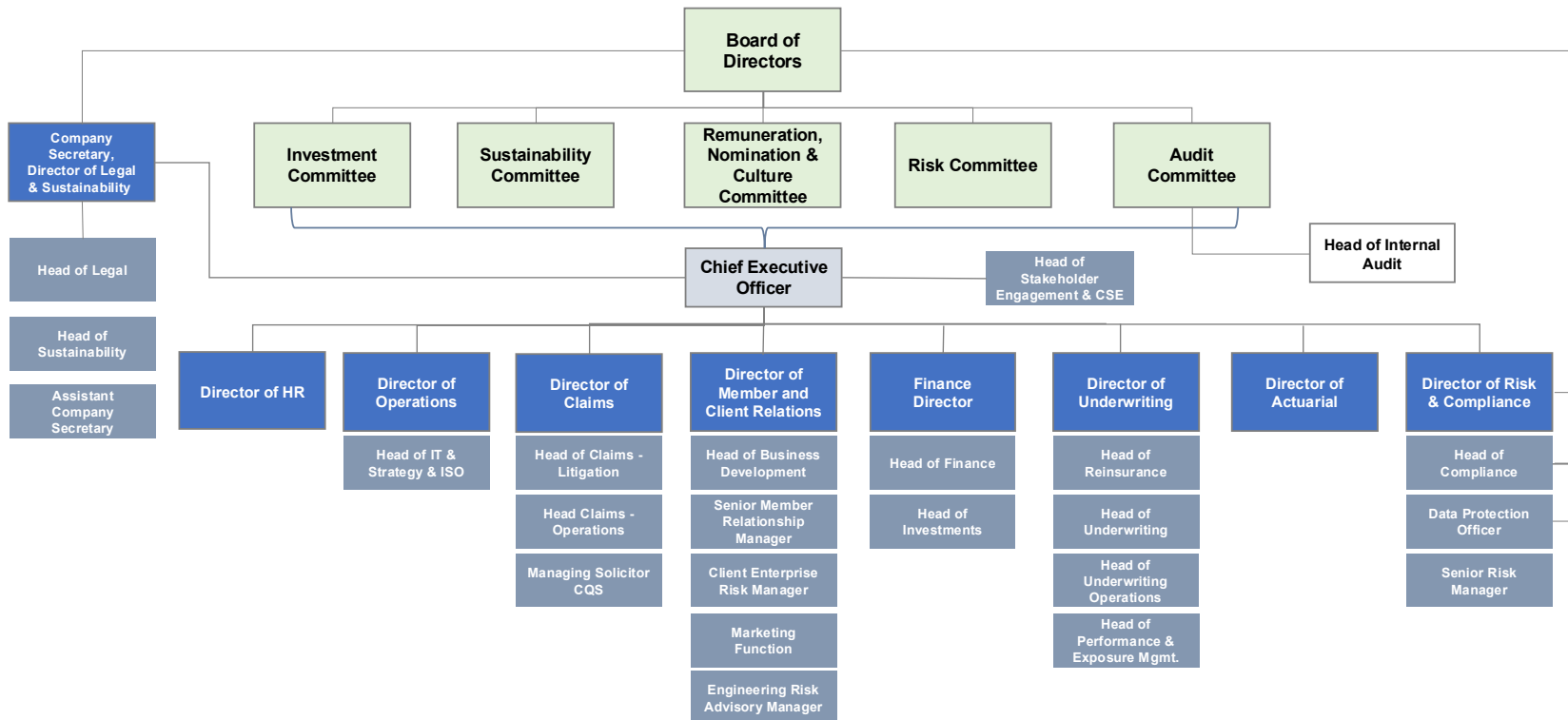
A.5 Any other Information

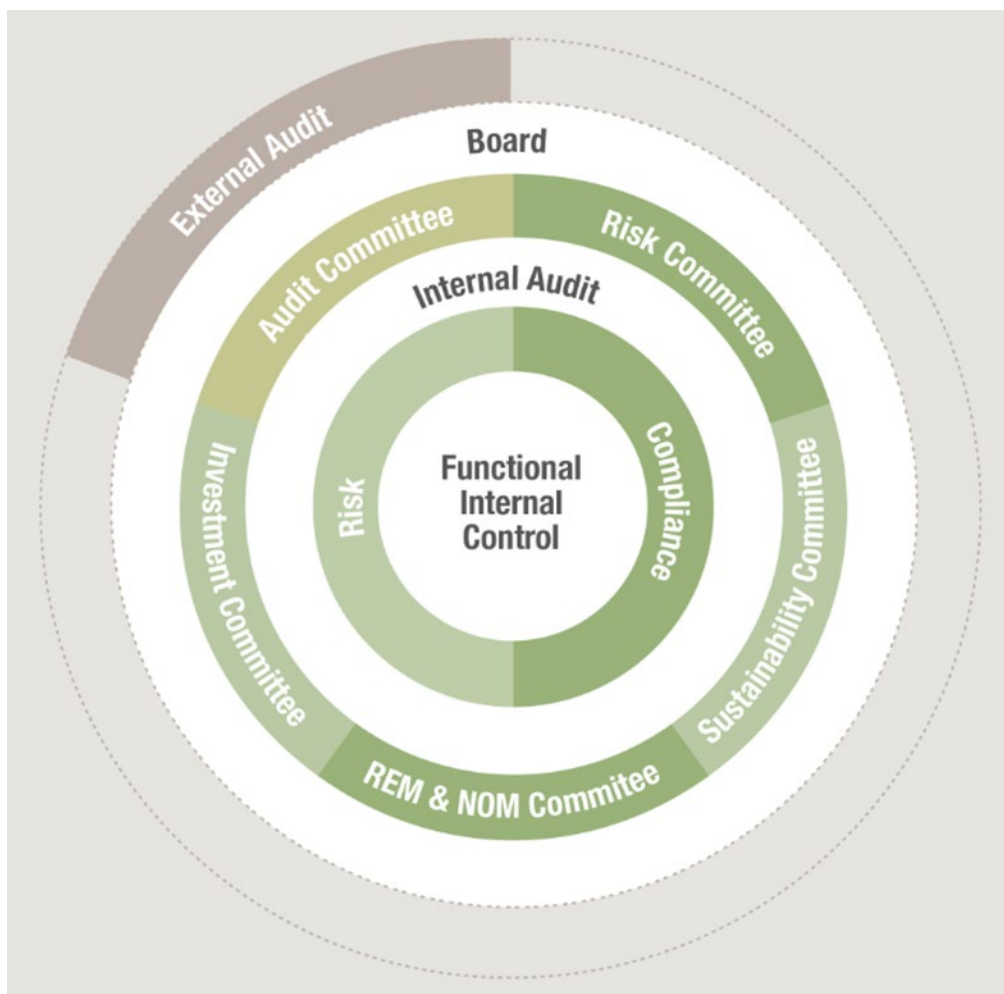
A €12m Members' commercial Distribution was paid during the year. A special Distribution of €20m was also paid during the year which arose due to a decision to return to our Members the once-off release of reserves relating to Government insurance reforms.

B: System of Governance

3. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

IPB Confidential





B.1 General Information on the System of Governance

Role of the Board of Directors

The key role of the Board involves leadership and oversight of the Chief Executive Officer's ("CEO") effective implementation of the business's strategy. The Chair, John Hogan, is responsible for leading the Board and ensuring the full participation of each Director. Constructive challenge by the Board to management is critical in providing assurance to the company's stakeholders that the business and its management team achieve appropriate governance standards while meeting the goals and objectives of the business.

Board of Directors Composition

The composition of the Board is consistent with regulatory requirements and responsive to the evolution of the company's business activities. The Board, following Central Bank consultation on its optimum composition, consists of three Group Non-Executive Directors (GNED) (John Hogan, Ronan McMahon and Eddie Hoare, four Independent Non-Executive Directors ("INED") (Caitríona Somers, Barbara Cotter, Joan Garahy and Mary Cregan) and two Executive Directors, the CEO, John Kearns, and the Finance Director, Enda Devine. There is a clear division of responsibilities between the Chair and the CEO. The Board has

the strength and balance to ensure that all aspects of the business are addressed. The skills of the INEDs assist with the development of the business while the GNEDs ensure maintenance of the experience of the Membership's operations. The Executive Directors have a significant amount of technical, financial and insurance experience and they are tasked with delivering on the strategic objectives of the company and in doing so, oversee the day-to-day operations of the company. Each Member of the Board participates in a comprehensive training and development programme to ensure continuous skills enhancement.

Board Committees

The company has in place a comprehensive set of terms of reference, policies and procedures supporting all aspects of its governance and control framework all of which is appropriate to its nature, size and complexity. The Board delegates, and in no way abrogates, authority to the following Board Committees to complete programmes of work on its behalf with clear terms of reference ensuring regular reporting to the Board:

- **A Risk Committee**, the main role of which includes responsibility to establish, document and devolve throughout the company a comprehensive risk management framework. The Risk Committee assists the Board with its oversight of risk and risk management. It meets at least four times per year and follows a structured approach that covers all key risk types within the business, including emerging and strategic risks. The Risk Committee is advised by subject matter experts on risk management, underwriting, claims, investments and compliance.
- **An Audit Committee**, the main role of which includes responsibility for maintaining oversight of the company's financial reporting, internal controls, audit processes and processes for monitoring legal and regulatory compliance. The Audit Committee also reviews the escalation process for employees in accordance with the company's Speak Up Policy.
- **An Investment Committee**, the main role of which includes responsibility for ensuring discharge by the Board of its oversight responsibilities in respect of the conduct of the company's investment management operations within approved investment policy and risk parameters. The Investment Committee also monitors the compliance of the company's investment activities with legislative provisions and regulatory requirements.
- **A Remuneration, Nomination and Culture Committee**, the main role of which includes responsibility for recommending succession planning for the Board and Management for Board approval. This includes overseeing the fitness and probity process associated with the appointment or removal of Board members and any head of control function by conducting an annual review of their compliance with requisite standards. The Remuneration, Nomination and Culture Committee is also responsible for Board recommendation of the company's Remuneration Policy, non-executive Director fee structures, and the remuneration of Executive Directors and individuals remunerated per criteria specified in its Terms of Reference.
- **A Sustainability Committee**, which includes responsibility for setting tone and developing the company's sustainability ambitions and strategy whilst ensuring that the company's Sustainability Strategy has a balanced focus on Environmental, Social and Governance aspects.

Independent Control Functions

The company has also established the four key independent control functions required under the Corporate Governance Requirements for Insurance Undertakings 2015 and in accordance with Articles 44, 46, 47 and 48 of the Solvency II Directive – Risk Management, Compliance, Actuarial and Internal Audit. These functions are responsible for providing oversight of and challenge to the business and for providing assurance to the Board in relation to the company's control framework. Each of the independent functions

have direct reporting lines to the Board, as well as the relevant Board Committees. These functions are discussed in more detail later in this report.

Remuneration, Employee Benefits and Practices

It is the policy of IPB to provide all employees of the company with appropriate remuneration and incentives to encourage high performance and to ensure that they are, in a fair and responsible manner, rewarded for their individual contributions which are aligned to the success of the company while also ensuring that the principles of sound, prudent risk management are fully reflected. The Remuneration Framework is designed to ensure that excessive risk taking is neither encouraged nor rewarded, having regard for IPB's mutual status and value creation for IPB's stakeholders.

Our philosophy has the objective of retaining, developing, motivating, and attracting high-performing employees, and fairly and responsibly rewarding individual contributions to IPB's success in realising the company's strategic objectives and in adherence to risk appetite, whilst ensuring that excessive risk taking is discouraged. IPB's remuneration Policy and practices are aligned with IPB's strategic direction, strategy, and stakeholders' interests and consistent with a reasonable assessment of its financial situation and prospects.

We have adopted a clear D&I strategy that sets out our diversity priorities in respect of Gender Balance and Pay Gap, Diversity of Thought, Under-represented groups, and Generational Diversity (age and tenure). We have also defined our strategic priorities in respect of inclusion to include Fairness and Respect, Safety and Openness, and Empowerment and Growth. Together, these priority areas are designed to drive an increased sense of Value and Belonging which is central to ensuring that we have the right culture in place – one which has diversity and inclusion as key building blocks.

In addition, the company places significant strategic importance on Sustainability and has a clear and widely communicated Sustainability Strategy with clear measures of success and targets. A refreshed Sustainability Strategy for the period to 2029 is under development and will be subject to Board review and approval in early 2026.

In setting objectives at a company level, a balanced scorecard approach is adopted. Objectives are set in respect of financial performance, Member & Customer, Strategy & Process and People & Culture. This balanced scorecard approach ensures that there is a rounded assessment of the performance of the company reflecting all key strategic considerations and measures of success. This balanced scorecard approach is reflected in individual performance assessments also which further underpins our commitment to ensuring that our remuneration practices neither encourage nor reward excessive risk taking.

The key principles underpinning IPB's Remuneration Policy are:

To reflect IPB's commitment to compliance with applicable legal and regulatory requirements, including but not limited to the Corporate Governance Requirements for Insurance Undertakings 2015, the Central Bank of Ireland's Guidelines on Variable Remuneration Arrangements for Sales Staff issued in 2014, the EIOPA Guidelines on the System of Governance, the Solvency II Delegated Regulation (EU) 2015/35, the EIOPA Opinion on the Supervision of Remuneration Principles in the Insurance and Reinsurance Sector and the Central Bank's Guidance for (Re)Insurance Undertakings on Climate Change Risk.

In addition, the Remuneration Policy and associated practices are aligned with the company's overall strategy, risk profile, objectives, risk management practices and long-term interests of all stakeholders. This includes our commitment to sustainability and to the management of sustainability risks, including climate change, to our business in the medium and long term. The policy and framework are based on company Objectives which are agreed by the Board on an annual basis and reflect our long-term strategic priorities, our purpose, and a commitment to our culture, values, and behaviours.

The company provides employees, including Executive Directors, with a range of benefits including income protection and death in service benefits. Employees are also provided with health insurance contributions and contributions payable into the company's defined contribution pension plans based on percentage of salary, to which they can also contribute to suit their circumstances.

Share options or shares do not form part of the available employee benefits however the company operates an annual bonus plan for employees payable in certain circumstances subject to the assessment of both individual and company performance. The focus of the company's approach to variable remuneration, which is secondary in terms of quantum and certainty of availability relative to fixed remuneration, is on ensuring sound and effective risk management and avoidance of potential perception or encouragement of excessive risk taking. This is achieved through framing eligibility to participate on satisfactory company and individual performance, inclusion of financial and non-financial measures and with submission of the company performance objectives against which overall performance is measured and evaluated to the Remuneration, Nomination and Culture Committee and the Board for annual review and approval.

A comprehensive Learning and Development framework, supported by educational assistance and comprising internal and external training and leadership development, is available to employees. A wide range of additional, non-financial, benefits are also provided by the company to employees to ensure that the employee value proposition is both compelling and in line with the wider market and supports our aim of retaining and attracting employees with the necessary skills, capabilities, and experience to positively contribute to realising our shared strategic objectives.

The company, through the Remuneration, Nomination and Culture Committee of the Board of Directors, continually reviews the Remuneration and Benefits Framework in place to ensure that it is appropriate in the context of all market, regulatory, and compliance requirements.

Material Transactions with Members during the reporting period

Outside of the provision of insurance products to our Members, the company historically issued a number of loans to local authorities for the purpose of developing local community initiatives (including local authority premises, roads and amenities). The company ceased providing these loans with effect from 2009, therefore there were no loan advances made to local authorities during the year. Loan capital repayments and interest payments made by the local authorities during the year amounted to €1.1m (2024: €4.2m). Loan balances outstanding at year end amounted to €2.9m (2024: €3.9m).

B.2 "Fit and Proper" and Individual Accountability Framework requirements

The company has always been committed to ensuring its employees are of the highest calibre. The company's Fitness & Probity & Minimum Competency Policy illustrates its commitment to adherence to legal and regulatory requirements in engaging personnel and reinforces the philosophy of ensuring that all employees perform their duties with integrity and a strong sense of ethical responsibility.

Its provisions apply to any employee, non-employee such as Directors, candidates, temporary staff, contractors or third-party service providers of the company who perform duties that are considered, by the Central Bank to involve either a Controlled Function (“CF”) or a Pre-approval Controlled Function (“PCF”). Its provisions apply from the beginning of the recruitment process and due regard to them must be considered as mandatory during any recruitment of persons performing duties involving a CF or PCF, and the application of the Fitness & Probity (“F&P”) Standards and the Minimum Competency Code and Regulations 2017 (hereafter “the F&P regulatory requirements”) remain applicable and must be maintained throughout their employment with the company.

Standards

In order to meet the F&P regulatory requirements, the company does not allow a person to perform duties involving a CF or a PCF, unless satisfied, on reasonable grounds, that they meet the Central Bank Standards. As an employer, the company is responsible for ensuring that each of its CF or PCF personnel meets the F&P regulatory requirements, on entry to the financial services industry and throughout their career.

The company is satisfied of its ability to judge whether an individual has the competence, experience and ability to understand the technical requirements of the business, the inherent risks and the management processes required to conduct the operations of the company effectively. Whereas common standards of probity apply regardless of the size or activity of the company, the competence requirements will vary to reflect the nature of the post and the size and activity of the company and the applicable approach ensures that the company undertakes necessary due diligence to ensure satisfaction of the F&P regulatory requirements. In meeting the F&P regulatory requirements, a person performing duties involving a PCF or a CF role in the company must be:

- Competent and capable;
- Honest and ethical and act with integrity; and
- Financially sound.

The company undertakes a number of procedures to ensure the above requirements are met and to ensure compliance with the F&P regulatory requirements and the company’s F&P Policy. Such procedures include the following:

Heads of Department

Heads of business departments within the company have overall responsibility for ensuring that all employees in their respective departments are aware of and adhere to the company’s F&P Policy and to provide relevant information to the Human Resources Department and the Compliance Department as requested in relation to compliance with the F&P Policy.

Compliance Department

The Compliance Department ensures that the F&P Policy is available to all employees on the compliance page of the company’s intranet and that education and training in relation to the F&P Policy is provided as required. In addition, the Compliance Department will review compliance with the F&P Policy as part of the overall compliance monitoring programme and ensure adherence to regulatory requirements.

Human Resources Department

The Human Resources Department is responsible for the implementation and maintenance of the company's Recruitment and Selection Policy which sets out the process for the recruitment of internal and external candidates to the company. The Recruitment & Selection Policy sets out the due diligence to be performed when recruiting for PCF and CF roles by management and HR.

In addition, the Human Resources Department is responsible for the maintenance of the internal registers related to F&P. The F&P Register must record all PCF and CF roles, both present and past. These registers are maintained on the Compliance Module of the company's HR system.

The Human Resources Department must ensure that the contract of employment for all new hires and appointees (whether PCF or otherwise) provides that the offer is subject to the necessary pre-employment fitness and probity screening and that for PCF roles, the offer is subject to and effective only on receipt of the Central Bank's prior approval in writing of the appointment of the person to perform the function.

Company Secretariat

The Company Secretariat Department is responsible, in conjunction with the Directors themselves, for ensuring INEDs and GNEDs are in compliance with the F&P Policy and the relevant regulatory requirements.

Remuneration, Nomination and Culture Committee

In accordance with the Terms of Reference of the Remuneration, Nomination and Culture Committee, the proposed arrangements particular to all employees categorised as PCF and/or CF1 and remunerated at defined levels must be presented to the Remuneration, Nomination and Culture Committee for approval and to the Board for noting before they commence employment with the company.

Due Diligence

The company is required to undertake due diligence to ensure that the F&P Standards are met. The Recruitment & Selection Policy sets out the due diligence to be performed when recruiting all staff members including PCF and CF role holders. This due diligence exercise is also carried out on an annual basis for all PCF and selected CF role holders to ensure ongoing compliance with the company's F&P Standards.

In the event that any material items are identified during the due diligence process this will be duly addressed and appropriately actioned. The company may engage with an external provider to assist with conducting due diligence.

Offers of employment are subject to full compliance being met by the candidate by checking F&P regulatory requirements, references, professional memberships and qualification, and court judgements.

This checking process is conducted by an external provider on behalf of the company. This service provides an independent, objective check in relation to candidates.

Outsourced Functions

Pre-approved Control Functions (PCF)

The company requires that all persons performing duties involving a PCF role on an outsourced basis are compliant with the F&P regulatory requirements.

Where a PCF role is outsourced to an ‘unregulated entity’, the company will obtain the Central Bank’s approval for the individual, who will perform the duties, prior to their appointment.

Control Functions

Where performance of duties involving a CF role is outsourced to an ‘unregulated entity’, the company requires the unregulated entity to be able to identify the individuals who perform such duties, and to assess whether they are compliant with the F&P regulatory requirements and obtain agreement to abide by them.

Ongoing Nature of Fitness and Probity requirements

F&P requirements are relevant and must be adhered to for the duration of an individual’s employment with the company. On an annual basis, the company requires all relevant employees to complete a F&P declaration and confirmation so that any material changes to an employee’s F&P status can be communicated to the company. All F&P declarations and confirmations are submitted to HR for retention on the employees’ files.

Individual Accountability Framework (“IAF”)

The implementation of the Central Bank (Individual Accountability Framework) Act 2023 was split into 3 phases.

- Phase 1 introduced both the Common Conduct Standards, which are a set of expected standards of conduct which apply to all individuals in Pre-Approval Control Controlled Function (“PCF”) and Controlled Function (“CF”) roles in the company, and the Additional Conduct Standards which apply to its senior executives, i.e. those in PCF roles or deemed to have significant influence (CF1) within IPB, from 29 December 2023. Enhancements to the previously existing Fitness & Probity Regime also became effective in 2023. The company established a project team which implemented these new requirements prior to the 29 December 2023 effective date.
- Phase 2 introduced the Senior Executive Accountability Regime (“SEAR”) which had an effective date of 1 July 2024 for all individuals in PCF roles, (except for (I)NEDs who had an effective date of 1 July 2025 and were included in Phase 3). The project team oversaw the allocation of Prescribed Responsibilities (“PRs”) to in-scope individuals and the drafting of Statements of Responsibilities (“SOR”) for each PCF role, and the development of the company’s Management Responsibilities Map (“MRM”).
- Phase 3, as noted above, saw SEAR apply to IPB’s (I)NEDs from 1 July 2025. This phase introduced seven PRs, which were allocated across four Board Members (the Board Chair and the Chairs of the Audit, Risk, and Remuneration Committees). However, SEAR applies to all Board Members who are NEDs and assume PCF designations, regardless of the application of PRs.

IPB undertakes a quarterly SEAR maintenance process for Senior Executives to ensure that any changes or updates relating to all individuals in scope of SEAR are captured in the MRM and SORs on an ongoing basis.

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

Risk Management Structure

Risk management is central to safeguarding the promise that the company makes to its policyholders and Members and in the interests of all stakeholders, risk management seeks to:

- Protect the company's operations by promoting a sound culture of risk awareness as well as disciplined and informed risk taking.
- Protect the company's strong capital base by monitoring to ensure that risks taken are not beyond the company's risk appetite.
- Support decision making processes by providing consistent, reliable and timely risk information.

The Board is responsible for ensuring that risk is effectively managed by those involved in running the company on a day-to-day basis. The Board establishes prudent and effective controls to manage risk via the Risk Framework and sets the company's appetite for risk via the Risk Appetite Statement.

The Risk Committee assists the Board with its oversight of risk and risk management. The Risk Committee is advised by subject matter experts on risk management, underwriting, claims, investments and compliance.

Risk management is core to all business activities and staff are guided by documented policies and procedures, underpinned by an active and embedded risk management function.

The Management Risk Forum is a Committee of the Leadership Team of IPB with responsibility for supporting the Risk Function in risk identification, measurement, monitoring, management and reporting on material current and emerging risks within the company. This includes supporting the Director of Risk & Compliance who has distinct responsibility for the risk management function and for maintaining and monitoring the effectiveness of IPB's risk management system.

The Risk Framework

The Risk Framework describes the company's system to identify, measure, monitor, manage and report on risk in the business. It ensures that risk management is aligned with the company's strategic objectives and it is guided by seven key principles. The Risk Framework continues to be enhanced through evolving our risk identification, assessment and management by proactively monitoring and mitigating the threats and opportunities associated with the environmental, social and governance issues facing the company as well as our stakeholders. Implementation of the Risk Framework relies on a system of integrated risk management tools that promote a culture of risk management throughout the company.

The Board articulates risk appetite in order to ensure the solvency of the company at all times. Risk appetite is ultimately expressed in terms of detailed operating limits that guide the day-to-day activities of those entrusted to run the business. This enables the company to pursue its strategic objectives while limiting risk in a transparent and structured manner. All risks are monitored regularly, and certain risk types are monitored daily. Procedures are in place to reduce risk levels should operating limits be threatened, and a system of intermediate warning points is used to ensure that remedial action can be taken long before a breach is threatened as shown below:



Within Risk Appetite Status

The company is normally expected to operate within Risk Appetite.

Risk Appetite Proximity Warning

A Risk Appetite Proximity Warning indicates that a Risk Appetite Alert is threatened and corrective action is required.

In the event of a Risk Appetite Proximity Warning the Director of Risk & Compliance and the relevant business area shall take appropriate immediate steps to return the company to risk appetite. The Director of Risk & Compliance shall inform the CEO without undue delay. The CEO shall decide on the need for further escalation.

Risk Appetite Alert

A Risk Appetite Alert indicates that a Risk Appetite Limit breach is threatened and swift and decisive corrective action is required.

In the event of a Risk Appetite Alert the Director of Risk & Compliance and the relevant business area shall take the appropriate immediate steps to return the company to risk appetite. The Director of Risk & Compliance shall consider engaging the company's Incident and Error Management Policy. The Director of Risk & Compliance must inform the Risk Committee and any other relevant internal stakeholder without undue delay. The Risk Committee shall agree on necessary steps to restore appetite and consider further escalation to the Board.

Risk Appetite Limit Breach

A Risk Appetite Limit breach is serious and requires prompt action at Board level.

In the event of a Risk Appetite Limit breach the Director of Risk & Compliance must engage the company's Incident and Error Management Policy informing the Board without undue delay. The Board shall be briefed and furnished with a recommended plan to return to Risk Appetite. The details of the breach and the planned actions to remedy the breach must be communicated to the Central Bank by the Board promptly in writing.

The Risk Committee and the Board are regularly and at least annually informed by a comprehensive Risk Report and subject experts from relevant areas of the company. The Risk Report covers all risk types and includes detailed risk metrics and other data on key risk exposures. It also captures detailed information at the individual risk level. A dynamic Operational Risk Register is the key tool in the management of

operational risk. The risk management function engages with staff at all levels to ensure a detailed understanding of the various operational risks to which the company is exposed. The management of risk is further facilitated by a robust incident and error management policy promoting the prompt reporting and root cause analysis of incidents and errors.

Risk and other company policies define the formal risk management and risk control requirements of the company. The effectiveness of policies and key controls is regularly reviewed and tested.

Own Risk and Solvency Assessment (ORSA)

The ORSA is the entirety of the processes employed to identify, measure, monitor, manage, and report the material risks that the company faces, or may face. It expresses overall solvency needs in quantitative terms where possible, complemented by a qualitative description of the material risks.

The ORSA determines the overall capital necessary to achieve the strategic objectives of the company under a range of scenarios, including ensuring that solvency needs are met at all times. It also considers deviations from the assumptions underlying the SCR calculation.

The scope of the ORSA extends beyond regulatory capital requirements. The scope of the ORSA includes an assessment of:

- Overall solvency needs given the risk profile, risk appetite and strategic objectives
- Continuous compliance with capital requirements
- The significance with which the risk profile deviates from the Capital Model.

The ORSA shall be conducted in a manner that is proportional to the nature, scale and complexity of the risks to which the company is exposed. The ORSA process is conducted throughout the year on an annual cycle and relates to a 12-month period. Any material change to the business strategy also triggers an interim ORSA.

The company relies on the Solvency II standard formula Solvency Capital Requirement (SCR) as its key risk and solvency measure. Therefore, there is a dependency on the appropriateness of the SCR to model the risk profile of the company and in terms of input to strategic decision making. The appropriateness of the Standard Formula is assessed as part of the annual Own Risk and Solvency Assessment (ORSA) process.

On an annual basis IPB considers, and where possible tests, the materiality and appropriateness of the underlying assumptions and parameters of the SCR relative to the IPB business model. Key relevant risks deemed to fall outside the standard formula include catastrophe risk (flood and freeze), sovereign default risk, reputational, strategic, inflation and liquidity risk, all of which are tested via specific stress tests. Overall, those risks outside the standard formula are deemed to be adequately addressed by separate stress and scenario testing as well as qualitative measures. In addition, IPB stressed a number of the key calibrations of the SCR. The results of these stresses did not highlight any particular issues in terms of appropriateness for IPB.

B.4 Internal Control System

Description of Internal Control System

The Board is responsible for the company's internal controls system and its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement and/or loss. In

accordance with the Central Bank's Corporate Governance Requirements for Insurance Undertakings 2015, the Board confirms that there is an ongoing and regularly reviewed process for identifying, evaluating and managing any significant risks faced by the company. The key risk management and internal control layers that provide strong assurance to the Board include:

- Board Committees (as previously mentioned).
- An **internal audit function** and internal control framework which includes senior management whose leading role is to identify, keep under review and manage significant internal control risks facing the company.
- Underpinning all aspects of the business is a robust **risk management function** that oversees a risk management framework which includes the operation of approved risk management policies in the areas of underwriting, reinsurance, claims reserving and investments.
- A robust **compliance function** that oversees compliance and a regulatory governance framework providing assurance that the company operates in a transparent, controlled and compliant manner.
- A **legal function** that identifies and manages legal risks, providing legal advice and assistance across all business units and promotes the value of in-house legal services.
- A comprehensive system of **functional level controls** that are overseen by the various heads of functions including, inter alia, financial controls incorporating budgeting, periodic financial reporting and variance analysis.
- **Operational controls** such as physical access controls, IT controls, policies and procedures, four eye reviews, segregation of duties and authorisation limits.

All the above layers are reinforced by skilled and experienced management and employees who operate within an organisation structure of clearly defined lines of responsibility and authority.

The various layers of governance and control functions help to ensure that risks applicable to the company are identified and appropriately managed and internal controls are in place and are operating effectively. Supporting these layers of oversight are a number of internal controls that are pervasive across the organisation.

Description of how the compliance function is implemented.

Position within IPB Insurance

The compliance function is led by the Head of Compliance. The Head of Compliance is responsible for the compliance function and reports to the Director of Risk & Compliance with additional reporting lines directly to the CEO and the Board. The role of the Head of Compliance includes both the management of regulatory matters and the oversight of the implementation of relevant legislation by Management as required within the business. This is with the co-operation and strong participation of Management within that process particularly with respect to the day-to-day operational requirements which are the responsibility of Management.

The Head of Compliance is an invitee to the Board, Audit Committee, Risk Committee, Investment Committee and the Remuneration, Nomination and Culture Committee meetings, as required. The Head of Compliance retains direct access to the Board should the need arise.

Roles & Responsibilities

The role of the compliance function is to provide sufficient assurances to the Board to enable it and its members to discharge its statutory duties to ensure compliance with relevant obligations. The compliance function reports to the Board via the Compliance Report. IPB has a Compliance Management Policy and Framework in place and its fundamental building block is a strong compliance culture, based on support and commitment from the Board and Management. The compliance function implements the Framework through the following key high-level activities:

- Assurance
 - Identification, measurement and assessment of compliance risk
 - Review of new and emerging regulatory risks
- Oversight
 - Monitoring, testing and reporting on compliance risks
- Support
 - Provision of Compliance advice and guidance to management and the Board
 - Compliance Training
- Regulatory Relationship Management

B.5 Internal Audit Function

Description of how the internal audit function is implemented.

Position within IPB Insurance

The role of the internal audit function is to provide independent, objective assurance in relation to the effectiveness of the company's internal control system. IPB have outsourced the role of internal audit to an independent third party, Forvis Mazars, to carry out the internal audit role.

The company's internal audit function's primary reporting responsibility is to the Chair of the Audit Committee. They also report directly to the CEO and/or Audit Committee on findings in respect of the above or other material considerations which may come to light. In addition, it may address such issues with the appropriate level of senior management and will have direct access to the Board Chair. It also engages with the Director of Risk & Compliance as relationship manager for this outsourced function with a view to ensuring that the function operates effectively within the company and is supported by Management.

Roles & Responsibilities

The primary role of the internal audit function is to ensure that the internal audit process is performed for the company in an efficient and effective manner. The internal audit functions are carried out using a risk-based approach, and address:

- *Compliance* – adherence to legislation, as well as to the company's established policies, standards, and procedures.
- *Operational* - the quality of formal policies, standards, and procedures, and the quality of management, efficiency of operations, the design and maintenance or the adequacy of procedures and internal controls.
- *Integrity* – systems integrity and soundness, including design and implementation, fraud, monitoring of employee activities, and the reliability and integrity of financial matters.

- *Safeguard of Assets* – reasonable assurance regarding prevention, timely detection of unauthorised acquisition, use or disposition of the company’s assets.

Description of how its independence and objectivity is maintained.

As a role involving performance of a control function, the internal audit function operates independently of the business units of the company. The internal audit function will be given independence and sufficient authority and resources to enable it to carry out its tasks in an effective manner.

If the internal audit function concludes that its independence and/or authority has been compromised, these concerns should be brought to the attention of the CEO and/or the Board.

The Audit Committee carries out an assessment of the independence of the internal audit function on an annual basis.

B.6 Actuarial Function

Description of how the actuarial function is implemented.

Position within IPB Insurance

The actuarial function is led by the Director of Actuarial, who is responsible for all aspects of the Head of Actuarial Function role, (“DoA”) and is supported by the actuarial team.

The DoA is responsible for the effective delivery of the actuarial function and reports to the CEO, with additional reporting lines to the Board to ensure independence. The DoA role includes provision of regulatory related material (required actuarial reports and supporting analysis) and other day-to-day tasks around pricing and general reserve management.

The DoA is an invitee to the Board, Audit Committee and the Risk Committee, as required. The DoA retains direct access to the Board should the need arise.

The actuarial function operates with independence in the assessment of the reserves and has access to all information required in the performance of this function.

Roles & Responsibilities

The main role of the actuarial function is to provide required regulatory assessments for the company, including an opinion on the technical provisions of the company, in the form of the Actuarial Opinion on Technical Provisions accompanied by the Actuarial Report on Technical Provisions. Other statutory opinions provided annually include the Actuarial Opinion on the ORSA process, the Actuarial Opinion on Overall Underwriting Policy and the Actuarial Opinion on the Adequacy of Reinsurance Arrangements.

The actuarial function provides quantitative information required for the ORSA, including assessments of the SCR under forward looking scenarios and stress testing. Other input includes contributing to the identification and assessment of risks to which the company is exposed.

In addition, the actuarial function conducts many day-to-day tasks for the company, including providing independent pricing reviews, support in reinsurance renewals and calculation of the technical provisions on a quarterly basis.

Potential conflicts of interest between the responsibilities specified under Solvency II regulation, and other day-to-day activities have been addressed by:

- Personal performance of DoA is not based on measures that conflict with the independence of opinions.
- The remuneration of the actuarial function is not dependent on company performance.
- The DoA does not have reporting lines to Underwriting or Reinsurance.
- The DoA has day to day reporting lines to the CEO and overall to the Board with the prerogative to raise issues directly with the Board if required.
- The DoA does not have direct responsibility for premium rates or reinsurance purchase.
- All pricing / reinsurance decisions are subject to approval by Committees and the Board.

B.7 Outsourcing

The Board recognises that the accountability of the Directors and Management of IPB cannot be delegated to the entities providing the outsourced facilities. Moreover, the Board is aware that while the outsourcing of certain activities can create a number of benefits to IPB, there are a number of risks attached that need to be managed effectively. Accordingly, IPB has in place a comprehensive Vendor Management Framework and Policy and an Outsourcing Strategy, both of which have been approved by the Board, as well as firmly established oversight procedures.

IPB outsources some activities to third parties, the critical outsourcing services provided are as follows;

Description of critical outsourced service	Country of Vendor Supplier
IT Back up, Disaster Recovery and hot site	Ireland
Internal Audit	Ireland
Cloud storage of Microsoft applications	Ireland
Regulatory reporting software (Cloud)	France

B.8 Assessment of Governance

The company completes an annual corporate governance code review assessing its compliance with the Corporate Governance Requirements for Insurance Undertakings 2015 providing the company with an opportunity to assess itself and evidence its compliance with these requirements annually. Where there are changes to the business strategy that may result in changes to internal processes and products, processes exist such as the new product approval process to ensure the effective inclusion of all areas of the business to assess both the impact and risk of such changes to the business model. There is also ongoing assessment of internal controls that support the company's effective decision making and governance through the company internal audit programme, the compliance monitoring and review programme and the risk review programme. These individual review programmes provide their outputs to the Board and its Committees as part of the regular reporting issued by each function. The Board of the company are responsible for the oversight and effective implementation of best practices as well as regulatory requirements for corporate governance within the company. The regular internal review carried out on the company's system of governance is in accordance with Regulation 44(3) and 44(9) of S.I.485.

As referred to in B.2 above, the implementation and embedding of the requirements of IAF and SEAR has led to the increased level of documentation of the company's governance arrangements with the drafting of Statements of Responsibilities for each PCF role, and the allocation of Prescribed Responsibilities to in-scope individuals and the development of the company's Management Responsibilities Map.

The company has no further information to disclose relevant to its systems of governance.

C: Risk Profile

Section C provides information on the key risks encountered by the company as well as the corresponding processes for monitoring the risk exposures and the techniques in place for mitigating these risks.

Risk Management Objectives and Risk Profiles

The risk management function is led by the Director of Risk & Compliance, who is responsible for all aspects of the Chief Risk Officer role.

The Director of Risk & Compliance is responsible for the design and implementation of the risk management system. It oversees the identification, measurement, monitoring, management and reporting of all risk types. The company's risk profile is stable and is currently dominated by underwriting risk and market risk. Other key risks that the company faces includes credit, liquidity, operational (including operational resilience), cyber, strategic, reputational, climate and conduct risks. The risk management function reports to the Director of Risk & Compliance with additional reporting lines directly to the CEO and Board.

The key internal risk metric is the Solvency II Solvency Capital Requirement which quantifies the key risks to the business. The SCR is calibrated to a level which is broadly consistent with a 1 in 200-year event over a 12-month time horizon. The SCR facilitates the quantification of risk at the individual risk level and allows for diversification between risk types.

C.1 Underwriting Risk

Underwriting risk is the key risk type to which the company is exposed and arises from uncertainty in the occurrence, amounts and timing of non-life insurance obligations. The key risk associated with any insurance contract is the possibility that an insured event occurs and that the timing and amount of actual claim payments differ from expectations. The principal lines of business covered by the company include public liability, employers' liability, motor and property. The company manages underwriting risk through its underwriting strategy, claims handling and reinsurance arrangements. Insurance obligations can take many years to settle, and the company sets aside reserves to cover all past liabilities. There is a risk that the cost of these liabilities may be higher than anticipated, in some cases significantly so.

Risk Exposure

Underwriting risk is restricted to lines and territories where the company has an underwriting competency. In effect, policy limits are set at a level to mitigate the impact of extreme loss experience to a manageable proportion of capital.

The key underwriting risk metric is the Net Loss Ratio. This assesses claim performance versus premium earned. It is recognised that the insurance cycle, exceptional individual losses, catastrophes, the inherent volatility of insurance losses and other dynamics will cause underwriting performance to fluctuate over time. Whilst the company will tolerate a degree of short-term volatility, a more stringent standard is set in the longer term. As at the 31 December 2025, the company's net loss ratio stood at 72.9% (2024: 48.8%).

Risk Concentration

The company is susceptible to claim aggregation due to policyholders being concentrated by type, risk exposures and other factors. All underwriting risk is concentrated in the Republic of Ireland. Business is also concentrated by line of business, being predominantly Public Liability, though there are material volumes of Employers Liability, Property and Commercial Motor. Smaller volumes of Personal Motor, Professional Indemnity and other lines offer further diversity. The other significant insurance risk concentration relates to the fact that the company primarily insures public sector organisations. While keeping the insurance needs of Members at the top of the agenda, the company endeavours to apply core underwriting competencies to further diversify the insurance portfolio into complementary lines and policyholders. In any case, concentrations are actively managed and are significantly mitigated by an appropriate reinsurance programme.

Risk Mitigation

The Underwriting Policy which is approved by the Board, establishes the underwriting strategy and principles and it defines underwriting limits, risk selection, authorities, escalation procedures and actuarial review requirements. It is implemented by means of underwriting guidelines. As with all company policies, the Underwriting Policy, together with, the underwriting approval limits set out in the company's Authorisation Levels and Signatories Document, are reviewed on an annual basis to ensure their continued effectiveness. The company has developed its underwriting strategy to diversify the type of insurance risks written, and within each of the types of risk, to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. The underwriting strategy includes the employment of appropriately qualified underwriting personnel, the targeting of certain types of business, constant review of pricing policy using up-to-date statistical analysis and claims experience and the surveying of risks carried out by experienced personnel.

The Reinsurance Policy which is approved by the Board establishes the reinsurance strategy and principles. The extensive reinsurance programme, delivered by a well-diversified panel of high-quality reinsurers, reduces the variability of the underwriting result. For its motor, employer's liability and public liability business, the company has in place excess of loss reinsurance treaties. For its property business, the company operates proportional and catastrophe reinsurance treaties. Again, the Reinsurance Policy, together with, the relevant approval limits set out in the company's Authorisation Levels and Signatories, are reviewed on an annual basis to ensure their continued effectiveness.

A primary objective of the company is to ensure that sufficient reserves are available to cover liabilities. The company uses an in-house actuarial team supported by external reviews to assist with the estimation of liabilities to ensure that the company's reserves are adequate and there is oversight of the reserving process through internal management and Board committees. The company holds a margin for

uncertainty in addition to best estimate reserves to reduce the likelihood of inadequate reserves materialising.

C.2 Market Risk

Market risk arises from financial instrument market price volatility. It reflects the structural mismatch between assets and liabilities, particularly with respect to duration. It includes interest rate risk, equity risk, property risk, spread risk, currency risk and asset concentrations.

Prudent Person Principle

The company assets are invested in highly rated investments in accordance with the “prudent person principle”. Investment decisions are made in the best interests of policyholders and other beneficiaries. Consequently, the fundamental objective is that all valid claims and expenses are paid as they fall due. In practice, assets are allocated into two notional portfolios which have different objectives – the matched portfolio and the risk portfolio.

The Matched portfolio

The primary investment objective of the matched portfolio is to ensure that the company meets policyholder obligations as they fall due. This implies high quality, secure and liquid investments with characteristics that approximately match those of the liabilities. The secondary investment objective of the matched portfolio is to maximise investment returns over the long term to contribute to long-term profitability, subject to a pre-defined and limited risk appetite as per the Risk Appetite Statement. The performance of the matched portfolio will be assessed on a total return basis against a benchmark portfolio that approximates to a risk-free portfolio with a duration profile equal to that of the liabilities.

The Risk Portfolio

The risk portfolio is composed of all investments that are surplus to the matched portfolio. The primary investment objective of the risk portfolio is to contribute to long-term profitability through investment returns. The secondary investment objectives of the risk portfolio are capital preservation, diversification of the overall portfolio and facilitation of the long-term strategic objectives of the company, subject to a pre-defined and limited risk appetite. The performance of the risk portfolio is assessed on a total return basis against a combination of published benchmark indices which together approximate to the profile of the risk portfolio in terms of asset classes, territories, duration and other characteristics.

Risk Exposure

The level of surplus assets currently in the business results in a risk profile that has a significant weighting towards market risk. The principal market risk relates to equity holdings. The company invests only in assets and instruments whose risks can be properly identified, monitored, managed and taken into account in the assessment of solvency. The company follows a high-quality, low-risk investment strategy aligned to the prudent person principle. The focus is on high-quality bonds and cash, with limited holdings in equities and property.

Interest Rate Risk

Interest rate risk relates to the sensitivity of the values of assets and liabilities to changes in the term structure of interest rates. The company faces a significant interest rate risk due to the nature of its investments and liabilities. Interest rate risk arises primarily from the company’s investments in fixed interest debt securities and from insurance liabilities.

As at 31 December 2025, the company had the following assets that are exposed to interest rate risk as per the Financial statements:

Financial assets subject to interest rate risk		
	2025	2024
	€'000	€'000
Debt securities		
- Irish Government fixed-interest bonds	58,741	78,273
- Other government fixed-interest bonds - eurozone	408,866	398,161
- Other government fixed-interest bonds - non-eurozone	47,978	30,882
- Corporate bonds	490,236	456,006
Total	1,005,821	963,322

Equity Risk

Equity risk relates to the volatility of equity market prices. This volatility may be caused by factors specific to the individual financial instrument, factors specific to the issuer or factors affecting all similar financial instruments traded in the market. Equity risk excludes changes due to currency movements, which is considered as a separate risk type. The company is subject to equity risk due to changes in the market values of its holdings of quoted shares, unquoted shares and managed funds.

Property Risk

Property risk relates to the volatility of real estate market prices. The company is subject to property risk due to changes in the market values of its investment properties.

Spread Risk

Spread risk mainly relates to changes in the market value of bonds due to changes in the credit standing of the issuer. The company limits the credit quality of bonds in which it may invest.

The following table provides information as per the Financial Statements regarding the market risk exposure of the company by classifying debt securities by credit ratings as at 31 December 2025:

Market risk exposure by credit rating							Not	Total
	AAA	AA	A	BBB	BB	rated		
2024 to 2025	€'000	€'000	€'000	€'000	€'000	€'000	€'000	
Financial assets at fair value through profit or loss								
Debt securities								
2025	78,451	138,604	310,866	227,333	11,501	239,066	1,005,821	
2024	55,418	298,849	306,377	265,283	16,866	20,529	963,322	

Currency Risk

Currency risk relates to the sensitivity of the value of assets and liabilities to changes in currency exchange rates. The company's liabilities are mostly denominated in Euro. The company holds investment assets in foreign currencies, which gives rise to exposure to exchange rate fluctuations. The company is only exposed to high-quality currencies including British Pounds (GBP), US Dollars (USD), Swedish Krona (SEK), Danish Krone (DKK) and Swiss Francs (CHF).

As at 31 December 2025, the carrying amount of the company's foreign currency denominated assets as per the Financial Statements was as follows:

Carrying amount of the company's foreign currency denominated assets	Foreign currency gross €'000	Foreign currency derivatives €'000	Net €'000
2025			
British Pounds (GBP)	8,494	5,720	2,774
Danish Krone (DKK)	739	-	739
Swedish Krona (SEK)	649	-	649
US Dollars (USD)	131,135	95,660	35,475
Total	141,017	101,380	39,637

Carrying amount of the company's foreign currency denominated assets	Foreign currency gross €'000	Foreign currency derivatives €'000	Net €'000
2024			
British Pounds (GBP)	13,493	12,028	1,465
Danish Krone (DKK)	4,970	-	4,970
Swedish Krona (SEK)	974	-	974
Swiss Francs (CHF)	4,073	2,135	1,938
US Dollars (USD)	90,607	78,553	12,054
Total	114,117	92,716	21,401

Asset Concentration

Asset concentrations arise where there is a lack of diversification, e.g. by issuer.

Risk Concentration

Assets are diversified to avoid accumulations of risk in the portfolio as a whole. In particular, the company is not exposed to an excessive reliance on any one asset, asset class, counterparty, group of counterparties, territory or other investment characteristic. This is achieved by concentration limits and tolerance thresholds defined in the Risk Appetite Statement.

Risk Mitigation

Market risk is managed through the application of the company's Investment Policy and Risk Appetite Statement, each of which have been approved by the Board and reviewed on an annual basis. The Investment Policy outlines how market risks are managed. Investments are limited to assets whose risks can be properly identified, monitored and managed. The company employs appropriately qualified and experienced personnel to manage the investment portfolio. The Risk Appetite Statement defines the extent of permissible market risk exposures in terms of specific operational limits. It imposes limits on quantity, currency, territory, diversification, issuer credit quality, issue credit quality, duration and other characteristics. The company also enters into forward currency contracts to mitigate against currency risk. Consideration is given to the additional risk that a derivative presents, therefore, derivative counterparties are subject to minimum credit rating requirements and are required to be approved credit institutions. The continued effectiveness of these risk mitigation techniques is regularly monitored through a series of stress testing and scenario analysis, together with, internal audit reviews.

C.3 Credit Risk

Credit risk arises from an unexpected default or deterioration in the credit standing of counterparties and debtors, including reinsurance and premium receivables.

Risk Exposure

The company is exposed to credit risk from its operating activities, primarily customer and reinsurer receivables, from cash deposits and bonds from the investment portfolio, and from its loans to local authorities.

Risk Concentration

Credit concentration risk is managed via the company's Risk Appetite Statement. The Risk Appetite Statement requires diversification by reinsurance counterparty. In particular, no reinsurance counterparty may exceed 15% of the total reinsurance asset. This limit is increased to 25% for reinsurance counterparties with very high credit ratings, typically equivalent to S&P Global AA- or better. Limits are also set out in the Risk Appetite Statement for cash balances with credit institutions. The limits tend to be based on the credit quality of the approved credit institution.

Risk Mitigation

The Risk Appetite Statement sets out the operating limits for each reinsurance counterparty, cash counterparty and other credit exposures. The Risk Appetite Statement is regularly assessed for appropriateness and is approved by the Board annually.

The following table shows the carrying value of assets, as at 31 December 2025, that are neither past due nor impaired, the ageing of assets that are past due but not impaired, and assets that have been impaired as per the company's Financial Statements.

	Neither past					Carrying amount
	due nor impaired	Past due less than 30 days	Past due 31 to 60 days	Past due 61 to 90 days	Past due more than 90 days	
2025	€'000	€'000	€'000	€'000	€'000	€'000
Debt securities	1,005,821	-	-	-	-	1,005,821
Other investments	241,872	-	-	-	-	241,872
Reinsurance assets (outstanding claims and receivables)	65,182	498	25	-	-	65,705
Loans and receivables	2,896	-	-	-	-	2,896
Insurance receivables	5,323	1,067	57	36	68	6,551
	1,321,094	1,565	82	36	68	1,322,845

	Neither past					Carrying amount
	due nor impaired	Past due less than 30 days	Past due 31 to 60 days	Past due 61 to 90 days	Past due more than 90 days	
2024	€'000	€'000	€'000	€'000	€'000	€'000
Debt securities	963,322	-	-	-	-	963,322
Other investments	205,900	-	-	-	-	205,900
Reinsurance assets (outstanding claims and receivables)	62,124	-	-	-	-	62,124
Loans and receivables	39,797	-	-	-	-	39,797
Insurance receivables	5,519	1,233	229	235	116	7,332
	1,276,662	1,233	229	235	116	1,278,475

C.4 Liquidity Risk

Liquidity risk is the risk that the company does not have sufficient liquid financial resources, such as cash, to meet its financial obligations when they fall due. Liquidity risk also arises where assets can only be liquidated at a material cost.

Risk Exposure

The company is exposed to daily calls on its cash resources, mainly for claims and other expense payments.

Risk Mitigation

The Investment Policy is reviewed annually for continued effectiveness and sets out the assessment and determination of what constitutes liquidity risk for the company. Compliance with the policy is monitored and exposures and breaches are reported to the Risk Committee. Guidelines are set for asset allocations, portfolio limit structures and maturity profile of assets in order that sufficient funding is available to meet insurance contract obligations. Asset liquidity is such that it is sufficient to meet cash demands under extreme conditions. Localisation of assets is such that it ensures their availability. The Investment Policy specifies a Contingency Funding Plan should a liquidity shortfall arise. The company has mitigated much of its liquidity risk through holding liquid assets such as cash and sovereign bonds as well as asset and liability matching. The company does not forecast expected profit in future premium (“EPIFP”) to cover a loss-making scenario, liquidity risk in this regard is therefore not an issue.

The following table shows the maturity analysis of financial assets and financial liabilities based on the remaining undiscounted contractual obligations as per the company’s Financial Statements.

Maturity analysis (contracted undiscounted cash flow basis) 2025	Carrying value €'000	Within 1 year €'000	Within 1 to 5 years €'000	After 5 years €'000	No maturity date €'000	Total €'000
Financial assets						
Derivative financial instruments	694	694	-	-	-	694
Financial assets at fair value through profit or loss						
Debt securities	1,005,821	-	124,750	894,760	-	1,019,510
Equity securities	241,872	-	-	-	241,872	241,872
Loans and receivables						
Loans to local authorities	2,896	1,143	1,899	-	-	3,042
Reinsurance assets						
- Claims outstanding	62,964	19,960	30,349	12,656	-	62,965
Debtors	9,292	9,292	-	-	-	9,292
Other receivables	78	78	-	-	-	78
Cash and cash equivalents	73,339	73,339	-	-	-	73,339
Total	1,396,956	104,506	156,998	907,416	241,872	1,410,792
Financial liabilities						
Insurance contract liabilities						
Claims outstanding	639,308	152,155	307,507	179,646	-	639,308
Derivative financial instruments	103	103	-	-	-	103
Insurance payables	4,890	4,890	-	-	-	4,890
Trade and other payables	26,711	26,805	-	-	-	26,805
Accruals	5,807	5,807	-	-	-	5,807
Total	676,819	189,760	307,507	179,646	-	676,913

Maturity analysis (contracted undiscouted cash flow basis)	Carrying value	Within 1 year	Within 1 to 5 years	After 5 years	No maturity date	Total
2024	€'000	€'000	€'000	€'000	€'000	€'000
Financial assets						
Derivative financial instruments	2	2	-	-	-	2
Financial assets at fair value through profit or loss						
Debt securities	963,322	23,394	265,700	682,467	-	971,561
Equity securities	205,900	-	-	-	205,900	205,900
Loans and receivables						
Loans to local authorities	3,930	1,167	3,121	-	-	4,288
Deposits with credit institutions	35,867	36,525	-	-	-	36,525
Insurance assets	60	14	32	14	-	60
Reinsurance assets						
Claims outstanding	59,144	15,141	31,169	12,834	-	59,144
Debtors	10,312	10,312	-	-	-	10,312
Other receivables	72	72	-	-	-	72
Cash and cash equivalents	78,960	78,960	-	-	-	78,960
Total	1,357,569	165,587	300,022	695,315	205,900	1,366,824
Financial liabilities						
Insurance contract liabilities						
Claims outstanding	614,197	233,395	277,617	103,185	-	614,197
Derivative financial instruments						
Insurance payables	2,220	2,220	-	-	-	2,220
Trade and other payables	7,642	7,642	-	-	-	7,642
Accruals	46,844	47,011	-	-	-	47,011
	1,562	1,562	-	-	-	1,562
Total	672,465	291,830	277,617	103,185	-	672,632

C.5 Operational Risk

Operational risk arises from inadequate or failed internal processes, from personnel and systems, or from external events. Operational risk includes legal and regulatory compliance risk but excludes strategic and reputational risk. In particular, the company's operational risk includes outsourcing risks, including bankruptcy of the service providers, disruption of services and failure to achieve standards.

Risk Exposure

The company regularly reviews all major operational risks. The Risk Committee reviews the risk assessment to ensure that all operational risks are identified and evaluated for recommendation to the Board. Each operational risk is assessed by considering the potential impact and the likelihood of the event occurring. The effectiveness of internal controls on controlling operational risk is also measured.

Compliance monitoring is carried out on an ongoing basis, according to an annual compliance plan which is approved by the Audit Committee and recommended to the Board.

Internal audits are carried out on a continuous basis, in accordance with a rolling internal audit plan approved by the Audit Committee. The internal audit findings are updated on a monthly basis and circulated to the Board.

Risk Mitigation

The company has a Business Continuity Plan that considers the end-to-end operational resilience of critical services and for the restoration of functions should critical business processes be disrupted. This Business Continuity Plan is reviewed semi-annually by internal management for its continued effectiveness. As required, any changes to the plan are reviewed and approved by the Risk Committee.

The company outsources certain functions to service providers. Outsourced arrangements are governed by the company's Vendor Management Framework and Policy, in line with its Outsourcing Strategy, as

well as service level agreements. Service providers are required to adhere to company policy. Service providers are subject to detailed reporting requirements.

Operational Resilience

Operational resilience is the ability of IPB to identify and prepare, respond and adapt and recover and learn from disruptions, including internal and external events that could threaten its ability to deliver critical services to its Members/customers, maintain its reputation, or protect the interests of its stakeholders. IPB's Operational Resilience Framework is designed to help the company prepare for, respond to, and recover from disruptions providing a structured and coordinated approach to managing risks and maintaining operational resilience, which is critical for the long-term success of the company and for protecting the interests of its stakeholders. The Business Continuity Framework is fully integrated to and represents a fundamental pillar (respond & adapt) of IPB's Operational Resilience Framework. The company's operational resilience has been enhanced with the implementation of the requirements of Digital Operational Resilience Act ("DORA"). IPB is monitoring and preparing for compliance with emerging EU regulations on Artificial Intelligence, ensuring that any AI tools used in underwriting, claims or operations adhere to ethical and regulatory standards.

C.6 Other Material Risks

Other risks to which the company is exposed include strategic risk, reputational risk, conduct risk and cyber risk.

Strategic Risk

Strategic risk arises from ineffective business strategies, failure to implement business strategies and unanticipated changes in the business environment.

The company takes its strategic direction from the Board that monitors progress against the business plan which is reviewed annually and is subject to Board approval. The company monitors changes in the business environment and considers their impact on the business. The company also considers the implications that changes in the operating model might have for the quality and efficiency of engagement with Members and other policyholders. Other strategic considerations relate to the efficient use of capital and the company's ability to raise capital in the medium-to-long-term.

Reputational Risk

Reputational risk arises from negative perception of the business amongst Members, customers, the Central Bank, counterparties, business partners and other stakeholders. The company actively manages all sources of reputational risk through its core strategy which is approved by the Board.

Conduct Risk

Conduct risk is the risk the company poses to its customers from its direct interaction with them. Conduct risk recognises the risks that can stem from the company's strategy, business model, culture, governance and other internal structures as well as its systems and processes. In IPB this may occur through product design, sales/claims practices and behaviours of individuals at any level within the company. Conduct risk is managed in the company through adhering to all applicable laws and regulations, as well as relevant internal policies and procedures. In addition, there is a clear articulation and embedding of company values and behaviours.

Cyber Risk

Cyber risk is a risk that continues to emerge as a significant threat to insurance companies. The recent advances in Generative Artificial Intelligence (AI) creates new opportunities in business efficiency and customer service. However, these also lead to increased risk in Cyber Security. The company has a responsibility to ensure that it has made every effort to secure the data on its network and to ensure that the systems it utilises are secure and reliable so that it may best serve its Members and clients. IPB has in place an established Information Security Framework that details the roles, responsibilities and governance structure put in place by the company to support its information security objectives as well as the policies, procedures and standards that are in force in the company.

Geopolitical Risk

The ongoing conflicts and political tensions in various parts of the world can have direct and indirect impacts on the insurance sector. For instance, international trade disruptions, fluctuations in global markets, and changes in regulatory requirements can affect the stability and predictability of the business environment and add investment volatility. IPB continuously monitor global political developments and adjust its approach to risk management to mitigate these uncertainties and safeguard its operations including its investment portfolio. The top geopolitical risks for Irish businesses currently include economic uncertainty created by protectionist trade policies, geopolitical instability, and regulatory changes. The potential introduction of tariffs and other barriers to trade is a significant risk, including scenarios where geopolitical tensions disrupt supply chains, reduce economic growth, and continue to prop up inflation.

Climate change and Sustainability

IPB is committed to carrying out its activities in a sustainable and responsible way. We will continue to strengthen our approach by proactively identifying, assessing, and managing risks and opportunities related to Environmental, Social, and Governance issues that affect both the company and our stakeholders. As a mutual insurer, our purpose is to safeguard the insurable interests of our Members, and we recognise our responsibility to ensure the long-term sustainability of our strategic and operational activities. Sustainability is therefore embedded across all aspects, disciplines, and focus areas of our Risk Management framework.

Sustainability and ESG considerations have become essential factors for all organisations, including our Members, and IPB is no exception. There is an increasing societal expectation that these considerations are embedded within corporate operations and reflected in all decision-making processes. As public bodies, our Members hold a significant responsibility in advancing the transition to a low-carbon future. In our capacity as their mutual insurer, we remain committed to supporting our Members and the communities they serve, through every stage of this transition.

Following the European Commission's omnibus announcement in 2025, IPB Insurance fell out of scope of the Corporate Sustainability Reporting Directive (CSRD). However, the process proved immensely valuable, enhancing our value chain analysis, deepening stakeholder engagement, highlighting opportunities for better practice, advancing our climate transition planning, and refining our understanding of what is most material to our business. These insights enabled us to focus on priorities that matter and plan with clarity. We appreciate the feedback from our stakeholders, which continually helps us improve.

In 2025, we began the development to our third Sustainability Strategy 2026-2029. Our strategy is aligned with the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Sustainable

Insurance (PSI). We also commenced work on our Climate Transition Plan which will align our operations, investment and underwriting activities with the goals of the Paris Agreement and the Irish Government’s Climate Action Plan 2025.

IPB will continue to embed and deliver on its long-term strategic goals including a commitment to be a responsible and sustainable insurer, a commitment to responsible investment and a commitment to provide responsible operations.

C.7 Risk Sensitivity Analysis

The tables below provide sensitivity analysis on the company’s key risks as per the financial statements. The impact of a change in a single factor is shown with other assumptions left unchanged for each of the risk types.

Risk	Risk methods and assumptions used in preparing the sensitivity analysis
Underwriting risk	The impact of an increase in net loss ratios for general insurance business by 5%.
Currency risk	The impact of a change in foreign exchange rates by $\pm 10\%$.
Interest rate risk	The impact of a change in the yield curve on IPB’s fixed interest portfolio by 100 basis points and negative 25 basis points. The stress excludes the impact of the change in cashflows from floating rate notes. The underlying yield curve is based on prevailing swap rates as at year end 2024.
Equity risk	The impact of a change in equity market values by $\pm 10\%$.

These sensitivity factors have the following impacts on profit before tax and equity:

Sensitivity analysis		2025	2024
Impact on profit before tax		€'000	€'000
Underwriting risk	5.00%	(6,649)	(6,571)
Currency risk	10.00%	3,964	2,140
Currency risk	-10.00%	(3,964)	(2,140)
Interest rate risk	1.00%	(52,569)	(56,425)
Interest rate risk	-0.25%	14,049	14,890
Equity risk	10.00%	24,187	20,590
Equity risk	-10.00%	(24,187)	(20,590)

Sensitivity analysis		2025	2024
Impact on equity		€'000	€'000
Underwriting risk	5.00%	(5,818)	(5,750)
Currency risk	10.00%	3,469	1,873
Currency risk	-10.00%	(3,469)	(1,873)
Interest rates	1.00%	(45,998)	(49,372)
Interest rates	-0.25%	12,293	13,029
Equity risk	10.00%	21,164	18,016
Equity risk	-10.00%	(21,164)	(18,016)

During the year, the material risks of the business were also subject to a wide range of stress and scenario tests in order to provide an adequate basis for the assessment of the overall solvency needs of the company over its business planning horizon. Stress and scenario testing and related analysis were conducted in line with the ORSA Policy and the results of the tests contained in the Risk Report as well as the full ORSA report which was submitted to the Central Bank in December 2025. The identified stresses and scenarios were decided upon based on a number of discussions with the Board, Risk Committee and the relevant function manager.

Some of the instantaneous stresses carried out as part of the ORSA are presented in the table below. The ORSA process was carried out on Q3 2025 data, however, the absolute reduction in the SCR Coverage Ratio under each scenario would not be materially different if repeated on Q4 2025 data.

The company remains well capitalised in these extreme scenarios and there is no requirement for material management actions for the company to avoid breaching the SCR.

Description	Q3 2025 SCR Coverage	Stressed SCR Coverage	Reduction in SCR Coverage
Severe Claims Deterioration	287%	125%	-162%
Insurance products not fully supported by Reinsurance	287%	140%	-147%
Inability to design & execute an appropriate strategy	287%	271%	-16%

C.8 Dependencies between risk modules

Risk categories and specific risks are correlated to each other to a greater or lesser extent. Risks are correlated where an unfavourable outcome in one risk tends to be accompanied by an unfavourable outcome in another risk. For example, equity risk and property risk are correlated in the sense that a fall in property values can often be accompanied by a fall in equity values.

Risks have little correlation where it is unlikely that both risks will experience an unfavourable outcome at the same time. Such risks are said to be largely uncorrelated or independent.

The result is a 'diversification benefit'. For example, lapse risk may be somewhat independent of premium risk as lapse rates are unlikely to increase when premium rates are inadequate.

As the same capital resources are used to manage many different sources of risk, it is necessary to manage risk as a portfolio. An isolated change in risk in one part of a portfolio will also influence the capital required to finance other risks due to correlations. Consequently, it is necessary to explicitly model the correlations between risks. The quantification of correlations is highly uncertain, and the capital model relies on the 'dependency structure' defined in the Solvency II Standard Formula Technical Specification.

The company's Risk Report includes quantification of the diversification benefits assumed in the capital model and the appropriateness of this is tested on an annual basis as part of the ORSA process.

C.9 Any other information

The company does not use any special purpose vehicles (SPV) to transfer any of its risks.

D: Valuation for Solvency Purposes

D.1 Assets

The following table analyses the valuation of the company's assets as at 31 December 2025 and the prior year for both Solvency II purposes and financial statements purposes.

As at 31 December 2025

Ref	Asset Category	Solvency II €'000	Financial statements €'000	Difference €'000
1	Intangible Asset	-	260	(260)
2	Deferred Tax Asset	-	142	(142)
3	Property, plant and equipment (PPE)	8,610	482	8,127
4	Investment Properties	45,712	45,500	212
5	Listed Equities	101,783	161,665	(59,882)
6	Unlisted Equities	34	-	34
7	Government Bonds	521,689	515,585	6,104
8	Corporate Bonds	484,891	490,236	(5,346)
9	Structured Notes	13,814	-	13,814
10	Collateralised Securities	13,295	13,295	-
11	Collective Investment Undertakings	127,115	66,911	60,203
12	Derivatives	101,972	694	101,277
13	Deposits	54,317	0	54,317
14	Loans to local authorities	2,896	2,896	-
15	Reinsurance Recoverable	42,396	73,924	(31,528)
16	Insurance Receivables	6,600	6,600	-
17	Reinsurance Receivables	2,741	2,741	-
18	Trade Receivables	3,806	3,897	(91)
19	Cash & Cash Equivalents	19,115	73,339	(54,223)
20	Other	-	15,142	(15,142)
	Total Assets	1,550,785	1,473,311	77,474

As at 31 December 2024

Ref	Asset Category	Solvency II €'000	Financial statements €'000	Difference €'000
1	Intangible Asset	-	293	(293)
2	Deferred Tax Asset	-	165	(165)
3	Property, plant and equipment (PPE)	9,579	436	9,142
4	Investment Properties	59,289	59,000	289
5	Listed Equities	113,405	139,571	(26,166)
6	Unlisted Equities	34	-	34
7	Government Bonds	512,327	507,316	5,011
8	Corporate Bonds	450,502	456,006	(5,504)
9	Structured Notes	13,003	-	13,003
10	Collateralised Securities	7,762	7,762	-
11	Collective Investment Undertakings	84,858	58,567	26,291
12	Derivatives	90,499	2	90,497
13	Deposits	98,447	35,867	62,580
14	Loans to local authorities	3,931	3,931	(0)
15	Reinsurance Recoverable	46,696	59,417	(12,721)
16	Insurance Receivables	7,375	7,435	(60)
17	Reinsurance Receivables	2,980	2,980	-
18	Trade Receivables	2,213	2,342	(129)
19	Cash & Cash Equivalents	16,561	78,960	(62,398)
20	Other	-	12,996	(12,996)
	Total Assets	1,519,461	1,433,046	86,415

Description of the basis, methods and assumptions used for valuation:

Ref	Asset Category	Solvency II	Financial statements
1	Intangible Asset	The company's intangible assets comprise of IT software that does not meet the criteria under Solvency II valuation rules, i.e. it cannot be sold separately and there is not a quoted market price in an active market for the same or similar intangible assets. Therefore, the company's intangible assets are valued at zero under Solvency II.	In the Irish GAAP financial statements the intangible assets are valued at cost less accumulated amortisation and accumulated impairment losses.
2	Deferred Tax Asset	For the company, the difference between the deferred tax asset in the Financial Statements and the deferred tax liability created under Solvency II pertains to the deferred tax on the changes in valuation in moving from Irish GAAP to Solvency II. That is, it is largely driven by the reduction in the (net) technical provisions under Solvency II. This would result in an instantaneous profit, which would incur corporation tax at 12.5%.	Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
3	Property, plant and equipment (PPE)	Under Solvency II, the valuation of PPE is based on the core principle in the directive "assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction". As the company's PPE mainly relates to leasehold improvements, and IT assets (except for the Right of Use Asset), it is considered unlikely that these would have any significant resale value in an arm's length transaction. Therefore, a zero value is considered the most prudent for these. In terms of the Right of Use Asset, as the cost less depreciation model is prohibited under Solvency II, the value of the lease liability is deemed a reasonable proxy for the fair value.	In the financial statements, the company uses the cost model to value PPE, i.e. cost less any accumulated depreciation and accumulated impairment losses.

4	Investment properties	<p>Market Valuations are carried out on our investment properties at each year end by the property managing agents using the RICS (Royal Institute of Chartered Surveyors) Valuation – Professional Standards. Every three years a full red book valuation is carried out. On an annual basis, desk-based valuations are carried out and valuation certificates are issued.</p> <p>This is consistent with the Solvency II valuation principles. The Solvency II value also includes any accrued rental income, i.e. market value plus accrued income.</p>	<p>The same valuation method is applied to the financial statements; - however, accrued income is not included in the valuation.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p>
5	Listed Equities	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p> <p>The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.</p> <p>Note: Preference shares are included as equities under Solvency II. Exchange traded funds (ETFs) and collateralised securities are excluded.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p> <p>Dividend withholding tax recoverable is shown as trade receivable under Irish GAAP.</p>
6	Unlisted Equities	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p> <p>The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p>
7	Government Bonds	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p>

		The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.	Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.
8	Corporate Bonds	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p> <p>The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p> <p>Note: Preference shares are classified as corporate bonds under Irish GAAP.</p>
9	Collateralised Securities	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p> <p>The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p> <p>Note: Collateralised securities are classified as equity securities in the financial statements.</p>
10	Collective Investment Undertakings	<p>Under Solvency II, in accordance with Article 75 of the Directive, assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction.</p> <p>The Solvency II Valuation principles are consistent with that of Irish GAAP, however, the Solvency II value also includes accrued income, i.e. market value plus accrued income.</p> <p>Exchange traded funds (ETFs) are included in this category under Solvency II.</p>	<p>Under Irish GAAP, financial assets are measured at fair value through the profit or loss based on quoted (unadjusted) prices in active markets. For financial assets not traded in an active market, the fair value is determined using appropriate valuation methods.</p> <p>Accrued income is shown as a separate line item (“other” as shown in valuation table above) in the financial statements.</p> <p>Note: ETFs are classified as equity securities in the financial statements.</p>

11	Derivatives	Under Solvency II, derivative financial instruments are measured at the gross fair value as at the reporting date. The company's derivative financial instruments relate to forward currency contracts. All forward sales are shown as assets and all forward purchases are shown as liabilities.	Under Irish GAAP, derivatives are initially measured at fair value on the date the contract is entered into, and subsequently re-measured at fair value at the reporting date. Each derivative is carried as a financial asset when the fair value is higher than the value at inception and as a financial liability when the fair value is lower than the value at inception.
12	Deposits	<p>Under Solvency II, this relates to deposits other than cash and cash equivalents that cannot be used to make payments until after the fixed term maturity date. All fixed term deposits, regardless of their term, are included here.</p> <p>Under Solvency II, Article 16 (1) of the Delegated Regulations states that insurance and reinsurance undertakings shall not value financial assets or financial liabilities at cost or amortised cost. Such assets are valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.</p> <p>Accrued income is also included in the Solvency II value.</p>	<p>Under Irish GAAP, deposits classified as "loans and receivables" relate to deposits with a fixed term of greater than 3 months. Deposits with a fixed term of 3 months or less are included in "cash and cash equivalents".</p> <p>Under Irish GAAP "loans and receivables" are subsequently measured at amortised cost using the effective interest rate.</p> <p>Accrued income is shown as a separate line item ("other" as shown in valuation table above) in the financial statements.</p>
13	Loans to local authorities	Under Solvency II, Article 16 (1) of the Delegated Regulations states that insurance and reinsurance undertakings shall not value financial assets or financial liabilities at cost or amortised cost. Such assets are valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.	<p>Under Irish GAAP, loans to Local Authorities are classified as "loans and receivables" and are subsequently measured at amortised cost using the effective interest rate.</p> <p>However, as loan repayments fall due at year end, there is no difference between the valuation under Solvency II and under Irish GAAP at year end, despite the valuation basis or method being different.</p>
14	Reinsurance Recoverable	Under Solvency II, the technical reserves are discounted. Additional margins for uncertainty are excluded from the Solvency II technical provisions valuation.	In the financial statements technical reserves are undiscounted. In addition, the claims reserves in the financial statements include additional margins for uncertainty pertaining to loadings for reduction in the

			discount rate and the introduction of Periodic Payment Orders (PPOs) as well as a loading representing a general provision for changes in the claims environment.
15	Insurance Receivables	Insurance receivables relates to insurance debtors only measured at their carrying value as at the reporting date.	The valuation basis for insurance debtors is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
16	Reinsurance Receivables	Insurance receivables relates to reinsurance debtors, measured at their carrying value as at the reporting date.	In the Irish GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
17	Trade Receivables	Trade receivables are measured at their carrying value as at the reporting date. Dividend withholding tax recoverable is included in the valuation of assets under Solvency II.	Dividend withholding tax recoverable is included as a trade receivable under Irish GAAP – this is the only valuation difference arising.
18	Cash & Cash Equivalents	Under Solvency II, cash and cash equivalents relates to cash at bank only (i.e. current accounts and call accounts). Accrued income is also included in the Solvency II valuation.	In the Irish GAAP financial statements, cash and cash equivalents include cash at bank (i.e. current and call accounts), together with, deposits with a fixed term of 3 months or less. Accrued income is shown as a separate line item in the Irish GAAP financial statements.

Leasing Arrangements

The company's only leasing arrangements relate to its office premises at 1 Grand Canal Square and some office equipment used on a day-to-day operating basis that are leased and are valued at fair value in the Solvency II balance sheet.

Related Undertakings

The company does not have any holdings in related undertakings or participations.

Criteria used to assess whether markets are active

The company assesses if a market is active by reference to Bloomberg data sources and consultation with external stockbrokers. If markets are deemed inactive, the quoted price for similar assets in an active market is applied where possible. If recent transactions of a similar asset on its own is not a good estimate of fair value, the fair value is estimated by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations. In instances where companies have

gone into liquidation and their shares have been delisted from a stock exchange, the company's Head of Investments took a decision based on market knowledge and experience to write down the value of the shares to a flat level, pending the results of the liquidation process. Other than in this regard, no other estimation uncertainty exists in respect of the valuation of the company's investment assets.

D.2 Technical Provisions

The company's business is written on both claims made and losses occurring bases. Where "policy year" is referred to this is taken to be the notification year for claims made business and the accident year for losses occurring business. The following tables summarises the value of technical provisions on both gross and net bases.

Value of Technical Provisions

Gross Technical Provisions

IPB Gross Technical Provisions -		Claims Provision	Premium Provision	Risk Margin	Total Technical Provisions
€'000s	2025				
Medical Expenses		362	48	32	441
Income Protection		1,282	169	114	1,564
Motor Vehicle Liability		10,166	584	845	11,596
Other Motor		8,318	478	692	9,487
Marine Aviation and Transport		138	38	13	189
Fire / Property		34,723	6,097	1,586	42,406
General Liability		455,452	8,631	33,506	497,589
Legal Expenses		1,486	19	124	1,629
Totals		511,926	16,063	36,912	564,901

IPB Gross Technical Provisions -		Claims Provision	Premium Provision	Risk Margin	Total Technical Provisions
€'000s	2024				
Medical Expenses		215	43	22	279
Income Protection		761	152	77	989
Motor Vehicle Liability		8,644	504	766	9,914
Other Motor		5,762	336	511	6,609
Marine Aviation and Transport		231	24	21	276
Fire / Property		34,037	4,381	1,674	40,092
General Liability		445,991	7,475	35,943	489,409
Legal Expenses		1,063	17	91	1,171
Totals		496,702	12,931	39,105	548,739

Net Technical Provisions

IPB Net Technical Provisions -		Claims Provision	Premium Provision	Risk Margin	Total Technical Provisions
€'000s	2025				
Medical Expenses		362	61	32	454
Income Protection		1,282	215	114	1,611
Motor Vehicle Liability		10,086	1,035	845	11,966
Other Motor		8,252	847	692	9,790
Marine Aviation and Transport		138	38	13	189
Fire / Property		16,485	4,381	1,586	22,452
General Liability		422,607	18,174	33,506	474,286
Legal Expenses		1,487	146	124	1,757
Totals		460,698	24,895	36,912	522,505

IPB Net Technical Provisions -		Claims Provision	Premium Provision	Risk Margin	Total Technical Provisions
€'000s	2024				
Medical Expenses		215	43	22	279
Income Protection		761	152	77	989
Motor Vehicle Liability		8,574	495	766	9,835
Other Motor		5,716	330	511	6,557
Marine Aviation and Transport		231	24	21	276
Fire / Property		13,221	6,594	1,674	21,488
General Liability		418,409	7,095	35,943	461,447
Legal Expenses		1,064	17	91	1,172
Totals		448,189	14,749	39,105	502,043

Methods used to calculate technical provisions

The company uses a combination of actuarial methods to value technical provisions. The basis of the technical provisions are undiscounted gross reserves. For policy years where no further development is expected, the reserves are set equal to the case estimates present in that year. For other policy years where further development is expected, but there is sufficient incurred experience to be credible, chain-ladder methods are used to model the full future path of incurred claims.

For recent policy years there may not be enough incurred data to fully rely on. In this case development methods are weighted in with other methods that place initial estimates of ultimate claims on either loss ratios, or as a cost per unit exposure. Expected amounts are calculated by considering the statistic for prior years. Another method considered for recent years is the average cost per claim method – where claim numbers are multiplied by expected average ultimate costs.

The company uses premium and population, where appropriate, as an exposure measure. Typical measures of exposure such as turnover are not deemed to be a good measure of risk in its core business.

Estimates based on paid claims are also calculated, but usually do not form the basis of reserve selections as there is a long delay between claim notification and payment for much of the company's business which is dominated by liability lines.

For most classes, net of reinsurance claims are calculated by considering the average percentage recovered from reinsurance, allowing for changes in the reinsurance programme. Recovery amounts are a small portion of gross liabilities and previous years provide a good benchmark for the rate of future reinsurance recoveries. The exception to this is Property that has a more extensive reinsurance programme, for which the same methods as described for calculating gross claims are also considered in valuing the net position.

Gross and net claims are discounted by considering the expected payment profile of claims over time, and discounting using risk free yield curves provided by EIOPA.

The risk margin is calculated using a modified Solvency Capital Requirement as specified by EIOPA. This is projected to develop over time in line with best estimate net technical provisions.

The following items defined in the Solvency II legislation are not relevant to the company regarding technical provisions:

- The company does not apply the matching adjustment.
- The company does not use the volatility adjustment.
- The company does not use transitional methods on the risk-free interest rate term structure.
- The company does not apply any transitional deductions.

Considerations by Line of Business

Medical Expenses and Income Protection

The company writes modest volumes of Personal Accident business that involves both medical expenses and income protection coverage. Historically, claims were not split between those two elements, and so these are modelled in aggregate.

Motor Vehicle Liability and Other Motor

The company writes modest volumes of motor business. Injury and damage claims are modelled separately.

Marine Aviation and Transport

The company writes only a very small amount of marine business.

Fire / Property

The company's property account contains a mix of exposures including covering council buildings and council-owned social housing. Due to the higher volume of reinsurance recoveries in this class, methods used to calculate gross reserves are similarly applied in the calculation of net reserves.

General Liability

This is by far the company's largest class and contains a number of different exposures within it. The predominant lines are Public Liability and Employers Liability, and the valuation of these lines have been further split by coverage type, claim type and type of insured. The company also writes a small amount of Professional Indemnity, Cyber and Crime, which are included in this class.

Legal Expenses

The company writes some Criminal Defence policies, which primarily generate low frequency, low severity claims.

Other Items

Claims handling expenses have been estimated as a percentage of future reserves by considering the historic ratio of claims handling expenses to claims payments.

Provisions relating to unearned premiums have been calculated by considering expected loss ratios by line of business and applying those to unearned premiums.

Description of the level of uncertainty

The classes of business written by the company give rise to a significant degree of uncertainty concerning the ultimate cost of claims. Uncertainty arises for the following reasons in respect of most of the policies written by the company:

- Whether an event has occurred that would give rise to a policyholder suffering an insured loss.
- The extent of policy coverage and limits applicable.
- The amount of insured loss suffered by the policyholder.
- The timing of a settlement to the policyholder.
- The costs associated with handling claims.

Estimates must be made both for the expected cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported (IBNR) at the reporting date. It can take a significant period of time before the ultimate claims cost can be determined with certainty.

The company uses estimation techniques, based on statistical analysis of past experience and future estimates, to calculate a range of estimated cost of claims outstanding at the reporting date, which is subjected to sensitivity analysis. These techniques take into account the characteristics of the company's business.

The company makes assumptions on a number of economic and non-economic factors in the calculation of technical provisions. Some of these assumptions are explicit while others are implicitly made when projecting ultimate claims costs. Significant sources of economic uncertainty include:

- Many of the methods used to estimate technical provisions implicitly assume future inflation follows historical inflation. In this case, and in methods where there is an explicit inflation assumption, there is a risk that actual inflation deviates from the assumed level. A specific provision has been put in place at year end to allow for inflation in excess of historical levels. This

provision pays particular attention to the latest developments in respect of the Personal Injury Guidelines.

- Potential future changes in the discount rate – A public consultation on the setting of the discount rate was launched in 2020. In July 2024, the Discount Rate Expert Working Group established by the Minister of Justice published a report proposing no change in the discount rate, i.e. the discount rate would remain at 1% for future care costs and 1.5% for other pecuniary losses. As a result, a specific provision for a potential change in discount rate is no longer held.
- Potential for a PPO to be awarded – In July 2024, the PPO working group established by the Minister for Justice published their report which recommended a change to the rate at which PPO's are indexed, i.e. from 100% Harmonised Index of Consumer Prices ("HICP") to 20% HICP + 80% average Annual Rate of Change in nominal hourly health earnings. Given this development, it is felt that there is an increased propensity for a PPO to be awarded. As a result, a specific provision for the potential for a PPO to be awarded is held.

There are also non-economic factors that impact the technical provisions, these include:

- Changes in claims development pattern – Methods underlying the calculation of technical provisions project future claim development based on historical development. Potential change in this claim development is a significant source of uncertainty and may arise from changes in internal process or changes in mix of business which could affect future development. COVID-19 also had a distorting effect on the development of existing claims, and this required adjustments to be made to actuarial development factor models.
- Revised Personal Injuries Guidelines - revised PIGs were adopted by the Judicial Council on 6 March 2021. Following the required 3 year review of the guidelines, a draft amendment to the "PIGs" was published in December 2024 which proposed a 16.7% increase in awards. However, in July 2025, it was communicated that the 16.7% proposed increase would not be brought to Oireachtas by the Minister for Justice. There remains uncertainty however around the level of general damage awards. This combined with significant increases in legal costs has been considered in the inflation provision.
- Emergence of latent claims – There is a potential for the emergence of a new type of claim which is currently not present in company data. Due to the nature of its business the company is exposed to aggregations of claims as the business is concentrated by policyholder type, geographical locations, risk exposures and other factors.

Valuation basis, method and assumption differences used for Irish GAAP financial statements

For all lines of business, the best estimate undiscounted Irish GAAP reserves form the basis of the Solvency II technical provisions. These are then discounted as per Solvency II valuation guidelines.

The main difference to the Irish GAAP financial statements is the inclusion of margins for uncertainty within the Irish GAAP financial statements.

Under Solvency II regulation a risk margin is held in addition to the best estimate liabilities. The €36.9m risk margin is calculated using the cost of capital approach specified in the regulation.

The financial statements also include a provision of €0.5m (plus margins and unallocated loss adjustment expenses (“ULAE”) in respect of the MIBI levy for the year within the insurance reserves. Under Solvency II MIBI provisions are excluded from the technical provisions, and instead included within “Other Liabilities”.

The following tables provides a reconciliation between the technical provisions as per the Irish GAAP financial statements and the technical provisions for Solvency II purposes as at 31 December 2025.

2025	Gross of Reinsurance €'000	Net of Reinsurance €'000
Reserves in Financial Statements	665,694	591,770
Exclude MIBI & margins	(500)	(500)
Reserves excluding MIBI	665,194	591,270
Exclude UPR	(26,386)	(15,426)
Add Undiscounted Premium Provision	17,553	26,315
Exclude Margin for Uncertainty	(83,388)	(75,175)
Total Undiscounted Reserves	572,973	526,984
Discounting	(44,984)	(41,391)
Technical Provisions Excluding Risk Margin	527,989	485,593
Risk Margin	36,912	36,912
Total Technical Provisions	564,901	522,505

Refer to [Appendix 3](#) for the S.17.01.02 Non-Life Technical Provisions Template.

The decrease in technical provisions can be attributed to a decrease in the net best estimate claims provisions. This is attributable to many factors, including the revised PIGs.

D.3 Other Liabilities

The following table analyses the valuation of the company’s other liabilities as at 31 December 2025 for both Solvency II purposes and financial statements purposes.

As at 31 December 2025

Ref	Liability Category	Solvency II €'000	Financial statements €'000	Difference €'000
1	Provisions other than technical provisions	500	500	-
2	Deferred Tax Liabilities	8,361	-	8,361
3	Derivatives	101,380	103	101,277
4	Debts owed to credit institutions	8,610	-	8,610
5	Insurance Payables	2,718	2,718	-
6	Reinsurance Payables	6,425	6,425	-
7	Trade Payables	9,534	9,534	-
8	Any other liabilities	18,731	18,731	-
	Total other liabilities	156,258	38,010	118,247

As at 31 December 2024

Ref	Liability Category	Solvency II €'000	Financial statements €'000	Difference €'000
1	Provisions other than technical provisions	500	500	-
2	Deferred Tax Liabilities	9,187	-	9,187
3	Derivatives	92,717	2,220	90,497
4	Debts owed to credit institutions	9,579	-	9,579
5	Insurance Payables	6,056	6,056	-
6	Reinsurance Payables	2,759	2,759	-
7	Trade Payables	8,099	8,099	-
8	Any other liabilities	39,835	39,835	-
	Total other liabilities	168,731	59,469	109,263

Description of the basis, methods and assumptions used for valuation:

Ref	Liability Category	Solvency II	Financial statements
1	Provisions other than technical provisions	Other provisions relate to the company's share of potential provisions of the Motor Insurers' Bureau of Ireland, measured at its carrying value at the reporting date.	In the Irish GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
2	Deferred Tax Liabilities	For the company, the difference between the deferred tax asset in the Irish GAAP financial statements and the deferred tax liability created under Solvency II pertains to the deferred tax on the changes in valuation in moving from Irish GAAP to Solvency II. That is, it is largely driven by the reduction in the (net) technical provisions under Solvency II. This would result in an instantaneous profit, which would incur corporation tax at 12.5%.	A deferred tax asset as opposed to a deferred tax liability is shown in the Irish GAAP financial statements as described above in the asset category section.

3	Derivatives	Under Solvency II, derivative financial instruments are measured at the gross fair value as at the reporting date. The company's derivative financial instruments mainly relate to forward currency contracts. All forward sales are shown as assets and all forward purchases are shown as liabilities.	Under Irish GAAP, derivatives are initially measured at fair value on the date the contract is entered into, and subsequently re-measured at fair value at the reporting date. Each derivative is carried as a financial asset when the fair value is positive and as a financial liability when the fair value is negative.
4	Debts owed to credit institutions	Overdrawn cash balances are shown as a liability.	The total cash balance is shown, any overdrawn accounts are not removed and shown separately.
5	Insurance Payables	Insurance payables relates to insurance creditors, measured at their carrying value as at the reporting date.	In the GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
6	Reinsurance Payables	Insurance payables relates to reinsurance creditors, measured at their carrying value as at the reporting date.	In the Irish GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
7	Trade Payables	Trade payables are measured at their carrying value as at the reporting date.	In the Irish GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.
8	Any other liabilities	Other liabilities are measured at their carrying value as at the reporting date.	In the Irish GAAP financial statements, the valuation basis is consistent with the Solvency II valuation principles and therefore, no valuation difference arises.

Refer to [Appendix 4](#) for the S.02.01.02 Solvency II Balance Sheet Template.

Material Contingent Liabilities

The company does not have any other material contingent liabilities and provisions other than technical provisions.

Employee Benefits

The company had the following employee benefit obligations as at 31 December 2025:

	2025 €'000	2024 €'000
Salaries Payable	4,067	4,218
Trade Union Subscriptions Payable	-	-
Pension Payable	237	227
Social Committee Fund	7	11
Holiday Pay Accrual	270	265
Total short-term employee benefit obligations	4,581	4,721

The company does not have any defined benefit plans and contributes only to defined contribution pension schemes.

D.4 Alternative Methods for Valuation

The company uses alternative valuation methods in accordance with Article 10 (5) when valuing a small portion of its investment assets. These alternative valuation methods include the following:

- **Quoted prices for identical or similar assets or liabilities in markets that are not active** – This method is applied to assets that have a quoted price, but the asset is illiquid and does not trade often. The company can support the rationale for this valuation approach as the quoted prices applied are for assets with similar characteristics, for example, same instrument type, same credit rating and same ultimate guarantor.
- **Market-corroborated inputs, which may not be directly observable, but are based on or supported by observable market data** – This method is applied to assets such as our investment properties and real estate funds.
Market valuations are carried out each year on our investment properties by the property managing agents using the RICS (Royal Institute of Chartered Surveyors) Valuation – Professional Standards. Every three years a full red book valuation is carried out on each property. On an annual basis, desk-based valuations are carried out, and valuation certificates are issued. The company can justify this valuation approach as it is independent and supported by observable market data.
With regards to our real estate funds, the fund managers carry out a desk-based valuation on a monthly basis. Again, the company can justify this valuation approach as it is independent and supported by observable market data.
- **Unobservable inputs reflecting the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk** – This method is applied in cases where securities are in liquidation or carried at amortised cost.

The company assesses the adequacy of the use of the above methods on an annual basis through discussions with our investment custodian and external audit review.

E: Capital Management

E.1 Own Funds

The company has a simple capital structure made up of retained earnings only. As at 31 December 2025, the company's eligible amount of own funds to cover the SCR and MCR stood at €832.5m (2024: €802m) and was comprised entirely of Tier 1 Basic Own Funds. The company manages its capital requirements according to the Capital Management Policy and by assessing its required solvency margins on a regular basis. The Board review the capital structure of the company on an ongoing basis to determine the appropriate level of capital required to pursue the business strategy.

The company uses the Solvency II Standard Formula to quantify risk in the business, and its appropriateness is regularly assessed. The Standard Formula is also used to quantify the capital impact of key events and key management actions. It is also used to analyse the change in risk profile from one quarter to the next. The company assesses the significance with which the risk profile deviates from the key assumptions and parameters underlying the SCR. Conceptually, the company estimates Economic Capital from:

- Regulatory Capital.
- An allowance for deviations from Regulatory Capital.
- A consideration of non-quantified risks.

The assessment of Economic Capital also considers:

- Suitable margins above the SCR, as might be required by a target credit rating.

- Required capital for possible strategic initiatives.
- Resilience against certain stress scenarios.
- Recognition of the mutual status of the company and the challenges for capital raising.

The company's capital levels are consistent with the highest credit rating agency financial strength levels. The company has developed risk metrics to quantify the risks to which the business is exposed. A capital model is used to quantify the risks of the business taking into account diversification effects. This is done in the context of the company's Own Risk and Solvency Assessment ("ORSA"), which continues to evolve in parallel with the changing environment and industry best practice. The appropriateness of the capital model is regularly assessed. The company considers overall solvency needs including risks that are beyond the scope of the capital model. This is achieved using a range of sensitivity tests and scenario analysis that are undertaken on an annual basis and are assumed to apply over the business planning period of 3 years. The material risks of the business are subject to a wide range of stress tests in order to provide an adequate basis for the assessment of the overall solvency needs. Stress testing and related analysis are conducted in line with the ORSA Policy and the results of stress tests are contained in the Risk Report. The identified stresses are decided upon based on discussion with the relevant function manager. The company considers capital requirements and capital efficiency in the context of profitability, expenses and market position relative to peers.

The following table reconciles the difference (reconciliation reserve) between the equity in the financial statements and the basic own funds as calculated for Solvency II purposes.

	2025 €'000	2024 €'000
Total equity in the financial statements	770,107	736,529
Items not recognised in the financial statements		
Best estimate claims provisions	(460,698)	(448,189)
Best estimate premium provisions	(24,895)	(14,749)
Risk margin	(36,912)	(39,105)
Foreseeable distribution		
Deferred tax impact	(8,501)	(9,352)
Items not recognised in the Solvency II Balance Sheet		
GAAP claims reserves	461,047	437,589
Unearned premium reserves	11,984	20,306
ULAE	38,986	44,099
Bad debt	636	458
Claims & Premiums margin of uncertainty	78,617	75,444
Asset valuation differences	(745)	(1,039)
Basic Own Funds under Solvency II	829,626	801,991

None of the company's own funds are subject to transitional arrangements. The company has no ancillary own funds or subordinated debt. No deductions are applied to own funds and there are no material restrictions affecting their availability and transferability.

The following table provides explanations of the key elements of the reconciliation reserve shown above.

Key element of the reconciliation reserve	Explanation
Risk Margin	The risk margin is designed to ensure that the value of technical provisions is sufficient for another insurer to take over and meet the insurance obligations. It is calculated using a modified Solvency Capital Requirement as specified by EIOPA.
Foreseeable Distributions	The foreseeable distribution is shown as zero as at year-end due to the fact that proposed distributions have been included in Other Liabilities.
Deferred Tax Liability	For the company, the difference between the deferred tax asset in the financial statements and the deferred tax liability created under Solvency II pertains to the deferred tax on the changes in valuation in moving from Irish GAAP to Solvency II. That is, it is largely driven by the reduction in the (net) technical provisions under Solvency II. This would result in an instantaneous profit, which would incur corporation tax at 12.5%.
Unearned Premium Reserves / Best Estimate Premium Provisions	Under Irish GAAP, the company is required to hold a reserve for unearned exposure that is at least equal to the unearned premium. Under Solvency II the best estimate premium provisions is a discounted best estimate. This best estimate includes an allowance for future reinsurance premium and recoveries as Solvency II requires reinsurance to be recognised consistently with the boundary of the underlying insurance contract whereas Irish GAAP recognises reinsurance from inception of the contract.
Differences between Irish GAAP liabilities and best estimate liabilities	In the Irish GAAP financial statements technical reserves are undiscounted, as compared with discounted Solvency II technical provisions.
Claims Margin of Uncertainty	Margins for uncertainty are included in the Irish GAAP financial statements. The margin for uncertainty is excluded from Solvency II technical provisions.
Asset Valuation Differences	Valuation differences relate to Property, Plant and Equipment (PPE) and Intangible Asset, both of which are valued at cost less accumulated depreciation in the Irish GAAP financial statements. The company's PPE relates to leasehold improvements and IT assets and its intangible asset relates to IT software. As neither can be sold separately, both are valued at zero under Solvency II valuation principles. The Right-of-Use Asset is not recognised under Irish GAAP while it is recognised at fair value under Solvency II. Provisions for MIBI are included in the Irish GAAP claims reserves but are included in "other provisions" under the Solvency II balance sheet.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

As at 31 December 2025, the company had a solvency ratio of 2.70 times the SCR (2024: 2.96 times). The company's SCR and MCR were €307.5m and €76.9m respectively (2024: €271.2m and €67.8m respectively).

The following table shows the components of the SCR (using the Standard Formula) as at 31 December 2025.

	€'000 2025	€'000 2024
Market Risk analysed by the following sub-risk modules:	184,632	148,423
• Concentration Risk	2,489	5,901
• Interest-Rate Risk	63,082	43,543
• Currency Risk	10,401	4,576
• Equity Risk	114,287	87,188
• Property Risk	13,580	17,217
• Spread Risk	54,805	48,290
• Market Diversification Benefit	(74,013)	(58,292)
Non-Life Risk analysed by the following sub-risk modules:	198,712	184,740
• Premium and Reserve Risk	165,636	162,447
• Lapse Risk	-	-
• Catastrophe Risk	75,919	56,286
• Non-Life Diversification Benefit	(42,843)	(33,993)
Default Risk analysed by the following sub-risk modules:	9,946	12,589
• Type 1	8,718	11,393
• Type 2	1,565	1,540
• Default Diversification Benefit	(337)	(344)
Health Risk analysed by the following sub-risk modules:	1,334	1,110
• Premium and Reserve Risk	1,072	822
• Lapse Risk	-	-
• Catastrophe Risk	570	568
• Health Diversification Benefit	(308)	(280)
Basic Solvency Capital Requirements ("BSCR") pre- Diversification	394,623	346,862
Overall Diversification Benefit	(86,330)	(75,980)
BSCR	308,293	270,882
Operational Risk	15,840	15,289
Loss Absorbing Capacity of Deferred Tax (LACDT)	(16,668)	(15,021)
SCR	307,464	271,150
MCR	76,866	67,788

The company uses EIOPA's Solvency II Standard Formula. It does not use company-specific parameters in its computation; however, it uses one simplification in relation to the allocation of risk mitigation from the non-life and health modules across our reinsurer panel in the default type 1 calculation.

The Loss Absorbing Capacity of Deferred Taxes ("LACDT") is an adjustment that can be applied to the SCR as specified in Article 108 of the Solvency II Directive and corresponding Delegated Acts. This adjustment reflects the potential compensation of unexpected losses through a simultaneous change in deferred taxes.

Undertakings are required to consider the extent to which these deferred taxes are recoverable by assessing their sources of future taxable income.

For 2025, IPB considers its expected profits over its business planning horizon only, i.e. recovering losses over a 3-year timeframe.

As stated above, the Minimum Capital Requirement for the company at 31 December 2025 was €76.9m (2024: €67.8m) which represents the minimum calculated as per the Standard Formula.

E.3 Any use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The company has not opted to use the duration-based equity risk sub-module of the Solvency II regulations.

E.4 Internal model information

The company applies the standard formula model and does not use an internal model to calculate the Solvency Capital Requirement.

E.5 Non-compliance with the Minimum Capital Requirement and significant non-compliance with the Solvency Capital Requirement

There was no breach of the Solvency Capital Requirement (and hence the Minimum Capital Requirement) over the reporting period.

E.6 Any other information

Refer to the appendices for the templates as at 31 December 2025, relevant to this section. These include:

- [Appendix 5](#) S.23.01.01 Own Funds Template
- [Appendix 6](#) S.25.01.21 Solvency Capital Requirement – Standard Formula Only Template
- [Appendix 7](#) S.28.01.01 Minimum Capital Requirement – Only Life or Only Non-Life Template

Annex

Annual Quantitative Reporting Templates (QRTs)

The following templates are included in this section

QRT REF	QRT Template name
S.05.01	Premiums, claims and expenses
S.19.01	Non-Life insurance claims
S.17.01	Technical Provisions
S.02.01	Balance Sheet
S.23.01	Own Funds
S.25.01	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01	Minimum Capital Requirement

Appendix 1A: S.05.01.02 Premiums, claims and expenses by line of business for the year-ended 31 December 2025
Reported in €'000s

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)													Line of Business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property		
		CO010	CO020	CO030	CO040	CO050	CO060	CO070	CO080	CO090	CO100	CO110	CO120	CO130	CO140	CO150	CO160	CO200	
Premiums written	Gross - Direct Business	691	2,448		5,593	3,729	563	57,321	108,170		1,368							179,882	
	Gross - Proportional reinsurance accepted																		
	Gross - Non-proportional reinsurance accepted																		
	Reinsurers' share	72	257		514	343	33	42,723	10,492		119							54,552	
Net	618	2,191		5,079	3,386	530	14,598	97,678		1,249							125,330		
Premiums earned	Gross - Direct Business	675	2,394		5,565	3,710	559	54,921	107,706		1,317							176,848	
	Gross - Proportional reinsurance accepted																		
	Gross - Non-proportional reinsurance accepted																		
	Reinsurers' share	64	228		450	300	28	33,108	9,574		113							43,865	
Net	611	2,166		5,115	3,410	530	21,814	98,132		1,204							132,983		
Claims incurred	Gross - Direct Business	388	1,377		5,385	3,590	-89	19,383	65,631		890							96,554	
	Gross - Proportional reinsurance accepted																		
	Gross - Non-proportional reinsurance accepted																		
	Reinsurers' share	0	0		32	22		10,402	9,276									19,732	
Net	388	1,377		5,352	3,568	-89	8,981	56,355		890							76,822		
Expenses incurred		145	580		2,154	730	129	14,223	42,422		311							60,693	
Expenses incurred	Administrative expenses	Gross - Direct Business	21	84		249	62	19	1,912	3,607		46							5,999
		Gross - Proportional reinsurance accepted																	
		Gross - Non-proportional reinsurance accepted																	
		Reinsurers' share																	
	Net	21	84		249	62	19	1,912	3,607		46							5,999	
	Investment management expenses	Gross - Direct Business	5	19		55	14	4	426	803		10							1,336
		Gross - Proportional reinsurance accepted																	
		Gross - Non-proportional reinsurance accepted																	
		Reinsurers' share																	
	Net	5	19		55	14	4	426	803		10							1,336	
	Claims management expenses	Gross - Direct Business	28	110		749	378	24	2,948	20,555		53							24,845
		Gross - Proportional reinsurance accepted																	
		Gross - Non-proportional reinsurance accepted																	
		Reinsurers' share	0	0		-2	-2		-354	-1,541									-1,899
	Net	28	110		751	379	24	3,302	22,096		53							26,743	
	Acquisition expenses	Gross - Direct Business	28	113		337	84	25	2,589	4,886		62							8,125
Gross - Proportional reinsurance accepted																			
Gross - Non-proportional reinsurance accepted																			
Reinsurers' share		-1	-4		-20	-5	-1	-293	-272		-4							-600	
Net	29	117		357	89	26	2,883	5,158		65							8,725		
Overhead expenses	Gross - Direct Business	62	250		742	185	56	5,701	10,758		136							17,890	
	Gross - Proportional reinsurance accepted																		
	Gross - Non-proportional reinsurance accepted																		
	Reinsurers' share																		
Net	62	250		742	185	56	5,701	10,758		136							17,890		
Balance - other technical expenses/income																			
Total technical expenses																		60,693	

Appendix 2: S.19.01.21 Non-Life insurance Claims year-ended 31 December 2025

Gross Claims Paid for the year-ended 31 December 2025

Reported in €'000s

		Development year										Current year, sum of years (cumulative)		
		0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0160	C0170	C0180
Prior	R0100											10,079	10,079	10,079
N-9	R0160	6,743	10,181	12,089	11,350	8,010	8,257	8,370	5,874	3,593	3,550		3,550	78,015
N-8	R0170	5,490	9,828	11,635	11,145	10,818	7,459	7,690	5,642	4,897			4,897	74,603
N-7	R0180	7,145	11,123	11,471	11,852	12,074	11,994	8,738	7,187				7,187	81,584
N-6	R0190	6,829	11,797	10,019	13,976	12,579	11,076	8,064					8,064	74,340
N-5	R0200	4,964	9,657	6,450	7,425	10,216	8,004						8,004	46,716
N-4	R0210	5,681	8,207	7,569	7,287	9,424							9,424	38,167
N-3	R0220	5,761	8,286	6,754	5,497								5,497	26,298
N-2	R0230	12,533	10,903	10,347									10,347	33,783
N-1	R0240	9,302	9,618										9,618	18,919
N	R0250	12,553											12,553	12,553
Total	R0260												89,219	495,058

Appendix 2: S.19.01.21 Non-Life insurance Claims Continued

Gross Undiscounted Best Estimate Claims Provisions as at 31 December 2025

Reported in €'000s

		Development year										Current year, sum of years (cumulative)		
		0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)	
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350	C0360	
Prior	R0100												43,136	39,582
N-9	R0160	91,681	71,814	61,588	52,961	43,492	36,403	29,634	28,088	23,621	18,849			17,283
N-8	R0170	99,494	79,349	67,453	53,141	43,571	37,244	30,924	25,087	20,331				18,613
N-7	R0180	107,381	87,984	73,615	62,010	51,273	43,178	32,486	22,148					20,334
N-6	R0190	113,640	98,525	83,705	66,329	54,935	45,987	32,914						30,226
N-5	R0200	115,529	84,862	73,737	59,055	46,141	35,346							32,453
N-4	R0210	94,655	73,267	66,159	54,972	50,002								45,956
N-3	R0220	92,091	70,919	63,640	66,618									61,203
N-2	R0230	115,058	79,197	73,698										67,911
N-1	R0240	97,383	84,381											77,813
N	R0250	107,993												100,553
Total	R0260													511,926

Appendix 3: S.17.01.02 Non-Life Technical Provisions
for the year-ended 31 December 2025
Reported in €'000s

		Direct business and accepted proportional reinsurance													Accepted non-proportional reinsurance					Total Non-Life obligation		
		Medical expense insurance	Income protection insurance	Marine, cargo and aviation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Construction liability insurance	Legal expenses insurance	Reinsurance of reinsurance	Reinsurance of reinsurance	Reinsurance of reinsurance	Reinsurance of reinsurance	Reinsurance of reinsurance						
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180				
Technical provisions calculated as a whole		Technical provisions calculated as a whole																				
Technical provisions calculated as a whole		Direct business																				
Technical provisions calculated as a whole		Accepted proportional reinsurance business																				
Technical provisions calculated as a whole		Accepted non-proportional reinsurance																				
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole		Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																				
Technical provisions calculated as a sum of BE and RM	Premium provisions	Gross - Total		48	169		584	478		38	6,097	8,631	19							16,063		
		Gross - Total		48	169		584	478		38	6,097	8,631	19								16,063	
		Gross - direct business																				
		Gross - accepted proportional reinsurance business																				
		Gross - accepted non-proportional reinsurance business																				
		Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		-13	-46		-451	-369		0	1,716	-9,543	-127									-8,832
		Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		-13	-46		-451	-369		0	1,716	-9,543	-127									-8,832
		Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses																				
		Recoverables from SPV before adjustment for expected losses																				
		Recoverables from Finite Reinsurance before adjustment for expected losses																				
	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		-13	-46		-451	-369		0	1,716	-9,543	-127									-8,832	
	Net Best Estimate of Premium Provisions		61	215		1,035	847		38	4,381	18,174	146									24,895	
	Claims provisions	Gross - Total		362	1,282		10,166	8,318		138	34,723	455,452	1,486								511,926	
		Gross - Total		362	1,282		10,166	8,318		138	34,723	455,452	1,486									511,926
		Gross - direct business																				
		Gross - accepted proportional reinsurance business																				
		Gross - accepted non-proportional reinsurance business																				
		Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		0	0		81	66		-0	18,237	32,845	-1									51,228
		Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		0	0		81	66		-0	18,237	32,845	-1									51,228
		Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses																				
Recoverables from SPV before adjustment for expected losses																						
Recoverables from Finite Reinsurance before adjustment for expected losses																						
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		0	0		81	66		-0	18,237	32,845	-1									51,228		
Net Best Estimate of Claims Provisions		362	1,282		10,086	8,252		138	16,485	422,607	1,487									460,698		
Total Best estimate - gross		409	1,450		10,750	8,796		176	40,820	464,083	1,504									527,989		
Total Best estimate - net		422	1,497		11,120	9,099		176	20,866	440,781	1,633									485,594		
Risk margin		32	114		845	692		13	1,586	33,506	124									36,912		
TP as a whole		TP as a whole																				
Best estimate		Best estimate																				
Risk margin		Risk margin																				
Technical provisions - total		441	1,564		11,596	9,487		189	42,406	497,589	1,629									564,901		
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total		-13	-46		-370	-303		-0	19,954	23,303	-128									42,396		
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total		454	1,611		11,966	9,790		189	22,452	474,286	1,757									522,505		
Premium provisions - Total number of homogeneous risk groups		Premium provisions - Total number of homogeneous risk groups																				
Claims provisions - Total number of homogeneous risk groups		Claims provisions - Total number of homogeneous risk groups																				
Cash-flows of the Best estimate of Premium Provisions (Gross)	Future benefits and claims		37	132		76	62		11	4,856	7,510	53								12,737		
	Future expenses and other cash-out flows		68	240		595	487		45	9,652	10,054	68									21,209	
	Future premiums		-58	-204		-86	-70		-18	-8,412	-8,933	-103									-17,883	
	Other cash-in flows (incl. Recoverable from salvages and subrogations)																					
Cash-flows of the Best estimate of Claims Provisions (Gross)	Future benefits and claims		336	1,192		9,452	7,734		129	32,285	423,479	1,381								475,989		
	Future expenses and other cash-out flows		25	90		714	584		10	2,438	31,973	104									35,937	
	Future premiums																					
	Other cash-in flows (incl. Recoverable from salvages and subrogations)																					
Percentage of gross Best Estimate calculated using approximations		Percentage of gross Best Estimate calculated using approximations																				
Best estimate subject to transitional of the interest rate		Best estimate subject to transitional of the interest rate																				
Technical provisions without transitional on interest rate		Technical provisions without transitional on interest rate																				
Best estimate subject to volatility adjustment		Best estimate subject to volatility adjustment																				
Technical provisions without volatility adjustment and without others transitional measures		Technical provisions without volatility adjustment and without others transitional measures																				
Expected profits included in future premiums (EPIFP)		Expected profits included in future premiums (EPIFP)																				

Appendix 4: S.02.01.02 Balance Sheet as at the year-ended 31 December 2025
Reported in €'000s

		Solvency II value	Statutory accounts value			
		C0010	C0020			
Assets	Goodwill	R0010				
	Deferred acquisition costs	R0020				
	Intangible assets	R0030	260			
	Deferred tax assets	R0040	142			
	Pension benefit surplus	R0050				
	Property, plant & equipment held for own use	R0060	8,610	482		
	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	1,464,621	1,293,887		
	Investments (other than assets held for index-linked and unit-linked contracts)	Property (other than for own use)	R0080	45,712	45,500	
		Holdings in related undertakings, including participations	R0090			
		Equities	R0100	101,818	161,665	
		Equities	Equities - listed	R0110	101,783	161,665
			Equities - unlisted	R0120	34	
		Bonds	R0130	1,033,688	1,019,116	
		Bonds	Government Bonds	R0140	521,689	515,585
			Corporate Bonds	R0150	484,891	490,236
			Structured notes	R0160	13,814	
			Collateralised securities	R0170	13,295	13,295
		Collective Investments Undertakings	R0180	127,115	66,911	
		Derivatives	R0190	101,972	694	
		Deposits other than cash equivalents	R0200	54,317	0	
		Other investments	R0210			
	Assets held for index-linked and unit-linked contracts	R0220				
	Loans and mortgages	R0230	2,896	2,896		
	Loans and mortgages	Loans on policies	R0240			
		Loans and mortgages to individuals	R0250			
		Other loans and mortgages	R0260	0	0	
	Reinsurance recoverables from:	R0270	42,396	73,924		
	Reinsurance recoverables from:	Non-life and health similar to non-life	R0280	42,396	73,924	
		Non-life and health similar to non-life	Non-life excluding health	R0290	42,455	73,924
			Health similar to non-life	R0300	-59	
		Life and health similar to life, excluding health and index-linked and unit-linked	R0310			
		Life and health similar to life, excluding health and index-linked and unit-linked	Health similar to life	R0320		
			Life excluding health and index-linked and unit-linked	R0330		
	Life index-linked and unit-linked	R0340				
	Deposits to cedants	R0350				
	Insurance and intermediaries receivables	R0360	6,600	6,600		
	Reinsurance receivables	R0370	2,741	2,741		
	Receivables (trade, not insurance)	R0380	3,806	3,897		
	Own shares (held directly)	R0390				
	Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400				
	Cash and cash equivalents	R0410	19,115	73,339		
	Any other assets, not elsewhere shown	R0420	0	15,142		
	Total assets	R0500	1,550,785	1,473,311		

Appendix 4: S.02.01.02 Balance Sheet as at the year-ended 31 December 2025 continued

Reported in €'000s

Liabilities	Technical provisions - non-life		R0510	564,901	665,194		
	Technical provisions - non-life	Technical provisions - non-life (excluding health)		R0520	562,896	665,194	
		Technical provisions - non-life (excluding health)	Technical provisions calculated as a whole		R0530		
			Best Estimate		R0540	526,130	
			Risk margin		R0550	36,766	
		Technical provisions - health (similar to non-life)		R0560	2,005		
		Technical provisions - health (similar to non-life)	Technical provisions calculated as a whole		R0570		
			Best Estimate		R0580	1,860	
			Risk margin		R0590	146	
		Technical provisions - life (excluding index-linked and unit-linked)			R0600		
	Technical provisions - life (excluding index-linked and unit-linked)	Technical provisions - health (similar to life)		R0610			
		Technical provisions - health (similar to life)	Technical provisions calculated as a whole		R0620		
			Best Estimate		R0630		
			Risk margin		R0640		
		Technical provisions - life (excluding health and index-linked and unit-linked)		R0650			
		Technical provisions - life (excluding health and index-linked and unit-linked)	Technical provisions calculated as a whole		R0660		
			Best Estimate		R0670		
			Risk margin		R0680		
		Technical provisions - index-linked and unit-linked			R0690		
	Technical provisions - index-linked and unit-linked	Technical provisions calculated as a whole		R0700			
		Best Estimate		R0710			
		Risk margin		R0720			
	Other technical provisions			R0730			
	Contingent liabilities			R0740			
	Provisions other than technical provisions			R0750	500	500	
	Pension benefit obligations			R0760			
	Deposits from reinsurers			R0770			
	Deferred tax liabilities			R0780	8,361		
	Derivatives			R0790	101,380	103	
	Debts owed to credit institutions			R0800	8,610		
	Debts owed to credit institutions	Debts owed to credit institutions resident domestically		ER0801	8,610		
		Debts owed to credit institutions resident in the euro area other than domestic		ER0802			
		Debts owed to credit institutions resident in rest of the world		ER0803			
	Financial liabilities other than debts owed to credit institutions			R0810			
	Financial liabilities other than debts owed to credit institutions	Debts owed to non-credit institutions		ER0811			
		Debts owed to non-credit institutions	Debts owed to non-credit institutions resident domestically		ER0812		
			Debts owed to non-credit institutions resident in the euro area other than domestic		ER0813		
			Debts owed to non-credit institutions resident in rest of the world		ER0814		
		Other financial liabilities (debt securities issued)		ER0815			
	Insurance & intermediaries payables			R0820	2,718	2,718	
	Reinsurance payables			R0830	6,425	6,425	
	Payables (trade, not insurance)			R0840	9,534	9,534	
	Subordinated liabilities			R0850			
	Subordinated liabilities	Non-negotiable instruments held by credit institutions resident domestically		ER0851			
		Non-negotiable instruments held by credit institutions resident in the euro area other than domestic		ER0852			
		Non-negotiable instruments held by credit institutions resident in rest of the world		ER0853			
		Non-negotiable instruments held by non-credit institutions resident domestically		ER0854			
Non-negotiable instruments held by non-credit institutions resident in the euro area other than domestic		ER0855					
Non-negotiable instruments held by non-credit institutions resident in rest of the world		ER0856					
Subordinated liabilities not in Basic Own Funds		R0860					
Subordinated liabilities in Basic Own Funds		R0870					
Any other liabilities, not elsewhere shown			R0880	18,731	18,731		
Total liabilities			R0900	721,159	703,204		
Excess of assets over liabilities			R1000	829,626	770,107		

Appendix 5: S.23.01.01 Own Funds as at 31 December 2025

Reported in €'000s

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Ordinary share capital (gross of own shares)	R0010				
	Share premium account related to ordinary share capital	R0030				
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040				
	Subordinated mutual member accounts	R0050				
	Surplus funds	R0070				
	Preference shares	R0090				
	Share premium account related to preference shares	R0110				
	Reconciliation reserve	R0130	829,626	829,626		
	Subordinated liabilities	R0140				
	An amount equal to the value of net deferred tax assets	R0160				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
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					
Deductions	R0230					
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	829,626	829,626			
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300				
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310				
	Unpaid and uncalled preference shares callable on demand	R0320				
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330				
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340				
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350				
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360				
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370				
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds	Total available own funds to meet the SCR	R0500	829,626	829,626		
	Total available own funds to meet the MCR	R0510	829,626	829,626		
	Total eligible own funds to meet the SCR	R0540	829,626	829,626		
	Total eligible own funds to meet the MCR	R0550	829,626	829,626		
SCR	R0580	307,464				
MCR	R0600	76,866				
Ratio of Eligible own funds to SCR	R0620	269.83%				
Ratio of Eligible own funds to MCR	R0640	1079.31%				

Appendix 5: S.23.01.01 Own Funds as at 31 December 2025

Reported in €'000s (Continued)

			Value
			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	829,626
	Own shares (held directly and indirectly)	R0710	
	Foreseeable dividends, distributions and charges	R0720	
	Other basic own fund items	R0730	
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve		R0760	829,626
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)		R0790	

Appendix 6: S.25.01.01 Solvency Capital Requirement – for undertakings on Standard Formula – as at 31 December 2025

Reported in €'000s

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	184,632	184,632	
Counterparty default risk	R0020	9,946	9,946	
Life underwriting risk	R0030			
Health underwriting risk	R0040	1,334	1,334	
Non-life underwriting risk	R0050	198,712	198,712	
Diversification	R0060	-86,330	-86,330	
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	308,293	308,293	

Appendix 6: S.25.01.01 Solvency Capital Requirement – for undertakings on Standard Formula – as at 31 December 2025
Reported in €'000s (Continued)

			Value
			C0100
Adjustment due to RFF/MAP nSCR aggregation		R0120	
Operational risk		R0130	15,840
Loss-absorbing capacity of technical provisions		R0140	
Loss-absorbing capacity of deferred taxes		R0150	-16,668
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency Capital Requirement excluding capital add-on		R0200	307,464
Capital add-ons already set		R0210	
Capital add-ons already set	high, capital add-ons already set - Article 37 (1) Type a	R0211	
	high, capital add-ons already set - Article 37 (1) Type b	R0212	
	high, capital add-ons already set - Article 37 (1) Type c	R0213	
	high, capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement		R0220	307,464
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
	Recognition effects due to RFF nSCR aggregation for article 304	R0440	
	Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	4 - No adjustment
	Net future discretionary benefits	R0460	

Appendix 7: S.28.01.01 Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity – as at 31 December 2025

Reported in €'000s

		MCR components
		C0010
MCRNL Result	R0010	64,394

		Background information	
		Net (of reinsurance/SP V) 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	422	618
Income protection insurance and proportional reinsurance	R0030	1,497	2,191
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050	11,120	4,656
Other motor insurance and proportional reinsurance	R0060	9,099	3,810
Marine, aviation and transport insurance and proportional reinsurance	R0070	176	530
Fire and other damage to property insurance and proportional reinsurance	R0080	20,866	14,598
General liability insurance and proportional reinsurance	R0090	440,781	97,678
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110	1,633	1,249
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Appendix 7: S.28.01.01 Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity – as at 31 December 2025

Reported in €'000s (Continued)

		Value
		C0070
Linear MCR	R0300	64,394
SCR	R0310	307,464
MCR cap	R0320	138,359
MCR floor	R0330	76,866
Combined MCR	R0340	76,866
Absolute floor of the MCR	R0350	4,000
Minimum Capital Requirement	R0400	76,866