

Single Solvency and Financial Condition Report

TRAVELERS INSURANCE COMPANY LIMITED
YEAR END 31 DECEMBER 2025

Contents

Executive Summary	4
Business and Performance	4
System of Governance	5
Risk Profile	6
Valuation for Solvency purposes	7
Capital Management	7
A. Business and Performance	8
A.1 Business	8
A.2 Underwriting performance	12
A.3 Investment performance	14
A.4 Performance of other activities	15
A.5 Any other information	15
B System of Governance	16
B.1 General information on the system of governance	16
B.2 Fit and proper requirements	20
B.3 Risk management system including the own risk and solvency assessment	21
B.4 Internal Control System	24
B.5 Internal Audit Function	26
B.6 Actuarial Function	26
B.7 Outsourcing	27
B.8 Any other information	28
C. Risk Profile	29
C.1 Underwriting Risk	29
C.1.1 <i>Material Risk Exposures</i>	29
C.1.2 <i>Material Risk Concentrations</i>	30
C.1.3 <i>Material Risk Mitigation</i>	30
C.1.4 <i>Risk Sensitivity and Sensitivity Analysis</i>	31
C.2 Market Risk	31
C.2.1 <i>Material Risk Exposures</i>	31
C.2.2 <i>Material Risk Concentrations</i>	32
C.2.3 <i>Material Risk Mitigation</i>	32
C.2.4 <i>Risk Sensitivity</i>	32
C.2.5 <i>Sensitivity Analysis</i>	32
C.3 Credit Risk	33
C.3.1 <i>Material Risk Exposures</i>	33
C.3.2 <i>Material Risk Concentrations</i>	33
C.3.3 <i>Material Risk Mitigation</i>	33
C.3.4 <i>Risk Sensitivity</i>	34
C.3.5 <i>Sensitivity Analysis</i>	34
C.4 Liquidity Risk	34
C.4.1 <i>Material Risk Exposures</i>	34
C.4.2 <i>Material Risk Concentrations</i>	34
C.4.3 <i>Material Risk Mitigation</i>	34
C.4.4 <i>Risk Sensitivity</i>	34
C.5 Operational Risk	35
C.5.1 <i>Material Risk Exposures</i>	35
C.5.2 <i>Material Risk Concentrations</i>	37
C.5.3 <i>Material Risk Mitigation</i>	37
C.5.4 <i>Sensitivity Analysis</i>	37
C.6 Any material risks	37

C.7	Any other information.....	37
C.8	Stress and Scenario Testing.....	38
C.8.1	Overview of the Methodology	38
C.8.2	Risk Appetite and Capital Scenario Analysis.....	38
D	Valuation for Solvency Purposes.....	40
D.1	Assets	40
D.2	Technical Provisions	42
D.3	Other Liabilities	46
D.4	Alternative methods for valuation	47
D.5	Any Other Information.....	47
E	Capital Management	48
E.1	Own Funds.....	48
E.2	Solvency Capital Requirement and Minimum Capital Requirement.....	51
E.3	Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement	51
E.4	Differences between the Standard Formula and any Internal Models Used	51
E.5	Non-Compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement	52
E.6	Any other information.....	52
	Approval by the Board of Directors of the SFCR and Quantitative Reporting Templates	53
	Independent Auditors' Report.....	54
	Appendix A: Quantitative Reporting Templates	60

Executive Summary

Business and Performance

Travelers Insurance Company Limited (“**The Company**” or “**TICL**”) is a United Kingdom regulated entity authorised to carry out general insurance business. Travelers Insurance Company Limited Group (“**the Group**”) as well as the Company has been granted a waiver from the Prudential Regulation Authority (“**PRA**”) to produce a single Solvency and Financial Condition Report (“**SFCR**”) that includes the required information for the Group as well as for the Company. The Group results incorporate the results of the Company and the results of its wholly owned Irish subsidiary, Travelers Insurance Designated Activity Company (“**TIDAC**”). TIDAC continues to produce its own solo SFCR.

TICL is the parent company of the Group. The Group does not produce consolidated UK GAAP accounts that are publicly available. The Group is exempt by virtue of S401 of the Companies Act 2006 from the requirement to prepare group financial statements. The Company’s results are included in the consolidated accounts of its parent, The Travelers Companies, Inc. (“**TRV**” or “**Travelers**”), whose accounts are publicly available.

The ultimate parent company, The Travelers Companies, Inc. (“**TRV**” or “**Travelers**”), is a leading provider of property and casualty insurance based in the United States. TRV has more than 30,000 employees and over 150 years’ experience in the insurance industry. Travelers is traded on the New York Stock Exchange as “**TRV**” and is one of the 30 select companies that comprise the Dow Jones Industrial Average. As at 31 December 2025 Travelers reported total assets of US\$143.7 billion (2024 US\$133.2 billion) and shareholders’ equity of US\$32.9 billion (2024 US\$27.9 billion).

The Company was incorporated in 1971 as the St. Katherine Insurance Company Limited. In 1988, St. Katherine was acquired by The St. Paul Companies, Inc., and was gradually integrated into The St. Paul’s existing UK-based insurance operations. In 2004, The St. Paul Companies, Inc. and Travelers Property Casualty Corp. merged to form The Travelers Companies, Inc. In 2007, the Company’s name was changed to Travelers Insurance Company Limited.

Before 1 April 2019 the Company wrote commercial lines insurance in the United Kingdom and, through its branch in Dublin, Ireland. As of 1 April 2019, all new business and renewals for the Company’s branch in Ireland were written by the Company’s wholly owned Irish subsidiary, TIDAC. On 1 October 2019 a Part VII transfer of the business to TIDAC of the Company’s Ireland branch, and its run-off branches in the Netherlands, France and Germany, was completed. The Company writes an 80% whole account quota share reinsurance of all business written by TIDAC, including the business subject to the Part VII transfer. In addition to UK and Irish risks, the Group also covers risks located outside the UK and Ireland where the Companies are licensed to do so, where non-admitted rules permit or through the use of fronting via a local insurer network. There have been no changes to the scope of the Group’s operations during 2025.

The Group is a provider of insurance solutions targeted at specific customer groups where it can add value with tailored insurance coverage or specific claims handling and risk management expertise. The Group’s major target customer groups include technology, healthcare and automotive companies, local authorities, property owners, solicitors, financial institutions, and large corporate insureds. The Group also writes certain specialty classes of insurance including Renewable Energy, Public and Private Company Directors and Officers (“**D&O**”) and certain Marine classes, including Hull, Cargo and Ports and Terminals.

Travelers’ European based operations offer our customers a wide range of cover through the Company, TIDAC, Travelers Syndicate Management Limited (the Managing Agent of Syndicate 5000 at Lloyd’s) and Travelers Underwriting Agency Limited (a coverholder to Lloyds Syndicate 5000).

Performance

The Company prepares its accounts in accordance with UK GAAP in compliance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and Financial Reporting Standard 103 – “Insurance Contracts” (“FRS103”) for the purposes of Solvency II filing. The Group reported a profit for the year of £99.4m (2024 £60.3m). The Company reported a profit of £80.8m (2024 £58.0m).

System of Governance

The Board of Directors and management of the Company are committed to implementing sound corporate governance practices with the goal of ensuring that the Group operates with a culture of honesty, integrity and accountability that it believes is critical to its long-term success and the interest of its shareholder. For the year ended 31 December 2025, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has applied the Wates Corporate Governance Principles for Large Companies (“Wates Principles”).

The Board comprises seven directors. Three of the directors are independent non-executive directors. The Board has three constitutional committees: the Audit Committee, the Risk Committee and the Governance, Remuneration and Culture Committee. Each Committee has three members, who are the independent non-executive directors.

The Board and each Board Committee have clear Terms of Reference which are reviewed on an annual basis. The Group’s executive management is undertaken by the Executive Leadership Team (“ELT”), Operating Committee (“OpCo”) and TIDAC Management Committee, comprising the senior managers who effectively run the Group. The ELT reports to the Board on a quarterly basis.

Governance over other aspects of the Group’s activities is within the scope of the Executive Risk Committee (“ERC”), the TICL and TIDAC Finance Committees, the European Underwriting Committee, and certain panels. Each committee and panel are governed by its own terms of reference. The Group ensures that all persons who effectively run the Group, or hold key functions, are fit and proper to undertake their roles. The Group assesses the fitness and propriety of persons performing key functions on an ongoing basis. In addition, the Group has an annual performance assessment process which measures performance against minimum competencies required for those persons effectively running the Group.

The Group’s remuneration policy reflects a commitment to achieve a consistent remuneration process and to promote effective risk management.

The Group’s risk strategy is articulated in a risk management framework, as well as a number of policies, frameworks and processes, which operate across the three lines of risk management. The “three lines of risk management” model aims to ensure that responsibilities for the risk strategy are operated effectively.

First Line of Risk Management – Business Management. Risk owners embedded within business operations make up the first line of risk management and are responsible for the day-to-day management of risk on a continuous basis, as well as delivering this strategy and optimising performance according to a pre-agreed risk appetite.

Second Line of Risk Management – Oversight. The second line of risk management primarily comprises the Risk Management, Actuarial and Compliance functions, which provide independent assurance to the Board with regard to the adequacy and effectiveness of risk management practices.

Third Line of Risk Management – Assurance. The third line of risk management involves the Audit Committee, supported by the independent Internal Audit Function. Internal Audit follows a risk-based methodology and provides independent assurance to the Boards and Executive Management and oversees the effectiveness of the First and Second Line functions, remaining independent of management.

The internal control system is designed to ensure that the Group achieves its objectives through operational

effectiveness and efficiency, robust financial reporting and compliance with rules, regulations and policies. The tone for the control environment is set by the board of directors, the ELT, the OpCo and the TIDAC Management Committee, who are all committed to a culture of management integrity, transparency and honesty, and who attribute high importance to the establishment and maintenance of a strong system of internal controls. A key aspect of the internal control framework is a robust risk management framework that ensures strong processes exist for risk identification, risk measurement and risk monitoring, and that ensures appropriate risk mitigation strategies are in place. Internal controls are documented in the risk control policies and the accompanying policy and procedure documents. The operation of these internal controls and risk identification processes is monitored by the four control functions, namely the Compliance function, the Internal Audit function, the Actuarial function and the Risk Management function.

Risk Profile

The major risks to which the Group is exposed, and the main drivers of its capital requirements are underwriting risk and reserving risk. Underwriting risk is managed by the European Underwriting Committee, comprising senior underwriting staff as well as members of the Actuarial, Reinsurance, Risk, Compliance and Claims functions. This Committee ensures adherence to the Board determined risk appetite in terms of product, line of business, geographical exposure, line sizes and rating adequacy. The underwriting strategy includes limits on the Group's total exposure to specific risks together with limits on geographical and industry exposures. The aim is to ensure a well-diversified book with no excessive exposure in any one industry, line of business or geographical region.

Reserving Risk is managed by the TICL and TIDAC Finance Committees. The Group's in house actuaries perform a reserving analysis on a quarterly basis, liaising closely with underwriters and claims handlers. The use of proprietary and standardised modelling techniques, internal and external benchmarking, and the review of claims development patterns are all instrumental in mitigating reserving risk. The aim of the quarterly reserving analysis is to produce a probability-weighted average of the expected future cash outflows arising from the settlement of incurred claims. These projections include an analysis of claims development compared to the previous 'best estimate' projections.

The TICL and TIDAC Finance Committees perform a comprehensive review of the projections, both gross and net of reinsurance, and following this review makes recommendations to the respective Company's Board of Directors of the appropriate claims provisions to be established. In arriving at the level of claims provisions carried, a margin is applied over and above the actuarial best estimate.

In respect of Market Risk, the Group employs a thoughtful investment philosophy that focuses on appropriate risk-adjusted returns. It invests wholly in high quality government and corporate fixed interest securities. In line with previous years, the Group continued to invest wholly in high quality government and corporate bonds. These are considered as a single asset class and are managed together.

Credit Risk is managed through the thoughtful analysis and selection of individual counterparties and the use of limits and managing exposures to individual counterparties.

The Group has an Operational Risk Policy which is reviewed and approved annually by the ERC and the respective Company's Board of Directors. The operational risk profile includes risks from processes, people, systems and external events.

The Group has no material liquidity risk exposures.

Valuation for Solvency purposes

The valuation of assets and liabilities for the Group and the Company on a Solvency II and UK GAAP basis as at 31 December 2025 and 31 December 2024 is summarised as follows:

2025	The Group			The Company		
	Solvency II	UK GAAP	Difference	Solvency II	UK GAAP	Difference
	£m	£m	£m	£m	£m	£m
Assets	2,425.7	2,664.2	(238.5)	2,331.0	2,475.4	(144.4)
Gross Technical Provisions	1,373.1	1,617.8	(244.7)	1,287.0	1,482.3	(195.3)
Other Liabilities	47.2	108.0	(60.8)	38.6	90.4	(51.8)
Excess of Assets over Liabilities	1,005.4	938.4	67.0	1,005.4	902.7	102.7

2024	The Group			The Company		
	Solvency II	UK GAAP	Difference	Solvency II	UK GAAP	Difference
	£m	£m	£m	£m	£m	£m
Assets	2,294.9	2,554.6	(259.7)	2,164.9	2,370.7	(205.8)
Gross Technical Provisions	1,388.4	1,661.2	(272.8)	1,267.4	1,508.2	(240.8)
Other Liabilities	36.0	95.2	(59.2)	27.0	73.5	(46.5)
Excess of Assets over Liabilities	870.5	798.2	72.3	870.5	789.0	81.5

For the Group and the Company, the excess of assets over liabilities is higher on a Solvency II basis than under UK GAAP. This difference largely reflects the benefit of discounting of Technical Provisions under Solvency II.

Capital Management

The Group and the Company uses the Solvency II Standard Formula to calculate its regulatory Solvency Capital Requirement (“**SCR**”). Neither the Group nor the Company use any undertaking-specific parameters. The Group SCR at 31 December 2025 was £546.5m (2024 £535.5m), the Company’s SCR at 31 December 2025 was £516.7m (2024 £497.0m). The Group and the Company were in compliance with its regulatory capital requirements throughout the year and through to the date of this report.

A. Business and Performance

A.1 Business

Name and legal form of the undertaking

Travelers Insurance Company Limited is a company limited by shares and is incorporated in England. Its registered office address is 30 Fenchurch Street, London, EC3M 3BD. This is a single SFCR covering the results of the Company and its wholly owned subsidiary, TIDAC, as well as the solo requirements of the Company. A group came into existence when TIDAC was authorised as an insurance undertaking in January 2019.

Organisational group structure

TRV is a holding company principally engaged, through its subsidiaries, in providing a wide range of commercial and personal property and casualty insurance products and services to businesses, government units, associations and individuals. TRV is incorporated as a general business corporation under the laws of the state of Minnesota and is one of the oldest insurance organizations in the United States, dating back to 1853. The principal executive offices of TRV are located at 485 Lexington Avenue, New York, New York 10017. TRV also maintains executive offices in Hartford, Connecticut, and St. Paul, Minnesota.

TRV is both the immediate and ultimate parent undertaking and controlling party of the Company and has provided 100% of its capital. The Company has a branch in Bermuda which is authorised by the Bermudan Monetary Authority whose offices are located at BMA House, 43 Victoria Street, Hamilton HM12.

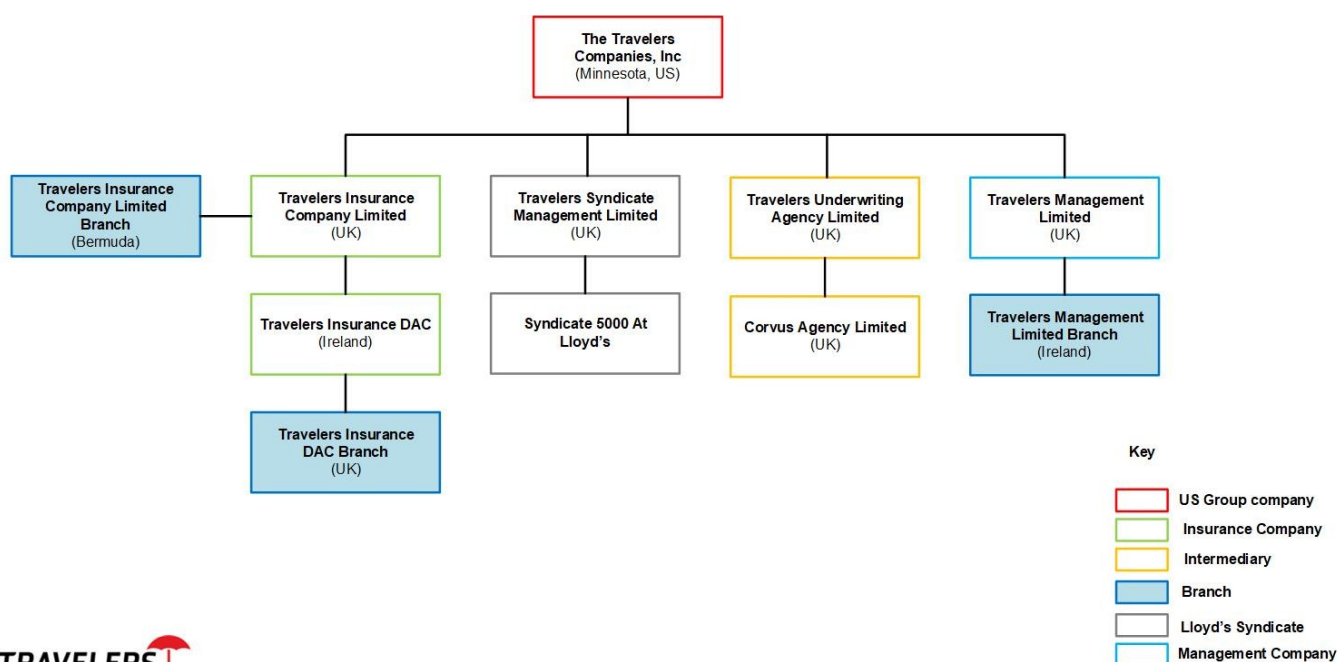
TRV is also the immediate and ultimate parent undertaking of Travelers Syndicate Management Limited, which manages Travelers Syndicate 5000 at Lloyd's. The Syndicate's capital is provided by two corporate capital providers, F&G UK Underwriters Limited and Aprilgrange Limited. TRV is the immediate and ultimate parent undertaking and controlling party of both capital providers.

Travelers Underwriting Agency Limited ("**TUAL**") is an intermediary based in the UK who is authorised and regulated by the Financial Conduct Authority ("**FCA**") and was in compliance with its capital requirements throughout the year. TRV is the ultimate and immediate parent undertaking of TUAL.

Travelers Insurance DAC ("**TIDAC**") is a wholly owned insurance undertaking of the Company, domiciled in the Republic of Ireland. TIDAC is authorised and regulated by the Central Bank of Ireland and has established a branch in the United Kingdom which was authorised by the Prudential Regulation Authority ("**PRA**") and the FCA as a third country branch on 5 July 2023.

On 2 January 2024, a subsidiary of the Company's ultimate parent undertaking, TRV, purchased Corvus Insurance Holdings Inc., a US headquartered cyber insurance managing general underwriter. The acquisition included Corvus Agency Limited ("**CAL**"), a UK-based managing agent.

As part of the integration of the Corvus group into Travelers, TUAL purchased CAL on 1 February 2025 from Corvus Insurance Holdings Inc. On 1st September 2025, TRV concluded the sale of Corvus Underwriting GmbH based in Cologne Germany to a third party. TIDAC continues to underwrite business under the binding authority agreement and does not anticipate an impact on its operations arising from this transaction.



Name and contact details of the supervisory authority responsible for the financial supervision of the undertaking and the Group

The PRA in the UK is responsible for the prudential supervision of the Company and its European Economic Area (“EEA”) group. The FCA in the UK is responsible for the conduct supervision of the UK entities within the Group. The PRA can be contacted at 20 Moorgate, London, EC2R 6DA United Kingdom, and the FCA at 12 Endeavour Square, London E20 1JN, United Kingdom. The Central Bank of Ireland is responsible for the prudential and conduct supervision of the Company’s subsidiary, TIDAC.

The Company is a subsidiary of TRV, based in the United States of America, which is not an equivalent country for Solvency II group supervision. On 31 December 2015, the Company applied for and received confirmation of a modification direction given by the PRA under section 138A of the Financial Services and Markets Act 2000, which took effect on 1 January 2016. The direction modifies Rules 20.1 and 20.2 (Group Supervision) of the PRA Rulebook and requires that the Company provides the PRA with certain information relating to TRV. In 2024 the Company applied for and received an extension to the modification until 31 December 2027.

The State of Connecticut Insurance Department (“**Connecticut Insurance Department**”) is the designated group-wide supervisory authority for TRV pursuant to the Connecticut Insurance Holding Company System Regulatory Act. The Connecticut Insurance Department can be contacted at 153 Market St, Hartford, CT 06103, USA.

Given the amount of business TRV conducts outside of the United States, the Connecticut Insurance Department hosts and leads a supervisory college of Travelers and coordinates the participation of insurance supervisors from the jurisdictions where TRV has insurance operations, including the PRA and CBI. The majority of TRV’s consolidated group assets and statutory capital and surplus are held by U.S. domiciled insurance companies. The Connecticut Insurance Department directly regulates the majority of the total U.S. domiciled insurer assets of TRV. As part of its group-wide regulatory requirements, the Connecticut Insurance Department monitors TRV’s financial results and conducts financial analysis at both the group and legal entity level. Additionally, the Connecticut Insurance Department conducts financial examinations of the insurance subsidiaries over which it has direct regulatory authority. The Connecticut Insurance Department receives annual Holding Company filings at TRV level with extensive disclosure of Travelers group and subsidiary activities, and governance, including notice or approval of transactions with affiliates, depending on the materiality of such transactions. As part of the Connecticut Insurance Department’s requirements pertaining to enterprise risk management, the Department requires the annual filing of a TRV group ORSA and conducts an analysis of the ORSA, including discussions with the TRV’s

management.

Material lines of business and geographical area

The Group writes commercial lines insurance in the United Kingdom and Ireland. The Group also covers risks located outside of the UK and Ireland, on a freedom of service basis through TIDAC, where non-admitted rules permit, or through the use of facultative reinsurance via a local insurer network. The Group holds liabilities relating to insurance written through the former TICL branches in the Netherlands, France and Germany that have been in run-off since 2001.

The Group continues to be a provider of insurance solutions targeted at specific customer groups where it can add value with tailored insurance coverage, specific claims handling and risk management expertise. The Group's major target customer groups include technology, healthcare and automotive companies, local authorities, property owners, solicitors, financial institutions and large corporate insureds. The Group also writes certain specialty classes of insurance including Renewable Energy, Public and Private Company Directors and Officers and certain Marine classes, including Hull, Cargo and Ports and Terminals.

The Company writes an 80% whole account quota share of all business written by TIDAC. Approximately 25.6% (2024 24.1%) of the Company's 2025 gross written premiums related to the 80% quota share reinsurance of TIDAC. Under this quota share reinsurance, the Company predominantly has exposure to commercial lines insurance in Ireland and to UK insureds with exposures in the EU.

Post Balance sheet events

The geopolitical conflict in the Middle East has arisen subsequent to the end of the year. The Company does not have significant direct exposures to the Middle East and, as such, does not currently expect this conflict to have a material impact on its results.

Performance

Group

The Group reported a profit of £99.4m in 2025 (2024 profit of £60.3m) and a combined ratio of 86.8% (2024 93.3%). The Group result benefited from favourable prior year reserve developments in 2025 of £56.3m (2024 favourable £23.3m). Excluding prior year reserve developments, the combined ratio was 99.3% (2024 98.2%).

Total gross premiums written decreased by 10.3% to £515.1m (2024 £574.6m). The decrease in GWP year on year is predominantly driven by proactive underwriting action and rating challenges seen in the Bond and Specialty division. The decrease in premiums written was offset by an increase in the investment return and favourable prior year reserve developments.

The expense ratio increased by 3.1 pts to 38.6% (2024 35.5%) due to reductions in premium while net earned premiums decreased by 5.8% to £445.2m.

TICL Company

Travelers Insurance Company Limited reported a profit of £80.8m in 2025 (2024 £58.0m) and a combined ratio of 89.1% (2024 92.6%). The Company result benefited from favourable prior year reserve developments in 2025 of £47.1m (2024 favourable £22.8m). Excluding prior year reserve developments, the combined ratio was 100.5% (2024 97.9%).

The performance in the year was impacted by lower premiums written both direct and through the whole account quota share (WAQS) with the Company's subsidiary, Travelers Insurance Designated Activity Company ("**TIDAC**"). Total gross premiums written decreased by 10.4% to £461.3m (2024 £514.7m). Gross premiums written assumed through the WAQS decreased by 5.0% year on year and directly written premiums decreased 12.1%. This overall decrease in premiums was offset by an increase in the investment return and favourable prior year reserve developments.

The expense ratio increased by 4.3pts to 39.6% (2024 35.3%) which was driven by the administrative expense ratio being higher due to lower net earned premiums, coupled with investment in significant technology upgrades. Net earned premium decreased by 5.5% to £414.6m.

Material related party transactions

Under its 80% whole account quota share reinsurance of TIDAC, the Company wrote £117.9m (2024 £124.1m) of gross written premiums during the year.

The Company had deposited fixed income securities with Lloyd's as security for the underwriting activities of its affiliate companies, Aprilgrange Ltd and F&G UK Underwriters Limited. On 19 June 2024 these securities were returned in full.

Certain elements of the Group's reinsurance programmes are placed with affiliated group undertakings. All Surety business written by the Group is 100% reinsured with Travelers Casualty & Surety Company of America. All London Market run off reserves are reinsured 100% with The Travelers Indemnity Company.

The Travelers Indemnity Company provides excess coverage as part of the Group's property catastrophe reinsurance (a £50m excess of £10m layer) which is placed 100% with the Travelers Indemnity Company.

The Travelers Indemnity Company also participates as a reinsurer on certain of the Group's reinsurance programs that are largely placed externally. In most cases, the Travelers Indemnity Company accepts only a small share of such programs.

All third party supplier invoices are settled on the Group's behalf by Travelers Management Limited ("**TML**"). Some services are provided by affiliated TRV group companies in the US to TML for the benefit of the Group, pursuant to an intercompany services agreement. Investment management is outsourced to The Travelers Indemnity Company, an affiliated TRV group company.

No distribution has been made by the Company to the shareholder during the year or is proposed as at the year end.

External auditor

The external auditor for the 2025 financial year is Forvis Mazars LLP. The contact details of Forvis Mazars LLP are 30 Old Bailey, London, EC4M 7AU.

A.2 Underwriting performance

The Group

The Group's results for the year on a UK GAAP reporting basis were as follows:

	2025	2024	Change
	£m	£m	£m/%
Gross written premiums	515.1	574.6	(59.5)
Net written premiums	428.3	463.7	(35.4)
Net earned premiums	445.2	472.4	(27.2)
Incurred claims	(214.1)	(272.9)	58.8
Operating expenses	(171.8)	(167.8)	(4.0)
Underwriting Result	59.3	31.7	27.6
Profit after tax	99.4	60.3	39.0
Loss Ratio	48.2%	57.8%	-9.6%
Expense Ratio	38.6%	35.5%	3.1%
Combined Ratio	86.8%	93.3%	-6.5%

The Group reported a profit of £99.4m in 2025 (2024 profit of £60.3m) and a combined ratio of 86.8% (2024 93.3%). The Group result benefited from favourable prior year reserve developments in 2025 of £56.3m (2024 favourable £23.3m). Excluding prior year reserve developments, the combined ratio was 99.3% (2024 98.2%).

Total gross premiums written decreased by 10.3% to £515.1m (2024 £574.6m). The decrease in GWP year on year is predominantly driven by proactive underwriting action and rating challenges seen in the Bond and Specialty division. The decrease in premiums written was offset by an increase in the investment return and favourable prior year reserve developments.

The expense ratio increased by 3.1 pts to 38.6% (2024 35.5%) due to reductions in premium while net earned premiums decreased by 5.8% to £445.2m.

The two most material lines of business are General Liability and Fire and Other Damage to Property, which respectively comprised 59.0% (2024 60.1%) and 30.7% (2024 29.7%) of net earned premiums in 2025. The General Liability combined ratio marginally deteriorated over the prior year to 91.1% (2024 90.9%), predominantly due to the reductions in premium year on year. The Fire and Other Damage to Property combined ratio improved to 72.8% (2024 95.9%) due to favourable prior year reserve releases.

The most material geographical area in which the Group writes business is the United Kingdom which, based on gross written premiums, comprised 80.6% of the Group's business in 2025 (2024 79.8%). The business written in the United Kingdom reported a combined ratio of 83.9% in 2025 (2024 92.7%).

Further information on underwriting performance by material line of business and material geographical areas over the reporting period can be found at Form IR.05.04.02 and Form IR.05.02.01 respectively within the quantitative returns in the Appendix to this report.

The Company

The Company's results for the year on a UK GAAP reporting basis were as follows:

	2025	2024	Change
	£m	£m	£m/%
Gross written premiums	461.3	514.7	(53.4)
Net written premiums	398.9	432.6	(33.7)
Net earned premiums	414.6	438.6	(24.0)
Incurred claims	(205.4)	(251.5)	46.1
Operating expenses	(164.4)	(155.0)	(9.4)
Underwriting Result	44.8	32.1	12.7
Profit after tax	80.8	58.0	22.8
Loss Ratio	49.5%	57.3%	-7.8%
Expense Ratio	39.6%	35.3%	4.3%
Combined Ratio	89.1%	92.6%	-3.5%

Travelers Insurance Company Limited reported a profit of £80.8m in 2025 (2024 profit of £58.0m) and a combined ratio of 89.1% (2024 92.6%). The Company result benefited from favourable prior year reserve developments in 2025 of £47.1m (2024 favourable £22.8m). Excluding prior year reserve developments, the combined ratio was 100.5% (2024 97.9%).

The performance in the year was impacted by lower premiums written both direct and through the whole account quota share (WAQS) with the Company's subsidiary, Travelers Insurance Designated Activity Company ("TIDAC"). Total gross premiums written decreased by 10.4% to £461.3m (2024 £514.7m). Gross premiums written assumed through the WAQS decreased by 5.0% year on year and directly written premiums decreased 12.1%. This overall decrease in premiums was offset by an increase in the investment return and favourable prior year reserve developments.

The expense ratio increased by 4.3pts to 39.6% (2024 35.3%) which was driven by the administrative expense ratio being higher due to lower net earned premiums, coupled with investment in significant technology upgrades. Net earned premium decreased by 5.5% to £414.6m.

The two most material lines of business are General Liability and Fire and Other Damage to Property, which respectively comprised 57.8% (2024 58.8%) and 31.6% (2024 30.1%) of net earned premiums in 2025. The General Liability combined ratio deteriorated over the prior year to 93.2% (2024 90.6%), predominantly due to the reductions in premium year on year. The Fire and Other Damage to Property combined ratio improved to 77.0% (2024 95.8%) due to favourable prior year reserve releases.

The most material geographical area in which the Company writes business is the United Kingdom which, based on gross written premiums, comprised 85.4% of the Company's business in 2025 (2024 83.7%). The business written in the United Kingdom reported a combined ratio of 85.2% in 2025 (2024 90.5%).

Further information on underwriting performance by material line of business and material geographical areas over the reporting period can be found at Form IR.05.04.02 and Form IR.05.02.01 respectively within the quantitative returns in the Appendix to this report.

A.3 Investment performance

During the year the Group continued to invest wholly in high quality government and corporate fixed interest securities. These are considered as a single asset class and are managed together. The Group's total investment return for the year was £110.4m gain (2024 £69.7m). The composition of the investment return was as follows:

	The Group			The Company		
	2025	2024	Change	2025	2024	Change
	£m	£m	£m	£m	£m	£m
Investment income	73.1	60.0	13.1	67.1	55.0	12.1
Realised investment gains	5.9	2.6	3.3	5.4	2.4	3.0
Realised investment losses	(13.1)	(12.4)	(0.7)	(12.2)	(11.1)	(1.1)
Unrealised investment gains	46.2	21.0	25.2	43.9	17.0	26.9
Investment expenses	(1.7)	(1.5)	(0.2)	(1.5)	(1.4)	(0.1)
Total investment return	110.4	69.7	40.7	102.7	61.9	40.8

Net realised investment losses have arisen as bonds bought above par value have subsequently been sold or matured.

Unrealised investment gains are reported within Other Comprehensive Income ("OCI") on a UK GAAP basis. No investments in securitisations were made in either period. The investment portfolio of the Company does not include any shares in any other Travelers group entity other than in TICL's wholly owned subsidiary TIDAC. Management of the investment portfolio is outsourced to an affiliated TRV group undertaking, The Travelers Indemnity Company. Investment portfolios are managed in accordance with the investment guidelines set out in the Group's Investment and Market Risk Policy, which is approved by the Board of Directors. Investment reviews with the investment manager are conducted quarterly by the TICL and TIDAC Finance Committees.

The Group invests in high quality corporate and government bonds with an average credit quality of AA. Investments under management at 31 December 2025 totaled £2.1bn (2024 £2.0bn). During 2025 central banks continued to decrease interest rates, the net impact of these conditions resulted in an unrealised gain, before tax of £5.9m (2024 gain £21.0m) within total comprehensive income.

Company investments under management at 31 December 2025 totaled £1.9bn (2024 £1.8bn). The Company impact on the decrease in central bank rates was a gain of £43.9m (2024 gain £17m).

A.4 Performance of other activities

Neither the Group nor Company had any material other income or expenses outside of its regular trading activities.

A.5 Any other information

During the year the Group produced a total comprehensive gain on a UK GAAP basis of £140.2m (2024 £71.5m gain). Shareholder's funds increased from £798.2m in 2024 to £938.4m.

During the year the Company produced a total comprehensive gain on a UK GAAP basis of £113.7m (2024 £70.8m gain). Shareholder's funds increased from £789.0m in 2024 to £902.7m.

B System of Governance

B.1 General information on the system of governance

B.1.1 Governance structure

The Board of the Company is comprised of seven directors. Three of the directors are independent non-executive directors. The Board has three constitutional committees: the Audit Committee, the Risk Committee and the Governance, Remuneration and Culture Committee [Figure 1]. Each Committee has three members, who are the independent non-executive directors.

The Board has oversight of the Group and Company's affairs and has a duty to make decisions and take actions in the interest of shareholders and stakeholders. "Matters Reserved for the Board" include but are not limited to following issues:

- Strategy and Business Plans
- Corporate Structure
- Finance and Capital
- Risk and Control
- Governance, Board and Management
- Culture and values

The main responsibilities of the Audit Committee are to assist the Board in discharging its responsibilities for monitoring the:

- content, integrity and accuracy of the financial and non-financial reporting;
- the adequacy and effectiveness of the internal financial systems and controls;
- Group reserve position, assumptions, key sensitivities and the level of margin carried over the actuarial best estimate;
- the relationship with the external auditors, including effectiveness, performance and objectivity; and
- the effectiveness, performance and objectivity of the Internal Audit function.

The main responsibilities of the Risk Committee are to assist the Board in its oversight of risk management across the Company by providing advice, support and recommendations in relation to:

- the Group's risk management strategy and framework, including the promotion of a risk aware culture;
- the overall risk appetite, and tolerance levels to the principal and emerging risks the Group is willing to take in achieving its long-term strategic objectives;
- the Group's risk profile and the day-to-day risk management activities and the adequacy of actions taken;
- the management of capital, including economic and regulatory capital based on the Group's risk profile, the sufficiency of the internal model, and the adequacy of the Own Risk and Solvency Assessment (**ORSA**) process and report;
- compliance with relevant regulations and legislation; and
- the effectiveness and performance of the Risk and Compliance functions.

The main responsibilities of the Governance, Remuneration and Culture Committee are to assist the Board in its oversight of its governance framework and associated policies and procedures, together with its approach to remuneration, culture and ethics by:

- leading the process for Board appointments, ensuring the Board of the Company is comprised of individuals with a combination of skills, experience and knowledge, and ensuring plans are in place for orderly succession to both the legal entity Board and senior management positions;
- considering developments in corporate governance and overseeing the Group's processes to comply with legal and regulatory expectations including overseeing compliance with the Senior Management and Certification Regime (**SMCR**) and overseeing the process for evaluating the performance and effectiveness of the Board

and its Committees;

- overseeing the Group's approach to remuneration; and
- overseeing corporate culture and values, including Diversity and Inclusion and driving the approach to conduct and ethics.

At an executive level, the Group is managed by the ELT, comprising of the senior managers who effectively run the Group. The ELT meets bi-monthly and is chaired by the CEO. The CEO is a member of the Board and presents a quarterly CEO report to the Board which includes details of matters discussed by the ELT. The ELT considers the following matters on a regular basis:

- Development of strategy, assessment and control of risk and resourcing.
- Implementation and management of strategy, operational plans, policies, procedures and budgets.
- Monitoring of underwriting, operations and financial performance.
- Providing regular updates to the Board and its Committees and escalation of issues as appropriate.

The operations of the Group are overseen by the OpCo. The OpCo is currently chaired by the Chief Operations Officer ("COO"). Its members comprise representatives from Underwriting (Business Insurance Retail and Small, Business Insurance Specialty and Bond and Specialty Insurance), Finance, Actuarial, Claims, Compliance, HR, Distribution, Marketing and Risk. Committee meetings occur on a monthly basis. The Chair of the OpCo reports separately to the ELT detailing the key highlights from the committee meetings.

Governance over financial risks are provided by the TICL and TIDAC Finance Committees, chaired by the respective Company's CFO, which meets on a quarterly basis. The Company CFO reports monthly to the ELT on the Group financial performance and risks, and quarterly to the Audit Committee and the Board.

Governance over the Group's risk management is provided by the ELT and ERC which include executive function Senior Management Function ("SMF") managers. The ERC consists of members of senior management from each of the Travelers European operations. The CRO reports monthly to the OpCo, quarterly to the ERC, Risk and Remuneration Committee and to the Board.

The Head of Actuarial Function reports monthly to the ELT and quarterly to the Board.

Governance over underwriting matters is provided by the European Underwriting Committee, which meets quarterly. Senior representatives from Underwriting, Head of Compliance and others are members of the European Underwriting Committee. Underwriting performance is reported monthly to the ELT and quarterly to the Board. The governance structure includes various committees and panels relating to specific activities.

Decisions relating to reinsurance activities are made by the Reinsurance Purchasing Panel which reports into the European Underwriting Committee. Decisions relating to reserving are considered by the TICL and TIDAC Finance Committees. The interrelationship of various committees and panels is set out on a governance structure chart presented in Figure 1 and is subject to regular internal review.

A project to review the internal governance framework was completed in 2025, and the recommended changes to the framework and committees will be implemented in early 2026.

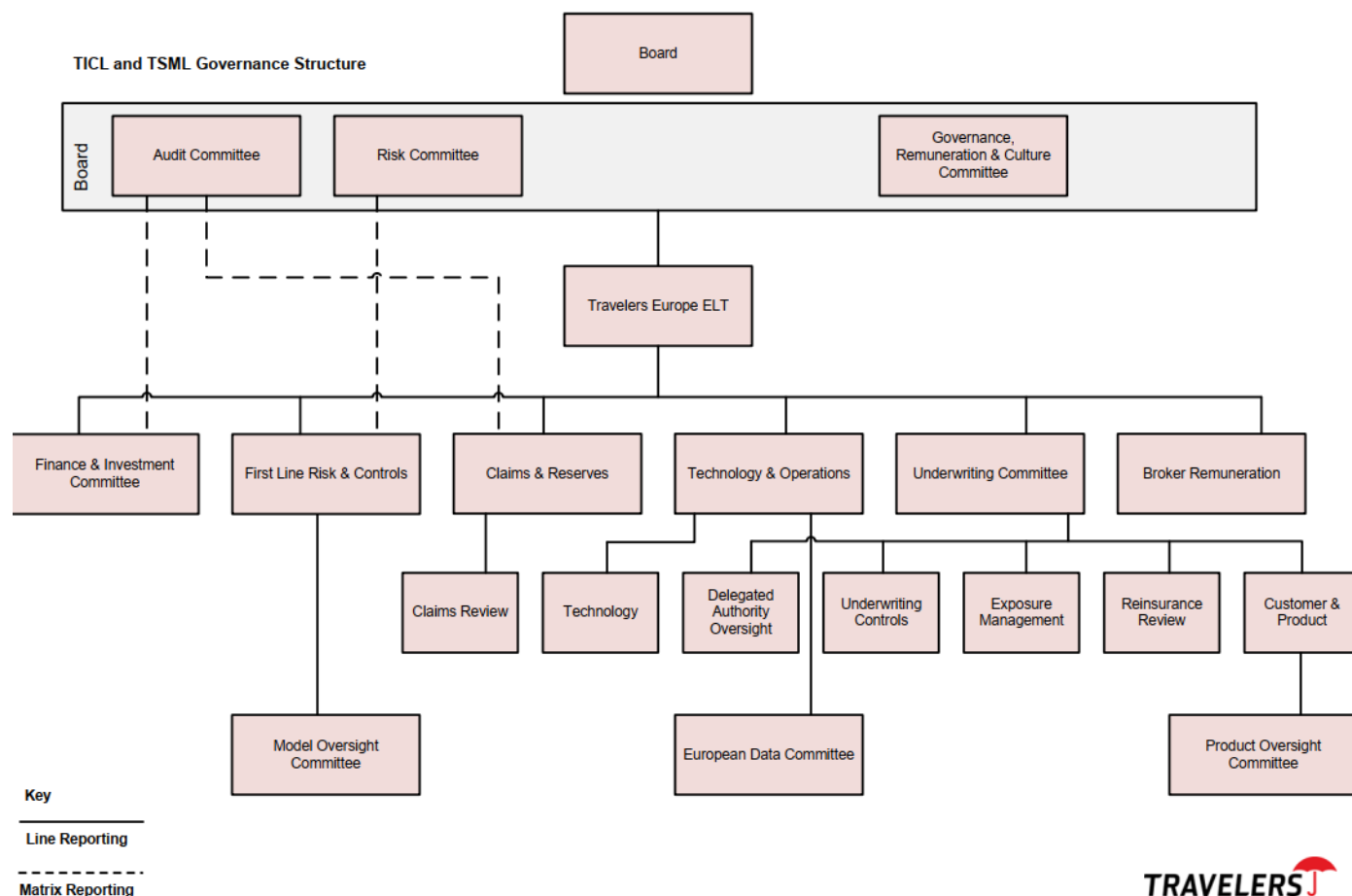


Figure 1: TICL Group governance

B.1.2 Remuneration Policy

The Group has adopted a Remuneration Policy which has been approved by the respective Boards. The purpose of the Remuneration Policy is to define the minimum standards, and roles and responsibilities, relating to remuneration of employees within the Group. The policy reflects the Group’s commitment to achieve a consistent remuneration process and to promote effective risk management. The Remuneration Policy states that the Group is committed to measuring both the actual performance and the underlying level of risk assumed to achieve that performance. As to risk mitigation, all planned individual compensation actions, including fixed and variable elements are reviewed in a robust and disciplined manner internally at several layers of management, in addition to a review with the Company’s Governance, Remuneration and Culture and TIDAC’s Risk and Remuneration Committee of the Board of Directors. This review is facilitated by the VP, Human Resources – Europe and seeks the TICL Governance, Remuneration and Culture Committee and TIDAC’s Risk and Remuneration Committee ratification of compensation recommendations for senior managers.

In addition, compensation of each employee is reviewed by their line manager, functional manager, CEO and VP, HR - Europe, and the equivalent functional/business roles within the Group’s parent company. Compensation is delivered through a combination of base salary and incentive compensation, consisting of an annual cash bonus and stock-based, long-term incentive awards, all of which are performance based.

Base salary. Base salaries are reviewed annually, and adjustments are made from time to time as management deems appropriate to recognise performance, changes in duties and/or changes in the competitive marketplace. Base salary will comprise a significant proportion of total compensation.

Performance-Based Annual Cash Bonus. Annual bonuses are always discretionary and are based upon the individual performance of each employee as well as that of the Group and TRV as a whole. The following factors are used to determine the appropriate annual cash bonus that should be paid to an employee:

- the performance of the employee;
- compensation market practices as reflected by external vendor compensation surveys;
- performance of the Group relative to financial measures set in the business plan, prior year's performance and the performance of industry peers; and
- performance of The Travelers Companies, Inc. relative to financial objectives.

Additional qualitative factors are also considered, such as:

- the effective management of risk; and
- the demonstration of individual or leadership competence, teamwork and innovation.

Performance-based long-term incentives. Certain employees are eligible for long-term incentives in the form of TRV stock awards. Eligibility is determined by job criteria, while award decisions are made with consideration of individual performance. These performance-based awards are designed to ensure individuals have a continuing stake in the long-term success of The Travelers Companies, Inc., and the Group.

As employees acquire increasing responsibility, more of their compensation is variable and tied to TRV's performance. Higher levels of management will receive proportionally more of their award in the form of stock options and performance shares, in alignment with the impact they have on the direction of the Group which can inevitably impact the TRV stock price.

Lower levels of management and individual contributors will receive most of their entire award in the form of restricted stock units.

B.1.3 Supplementary Pension Scheme or early retirement scheme for members of the administrative, management or supervisory body and other key function holders

The Group's remuneration policy does not include any supplementary pension or early retirement scheme for members of the Board or key function holders.

Details of the remuneration of the members of the Board is disclosed in the Company's report and accounts, in accordance with the requirements of the applicable law and UK accounting standards (UK Generally Accepted Accounting Practice) including FRS102, the financial reporting standards applicable in the United Kingdom and the Republic of Ireland.

All executive directors and senior managers may participate in one of the TRV pension plans. Company contributions range from 9% to 12%, depending on the individual's own contributions under a matching scheme. If pension contributions at this level would result in a punitive personal income tax charge, rather than a pension contribution an increase to the individual's salary is made in an amount such that there is no incremental cost to the Group.

B.1.4 Material Transactions during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body

There were no new material related party transactions with the Group's shareholder during the year.

B.2 Fit and proper requirements

The Group has an Accountability Regimes and Fitness and Propriety Policy (“F&P”) which is approved by the Board.

The purpose of the Fitness and Propriety section is to:

- (i) identify the key functions that are of specific importance to the sound and prudent management of the business; and
- (ii) set out the policies and procedures in accordance with the relevant regulatory requirements for the fit and proper assessment of the individuals that perform key functions, including, but not limited to, every person in respect of whom an application for approval is made.

Fitness and propriety checks are made before an individual is appointed to a key function and periodically thereafter. The Group needs to ensure that key function holders are fit for their roles by having appropriate qualifications and experience, and proper by having a good reputation and appropriate integrity. These checks include the following:

- (i) At least two interviews conducted by the hiring manager and at least one other permanent member of staff.
- (ii) Background check process which will include, as a minimum:
 - a. Criminal records check (where legally permissible);
 - b. Credit check;
 - c. Verification of previous employment for the last seven years (unless the individual has been continuously employed by a Travelers group company during this period);
 - d. Verification of educational and professional qualifications; and
 - e. Reasonable steps to obtain appropriate references from the person’s current and previous employers.

The Group will assess the fitness and propriety of persons performing key functions on an on-going basis. The frequency of on-going due diligence assessments will be dependent on the role undertaken and the minimum regulatory requirements, but will be at least every three years, and sooner if a specific issue arises. Annually, each person performing a key function will be asked to certify that there have been no changes to their criminal record, credit or competency status since the date of the last background check or annual certification, and they will continue to comply with all F&P requirements.

The Group has an annual performance assessment process which sets out the minimum competencies required for those persons effectively running the Group. These minimum competencies against which performance is measured include Performance Management of others, Employee Engagement, Customer Outcomes, Governance, Compliance, and acting with integrity, due care, skill and diligence. The fitness and propriety assessment forms part of the individual’s appraisal/performance review and involves consideration of the following:

- the person’s role and responsibilities by reference to their job description (and, for approved persons only, the approved person competency set and scope of responsibilities document (as applicable));
- whether the individual has attended the necessary training (including risk and compliance training) in order to remain competent and capable to perform the role;
- the individual’s business conduct; and
- whether the person has performed his or her key function in accordance with the relevant conduct standards (which apply to that individual).

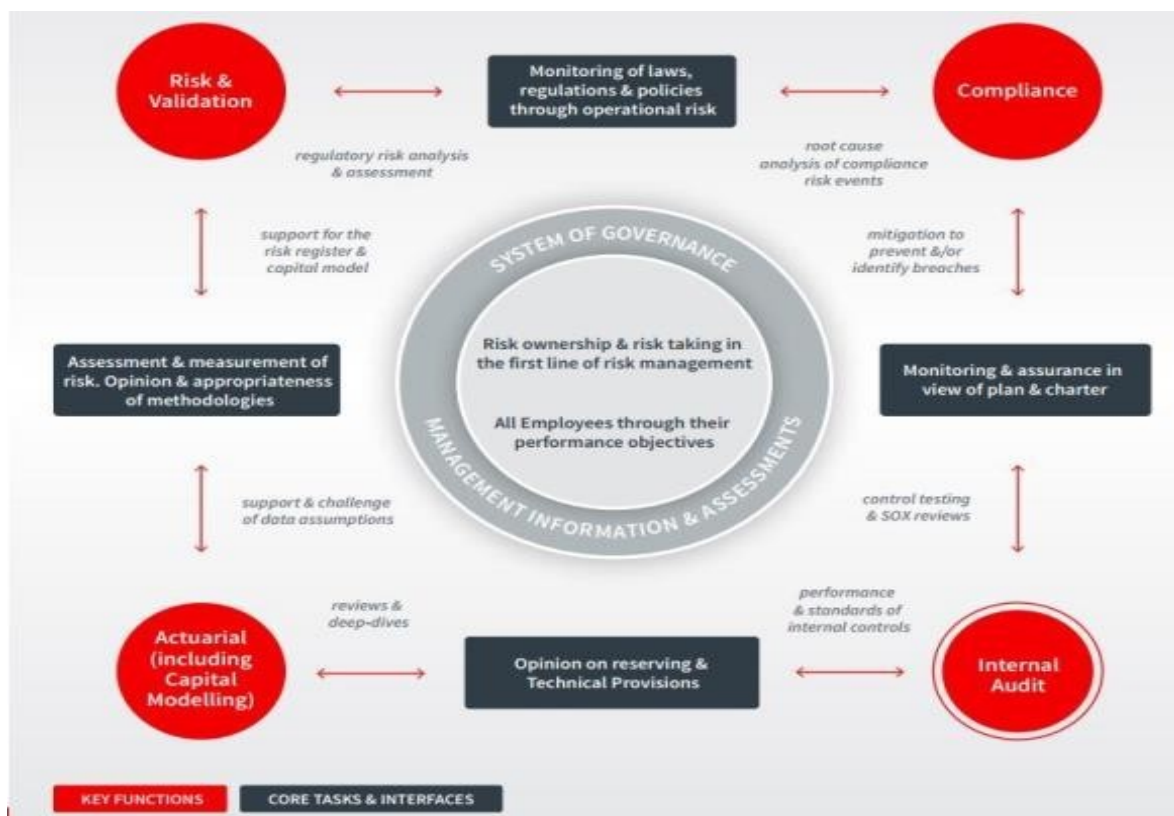
B.3 Risk management system including the own risk and solvency assessment

B.3.1 Risk management system

The risk strategy is articulated in an overarching Risk Management Framework (“**RMF**”) as well as a number of policies, frameworks and processes which operate across the three lines of risk management. The Group’s RMF is designed to help assure that the Group achieves its objectives through operational effectiveness and efficiency, robust financial reporting and compliance with laws, regulations, and policies. The RMF requires assessment of the impact that risks may have on the Group’s forward-looking strategy; this considers a range of current, future, internal and external risks to business planning and capital management.

Risk management has a fundamental role in both the business planning process and monitoring progress against those plans. The Group business planning process turns the strategy into a set of objectives and targets that are articulated and cascaded across the Group. Development of these plans and objectives/targets considers the risks to which the Group is exposed.

To manage risk across the business, the Group has adopted the “three lines of risk management” model and has established four key control functions that operate per the requirements of the PRA Rulebook: Conditions Governing Business 2.2 and the Solvency II Directive (Actuarial, Risk, Compliance and Internal Audit). These functions work across all three lines of risk management to help manage the range of risks to which the Group is exposed. These key functions are responsible for providing oversight of, and challenge to, the business and to provide assurance to the Board in relation to the Group’s internal control framework.



Responsibilities in the risk strategy are summarised as:

The First Line of Risk Management – Business Management

Risk Owners, embedded within business operations, make up the first Line of risk management and are responsible for the day-to-day management of risk on a continuous basis, as well as delivering the strategy and optimising performance according to pre-agreed risk appetites.

The Second Line of Risk Management – Oversight

The second Line of risk management primarily comprises the Risk Management, Actuarial and Compliance functions. The second Line of risk management provides independent assurance to the Board with regards to the adequacy and effectiveness of risk management.

The Third Line of Risk Management – Assurance

The third Line of risk management involves the Audit Committee, supported by the independent Internal Audit Function. Internal Audit follows a risk-based methodology and provides independent assurance to the Boards and Executive Management and oversees the effectiveness of the First and Second Line functions, remaining independent of management.



* TRVE has the meaning of the UK and Irish operations of The Travelers Companies, Inc.

The Group’s RMF links to the parent’s identification of significant risks. The RMF is implemented by the Risk Management function which monitors and reviews the risk profile and the effectiveness of risk management activities on a continuous basis. The Risk Management Function is led by the Chief Risk Officer, who chairs the ERC and reports to the Board and the Risk Committee.

Key risk management information, linked to the risk strategy, including specific risk appetite metrics and risk assessments, are employed across the entirety of the business to measure and monitor the level of risk taking actually occurring, and to provide a view of the Group's progress against its business plans. The Risk Management function facilitates production and provides oversight of this key risk management information, through the risk register, which enables the Group effectively to identify, assess, measure and monitor individual and aggregated risks frequently. Risk register metrics and assessments also provide appropriate inputs into capital modelling and forecasting processes (e.g., the ORSA, and other internal requirements). The risk register and associated reporting is integrated into the organisational structure as Risk and Control Owners (the majority of who are in the first line of risk management) frequently review the risks to which the Group is exposed with review and challenge by the Committees and the second line of risk management.

B.3.2 Own Risk and Solvency Assessment ("ORSA")

The ORSA process is an ongoing and forward-looking process of a company's reflection and assessment of its own risks to ensure it holds enough capital for current and future solvency needs as well as assessment of non-solvency risks. TICL and TIDAC each produce a solo ORSA.

A company's ORSA process is forward-looking and has the following objectives:

- To develop and embed an ongoing process enabling the assessment of the TICL and TIDAC's own solvency needs that takes into account their specific risk profile, approved risk appetite limits, and their short and long-term business and capital strategies.
- To provide sufficient information that enables management to:
 - Ensure continuous compliance with regulatory capital requirements relating to Solvency Capital Requirements ("SCR"), Minimum Capital Requirements ("MCR"), and technical provisions; and
 - Test, validate and challenge the short and long-term business and capital strategies, and understand the capital resources required to support them.

The ORSA process is embedded in the first line of risk management, and focuses on the TICL and TIDAC business model, the portfolio of their products and customers, their risk profile, their plans over the short to medium term, and capital management. The outputs of the ORSA process are documented in the annual ORSA report.

The TICL and the TIDAC ORSA reports describe their risks, the capital they require and the risk management work that assures policyholder benefits. The report production is governed by the Travelers Europe ORSA Policy which is owned by the individual company's Chief Risk Officer and reviewed at least annually by the respective company Boards and the ERC. The ORSA is reviewed and approved by the individual company Boards and is expected to be submitted at least annually to the PRA for TICL and CBI for TIDAC and contributes to securing an appropriate degree of protection for policyholders.

In order to achieve the ORSA objectives and fulfil its obligations, the ORSA requires adequate and robust processes to assess, monitor and measure risks, including non-quantifiable risks such as reputational, strategic, and group risks alongside overall solvency needs. This is primarily achieved through the RMF which provides a structured process across the business that links business planning, execution of those plans, monitoring and assessment of the risk and capital profile that results, and the incorporation of insights and findings into business planning.

The high-level principles are presented below.



The ORSA considers both the regulatory and economic capital position of TICL and TIDAC. The regulatory capital position is calculated using the Standard Formula which is calibrated to a 1 in 200 risk of ruin on a one-year basis. Annually TICL and TIDAC assesses the appropriateness of the Standard Formula as the basis for calculating its regulatory capital requirement and documents this assessment within the ORSA. This assessment is performed by comparing the results under the Standard Formula to the results derived when using the Group’s own capital model. For economic capital purposes, the TICL and TIDAC targets holding sufficient capital over the three-year planning time horizon to maintain its AM Best “A++ (Superior)” rating. As set out in their individual ORSA reports, TICL and TIDAC uses their own capital model and assessment of its risk profile to determine their economic capital requirement (“ECR”).

The ORSA process is facilitated by the Enterprise Risk Management (“ERM”) Team in line with their requirements as documented in the RMF. ERM utilises the TICL and TIDAC risk register and internal model to assist management to identify, measure and monitor risks to the business plan and solvency.

B.3.3 Sustainability Summary

Climate related financial risks are considered in the Risk Management Framework and ORSA process. Sustainability at Travelers means performing today, transforming for tomorrow and fulfilling our promise to our customers, communities and employees. The Group follows the climate strategy of TRV, which can be found at: <https://sustainability.travelers.com/>. Information relating to managing changing climate conditions can be found at: https://asset.trvstatic.com/download/assets/Travelers_TCFDReport2024.pdf/db0c21f6147211f093342a4bfe896913

B.4 Internal Control System

The internal control system is designed to help assure that the Group achieves its objectives through operational effectiveness and efficiency, robust financial reporting, strong financial and operating controls and compliance with laws, regulations and policies.

The tone for the control environment is set by the Board of Directors, the ELT, OpCo and the TIDAC Management Committee who are committed to a culture of management integrity, transparency and honesty, and who attribute high importance to the establishment and maintenance of a strong system of internal controls. A key

aspect of the internal control framework is a robust risk management framework that ensures strong processes exist for risk identification, risk measurement and risk monitoring and that ensures appropriate risk mitigation strategies are in place. Internal controls are documented in the risk control policies and the accompanying policy and procedure documents. The operation of these internal controls and risk identification processes is monitored by the four control functions, namely the Compliance function, the Internal Audit function, the Actuarial function and the Risk Management function.

B.4.1 Delegation of Responsibilities

Delegation of responsibilities to senior management function holders and key function holders and their reporting lines, is set out in a Management Responsibilities Map (“**MRM**”). An MRM is also prepared for TIDAC. The MRM is maintained by the Head of Compliance and is updated on a quarterly basis, as required.

B.4.2 Compliance Function

Responsibilities of the Compliance function are set out in a Compliance Charter and annual Compliance Plan, which are approved by the TICL Risk Committee and the TIDAC Risk and Remuneration Committee on an annual basis. In addition, various internal control policies identify roles and responsibilities allocated to the Compliance function. The Compliance function is responsible for assisting the business in discharging its regulatory obligations. This involves helping the business in identifying, managing, monitoring and resolving compliance risks and issues, assisting with the implementation of controls around regulatory risk, encouraging the right culture across all levels of the firm and providing the TICL Risk Committee and the TIDAC Risk and Remuneration Committee, Board and senior management with assurance that key regulatory risks are being appropriately managed. In particular, the Compliance function will monitor how the business has discharged its regulatory obligations using a combination of targeted monitoring reviews and continuous monitoring and reporting, as set out in the annual Compliance Plan.

The escalation procedure for a possible non-compliant issue is via the Compliance Report to the ERC, TICL Risk Committee and the TIDAC Risk and Remuneration Committee and the Board, or through more immediate escalation to the individual Board member or relevant key function if a matter is material and requires more urgent action. In the unlikely event that appropriate remedial action is not taken following escalation of a material issue, the Compliance function will notify the appropriate regulatory authorities of the matter.

The Head of Compliance monitors the team’s resources on a continuous basis throughout the year. Their objective is to ensure that the available resources are sufficient to complete the annual Compliance Plan within the stated timeframe and to provide the expected level of assurance.

Compliance is owned by the Board, with due attention given on the Boards, TICL Risk Committee and TIDAC Risk and Remuneration Committee agendas.

The Compliance function reports:

- Quarterly to the Boards;
- Quarterly to the TICL Board Risk Committee;
- Quarterly to the TIDAC Risk and Remuneration Committee
- Quarterly to the Executive Risk Committee;
- Quarterly to the European Underwriting Committee;
- As required to the Product Oversight Group;
- Following completion of a Compliance Review, Specific Project or Continuous Monitoring to Board members, senior management and all stakeholders, and
- Monthly to OpCo.
- Monthly to the TIDAC Management Committee

B.5 Internal Audit Function

The Internal Audit Function is managed by the designated Head of Internal Audit, who is an employee of TML but has a direct reporting line into the Chair of the TICL Audit Committee, in addition to a secondary reporting line to the TRV Group Chief Audit Officer based in the United States. The Head of Internal Audit meets each year with the Audit Committee without executive management in attendance and has direct access to the Chair of the Audit Committee at all times.

Each Business Unit and function within the Group is subject to internal audit review on a risk-based cycle. The audit plan considers the materiality of each area, the results of prior years' audits and the quantum of change being experienced across each area of the business. In addition to the audit reviews above, a series of Assurance Initiatives are undertaken by the internal audit team each year, covering areas of significant change such as new system implementations, areas where changes in business priorities have led to increased risk and areas of specific regulatory focus.

An audit plan is prepared each year and approved by the Audit Committee on behalf of the Board. Reports are issued following each audit and assurance initiative and circulated to senior management, both locally and within the TRV group in the United States. The issues identified are tracked through to resolution to ensure they are addressed on a timely basis.

The current year's plan is therefore determined on a risk-based selection of areas to be addressed. The plan is sufficiently flexible to be changed mid-year if new circumstances arise. Any proposed changes in scope are agreed by the Audit Committee and on behalf of the Board.

Internal Audit evaluates the adequacy and effectiveness of the internal controls in each area it audits and structures its work around four key risk management objectives, namely:

- Financial statement integrity
- Operational effectiveness
- Compliance with local laws and regulations
- System and data integrity

The Head of Internal Audit has no other role within the Group and has no additional responsibilities outside of the Audit function.

B.6 Actuarial Function

The PRA Rulebook: Conditions Governing Business 2.2 requires there to be an actuarial function and for that function to report to the Board formally on technical provisions, reinsurance arrangements and underwriting policy. The Group has an in-house team of actuaries that perform this role. The Actuarial function is also engaged in pricing, reserving and management information related activities. The department is structured in line with the functions the team needs to perform and has a separate pricing and reserving team. This reduces the potential to create a conflict of interest.

The Company's Chief Actuary reports to the CEO of the Company to ensure that the Actuarial Function is not unduly influenced by the Underwriting function.

The Actuarial Function Reports, and the Opinions on Underwriting Policy and Reinsurance Arrangements, are produced annually and presented to the Board by the European Chief Actuary, having first been reviewed by the ERC. The TICL and TIDAC Boards exercises appropriate additional oversight over the reserving process by receiving quarterly reports from the actuarial team which are presented by the Chief Actuary for each company. Detailed review of the quarterly reserve reports is delegated to the TICL and TIDAC Finance Committees and on an annual basis the TICL and TIDAC Audit Committees meet with the respective Chief Actuary and the External Auditors to receive reserve reports and to discuss reserving issues. Controls over the TICL and TIDAC Board and senior

management having an undue influence on the activities of the Actuarial Function arise from the maintenance of professional standards of conduct by the in-house actuarial team, oversight from external auditors and peer reviews by other actuaries within the wider Travelers organisation.

B.7 Outsourcing

The Outsourcing and Third Party Risk Management Policy – Europe (the “**Outsourcing Policy**”) sets out the minimum standards, and roles and responsibilities, relating to the outsourcing of a process, a service or an activity (a ‘function’) by or on behalf of the Group, and ensures compliance by the Group with all applicable regulations and guidance when entering into outsourcing arrangements (including the requirements of Solvency II, the FCA and the PRA (for example, the expectations set out in SS2/21 in respect of outsourcing).

The Outsourcing Policy sets out appropriate governance and risk management processes to ensure that the potential risks associated with an outsourcing arrangement are effectively identified, assessed, monitored and managed. These processes include:

- Identifying an individual within the business who is accountable and responsible for the outsourcing arrangement;
- Assessing each proposed outsourcing arrangement to determine whether it is material, taking into account the criteria provided within applicable regulatory guidance. Such material arrangements are subject to additional controls;
- Carrying out a risk assessment;
- Carrying out due diligence (including cyber security, where appropriate);
- Entering into a written agreement with the service provider;
- Carrying out ongoing monitoring and oversight; and
- Establishing and documenting a business continuity plan, exit strategy and termination process.

The Group currently has the following outsourcing arrangements in place, which have been assessed as being material:

Type of Arrangement	Description of Outsourcing	Location of Service Provider	Travelers Entity Supported
Intragroup	Travelers operates a hybrid arrangement pursuant to which a service company provides staff to, and procures services for, the Company	UK	TIDAC TICL
Intragroup	IT infrastructure, security and support services	USA	TIDAC TICL
Intragroup	Investment management and treasury services	USA	TIDAC TICL
Intragroup	Delegation of underwriting authority in relation to standalone cyber risks.	Germany	TIDAC
Third party	Insurance policy administration services and claims administration services	India	TIDAC TICL
Delegation of claim handling authority	Delegation of claims handling authority in relation to certain motor related claims	UK	TIDAC TICL
Delegation of claim handling authority	Coverholder handling certain marine-related claims arising under the binding authority agreement	UK	TICL
Delegation of claim handling authority	Coverholder handling certain marine-related claims arising under the binding authority agreement	UK	TICL
Delegation of claim handling authority	Coverholder handling certain marine-related claims arising under the binding authority agreement	UK	TICL

Type of Arrangement	Description of Outsourcing	Location of Service Provider	Travelers Entity Supported
Delegation of claim handling authority	Third party administrator handling certain marine-related claims	UK	TICL
Delegation of underwriting authority	Delegation of underwriting authority in relation to certain financial institution and management liability risks	Germany	TIDAC
Delegation of underwriting authority	Delegation of underwriting authority in relation to certain financial institution and management liability risks	Denmark	TIDAC
Delegation of underwriting authority	Delegation of underwriting authority	Netherlands	TIDAC

B.8 Any other information

This system of governance is considered by the Board, the ELT and the ERC to be appropriate for the nature, scale and complexity of the Group's business.

C. Risk Profile

C.1 Underwriting Risk

The Group underwriting risk as at 31 December 2025 comprised 76.8% (2024 79.7%) of the undiversified basic SCR.

The Company underwriting risk as at 31 December 2025 comprised 74.1% (2024 76.9%) of the undiversified basic SCR.

C.1.1 Material Risk Exposures

The Group has an Insurance Risk Policy (which covers underwriting risk) which is reviewed and approved annually by the ERC and the Board. Underwriting risk, listed in alphabetical order, includes the following exposures:

- **Claims:** Inadequate management of claims and inconsistent or inappropriate case reserving.
- **Cyber Underwriting:** Prudential risks emanating from underwriting contracts that are exposed to cyber-related losses resulting from malicious acts and non-malicious acts involving both tangible and intangible assets.
- **Delegated Underwriting:** Deficient oversight and management of Delegated Underwriting Authority
- **Large Loss Frequency and Severity:** Potential for the frequency and severity of claims payments to be different to the plan estimated for large losses or catastrophes.
- **Portfolio Aggregation:** Inadequate or ineffective supervision of aggregate exposure appetite, or over reliance on inadequate methods of aggregation. Failure to accumulate insurance exposures in an accurate and timely manner, or establish appropriate risk appetite levels.
- **Pricing and Selection:** Inadequate pricing or selection of risks that fails to appropriately assess the underlying risk exposures.
- **Reinsurance:** Failure for reinsurance to effectively protect capital and profit and meet risk appetite guidelines.
- **Reserving:** Uncertainty of the timing or amount of claims cash flows. Eventual claim payments are different to the reserves estimated for those liabilities.
- **Underwriting portfolio management:** Failure to predict the effect of industry, economic, environmental or market trends on individual classes of business profitability, leading to an unprofitable underwriting strategy.

There were no changes to the measures used to assess material underwriting risk exposures during the period.

The reference to “Life underwriting risk” in the Standard Formula and the quantitative templates relates to exposures in respect of claims funded by periodic payment orders.

C.1.2 Material Risk Concentrations

Geographically the major risk concentrations are to the UK and Ireland and by peril the largest nat-cat exposure is to a large windstorm event with consequent storm surge. The underwriting portfolio with the largest overall exposure concentration is the Professional Indemnity coverage within the General Liability line of business.

Whilst reserve risk diversifies across lines of business, it is dominated by our long-tail classes and is exposed to systemic risks such as claims inflation, legal rulings or changes in settlements such as the Ogden discount rate change.

We do not anticipate any significant changes to our material risk concentration during the business planning time period.

C.1.3 Material Risk Mitigation

The European Underwriting Committee oversees the management of underwriting risk in terms of product, line of business, geographical exposure, line sizes, and rating adequacy. The underwriting strategy includes limits on the Group's total exposure to specific risks, together with limits on geographical and industry exposures. The aim is to ensure a well-diversified book is maintained with no over exposure in any one industry, line of business or geographical region. The European Underwriting Committee meets quarterly and will address new product ideas, emerging claims issues, product and line of business profitability issues, as well as monitoring the overall portfolio performance.

Contracts can contain a number of features which help to manage the underwriting risk such as the use of deductibles, limits and aggregate caps. The Group uses sophisticated modelling tools to monitor and manage the concentration of exposure from weather events and to ensure they remain within the Board's risk appetite. Authority limits are accorded to individual underwriters based on their experience. The Group also makes use of reinsurance to mitigate the risk of incurring significant losses, principally risk excess of loss and property catastrophe reinsurance. Where an individual exposure is in excess of the Group's notional modelled capacity, additional facultative reinsurance is also purchased.

On a monthly basis performance reviews are conducted to monitor premium production, business mix, rating adequacy and claims activity relative to the Group's annual business plan. On an annual basis each portfolio is subjected to a detailed review to identify actions to be taken to improve performance where necessary and opportunities to further develop the portfolio.

The TICL and TIDAC Finance Committees oversee the management of reserving risk. The in-house actuaries perform a reserving analysis on a quarterly basis liaising closely with underwriters and claims handlers. The use of proprietary and standardised modelling techniques, internal and external benchmarking, and the review of claims development patterns are all instrumental in mitigating reserving risk. The aim of the quarterly reserving analysis is to produce a probability-weighted average of the expected future cash outflows arising from the settlement of incurred claims. These projections include an analysis of claims development compared to the previous 'best estimate' projections.

The TICL and TIDAC Finance Committees perform a comprehensive review of the projections, both gross and net of reinsurance and, following this review, makes recommendations to the TICL and TIDAC Board of Directors of the appropriate claims provisions to be established. In arriving at the level of claims provisions carried a margin is applied over and above the actuarial best estimate.

C.1.4 Risk Sensitivity and Sensitivity Analysis

TICL Group

The major underwriting risk sensitivities are to the adequacy of reserves established at 31 December 2025 and to the projected loss ratio at which business will be written in the next twelve months. Should the net reserves of the Group established at 31 December 2025 deteriorate by 10% Own Funds will reduce by £122.3m (2024 £122.8m).

Should the Group loss ratio projected for the 2026 year deteriorate by 10 points, the impact on 2025 Own Funds would be a deterioration of £47.2m (2024 £52.3m).

The above sensitivity analysis' result in Group capital surplus positions between £307.1m and £382.2m (2024 between £124.4m and £194.6m), and associated SCR coverage between 153% and 166% (2024 between 120% and 131%).

TICL Company

Should the net reserves of the Company established at 31 December 2025 deteriorate by 10% Own Funds will reduce by £115.7m (2024 £113.5m).

Should the Company loss ratio projected for the 2026 year deteriorate by 10 points, the impact on 2025 Own Funds would be a deterioration of £43.9m (2024 £48.1m).

The above sensitivity analysis' result in Company capital surplus positions between £345.2m and £416.9m (2024 between £180.3m and £245.7m), and associated SCR coverage between 163% and 177% (2024 between 131% and 143%).

C.2 Market Risk

C.2.1 Material Risk Exposures

Group Market risk as at 31 December 2025 comprised 20.8% (2024 18.1%), of the undiversified basic SCR. The Company Market risk as at 31 December 2025 comprised 23.9% (2024 21.2%), of the undiversified basic SCR.

The Group's material market risk exposures are to interest rate risk and asset price risk on the fixed income investment portfolio, foreign currency risk through having unmatched foreign currency assets and liabilities, and credit risk to investment counterparties.

As at 31 December 2025 the Group had an investment portfolio comprised of government and corporate bonds with a market value of £2,126.8m (2024 £2,024.1m). All investments are high quality, highly liquid and traded on a recognised investment exchange and as such comply with the PRA Rulebook: Investments 2, prudent person principle. The Group does not use derivatives other than to mitigate risk and has not utilised derivatives during 2025 or the prior year.

The Group's material foreign currency exposures are to the Euro, through its subsidiary in Ireland, and to the US dollar through business written denominated in US dollars and through transactions with affiliated group companies based in the United States.

The Group also has a contingent exposure to a defined benefit pension scheme based in the UK in the event the sponsoring employer, an affiliated group company, is unable to meet its liabilities as they fall due.

There were no changes during the year to the measures used to assess material market risk exposures.

C.2.2 Material Risk Concentrations

TICL Group

The Group's most material investment exposure is to the bonds of the UK Government. At 31 December 2025 the market value of its holding in UK government bonds was £102.2m (2024 £107.0m) or 4.8% (2024 5.3%) of its investment portfolio. The Group's largest holding in corporate bonds was £68.9m (2024 £64.8m) or 3.2% (2024 3.2%) of its investment portfolio.

TICL Company

The Company's most material investment exposure is to the bonds of the UK Government. At 31 December 2025 the market value of its holding in UK government bonds was £101.2m (2024 £104.1m) or 5.3% (2024 5.7%) of its investment portfolio. The Company's largest holding in corporate bonds was £61.6m (2024 £58.2m) or 3.2% (2024 3.2%) of its investment portfolio.

The Company's only material foreign currency exposure as at 31 December 2025 and 31 December 2024 was to the Euro due to its investment in its subsidiary Travelers Insurance DAC.

C.2.3 Material Risk Mitigation

Management of the Group's investment portfolio is outsourced to an affiliated group company, The Travelers Indemnity Company. The investment strategy is reviewed by the Board and performance against this strategy is reviewed quarterly in meetings between the investment manager and the TICL and TIDAC Finance Committees. The Group invests only in high quality and highly liquid assets that are traded on recognised investment exchanges and are rated "A-" or higher with S&P Global Ratings. Limits are in place to manage exposures to particular industries and individual counterparties. The term of the invested assets purchased are set to approximate the duration of the underlying insurance liabilities.

The Group aims to match foreign currency assets and liabilities by currency, with any surplus being held in sterling for the Company and Euros for TIDAC. Any foreign currency surpluses or deficiencies are actively managed, on at least a quarterly basis, by selling or buying currency assets to resolve the situation.

The TICL and TIDAC Finance Committees monitors market risk and foreign currency exposures and adherence to the Group's risk appetite.

C.2.4 Risk Sensitivity

The major market risk sensitivities are to a significant change in interest rate expectations, the financial impairment of an individual investment counterparty or a significant movement in foreign currency rates.

C.2.5 Sensitivity Analysis

The investment portfolio typically has a relatively short duration approximating the term of the insurance liabilities.

TICL Group

If interest rates had risen by 200 basis points as at 31 December 2025, Own Funds would have reduced by £86.3m (2024 £75.9m).

The failure of its largest corporate investment counterparty as at 31 December 2025 would cost the Group £68.9m, or approximately 6.9% of Own Funds (2024 £64.8m, or approximately 7.4% of the Group's Own Funds).

The impact of a 10% movement in the exchange rate for the largest currency exposure impacts the Group's Own Funds by approximately £17.1m as at 31 December 2025 (2024 approximately £13.6m).

The above sensitivity analysis' result in capital surplus positions between £360.5m and £471.1m (2024 between £258.2m and £344.8m), and associated SCR coverage between 162.6% and 185.4% (2024 between 148.1% and 163.9%).

TICL Company

If interest rates had risen by 200 basis points as at 31 December 2025, Own Funds would have reduced by £74.2m (2024 £66.1m).

The failure of its largest corporate investment counterparty as at 31 December 2025 would cost the Company £61.6m, or approximately 6.1% of Own Funds (2024 £58.2m, or approximately 6.7% of the Company's Own Funds).

The impact of a 10% movement in the exchange rate for the largest currency exposure impacts the Company's Own Funds by approximately £16.8m as at 31 December 2025 (2024 approximately £13.6m).

The above sensitivity analysis' result in capital surplus positions between £399.3m and £500.4m (2024 between £315.0m and £439.2m), and associated SCR coverage between 173.3% and 195.9% (2024 between 163.3% and 188.3%).

C.3 Credit Risk

C.3.1 Material Risk Exposures

Credit risk for the Group as at 31 December 2025 comprised 2.4% (2024 2.1%) of the undiversified basic SCR. Credit risk for the Company as at 31 December 2025 comprised 2.0% (2024 1.9%) of the undiversified basic SCR.

The Group's material credit risk exposures are to reinsurers, brokers and policyholders through their insurance underwriting activities.

There were no material downgrades to the credit ratings of the Group's reinsurer or investment counterparties during the year. All counterparty credit ratings remained within the Group's risk appetite.

There were no changes to the measures used to assess those material risk exposures during the year.

C.3.2 Material Risk Concentrations

The single biggest reinsurer exposure as at 31 December 2025 for the Group was £21.5m (2024 £22.5m). There was no material exposure to any individual broker or policyholder.

The single biggest reinsurer exposure as at 31 December 2025 for the Company was £18.6m (2024 £22.1m). There was no material exposure to any individual broker or policyholder.

C.3.3 Material Risk Mitigation

Credit exposures are managed through the thoughtful analysis and selection of individual counterparties and the use of limits to manage exposures to individual counterparties.

The Group's policy is to purchase reinsurance only from those reinsurers who meet the TRV security standards. Reinsurance counterparties are subject to a rigorous internal assessment process by reviewing ratings provided by rating agencies and other publicly available information. The Group utilises resources from TRV in managing this risk. Some insurance policies underwritten by the Group provide for a significant individual loss deductible, and/or aggregate deductible, in respect of the compulsory insurance classes of Motor or Employer's Liability. In these cases, the insolvency of the insured would result in a credit exposure for the Group. This type of exposure is managed by

requiring the insured to provide collateral, typically in the form of a Letter of Credit. Proactive credit control procedures are in place to limit outstanding balances owed by reinsurers, brokers and policyholders.

The TICL and TIDAC Finance Committees monitors credit risk and the each company's adherence to its appetite for credit risk.

C.3.4 Risk Sensitivity

The key risk sensitivities for credit risk are to the failure of an individual counterparty, or to a market wide event, such as an economic recession or large insured Catastrophe loss, that impairs the financial security of a number of counterparties at the same time.

C.3.5 Sensitivity Analysis

Failure of the Group's largest corporate bond counterparty and reinsurer counterparty at the same time as at 31 December 2025 would cost the Group an amount representing approximately 6.7% (2024 7.5%) of its Own Funds, after tax.

The above sensitivity analysis would result in a capital surplus position of £391.1m (2024 £269.5m), and associated SCR coverage of 171.6% (2024 150.3%).

Failure of the Company's largest corporate bond counterparty and reinsurer counterparty at the same time as at 31 December 2025 would cost the Company an amount representing approximately 6.0% (2024 6.9%) of its Own Funds, after tax.

The above sensitivity analysis would result in a capital surplus position of £428.6m (2024 £313.3m), and associated SCR coverage of 182.9% (2024 163.0%).

C.4 Liquidity Risk

C.4.1 Material Risk Exposures

The Group has no material liquidity exposures. The Group has no external debt, is well capitalised, and has a highly liquid investment portfolios whose duration is set to match the duration of its insurance liabilities.

There were no changes to the material liquidity risk exposures during the period, nor to the measures used to assess those material risk exposures.

C.4.2 Material Risk Concentrations

The Group has no material liquidity risk concentrations.

C.4.3 Material Risk Mitigation

The Group has a highly liquid investment portfolio and a strong capital position. Cash flow forecasts are prepared on a weekly basis and a buffer of liquidity retained to manage unexpected cash requirements.

The TICL and TIDAC Finance Committees oversees the management of liquidity risk.

C.4.4 Risk Sensitivity

The Group has no particular sensitivities to liquidity risk.

C.5 Operational Risk

C.5.1 Material Risk Exposures

Operational Risk is 7.2% of the Group’s final SCR (2024 7.5%). Operational Risk is 7.2% of the Company’s final SCR (2024 7.4%).

The Group has an Operational Risk Policy which is reviewed and approved annually by the ERC and the Board. The operational risk profile includes risks from processes, people, systems and external events. Six categories have been identified by the Board as being the most material operational risk areas and defined in the risk register:

- **Compliance, Legal and Third Parties:** Unintentional or negligent failure of professional, regulatory or legal obligations, including contractual disputes raised by, or against, business partners
- **Customer Outcomes:** Failure to pay due regard to the interests of customers and treat them fairly.
- **Data Management and Reporting:** Flaws relating to capture, maintenance/storage, transmission or reporting of information
- **Employee and Employment Practices:** Acts inconsistent with HR, employment, or health and safety legislation/policy.
- **Financial Crime:** Unlawful acts attempted for financial gain
- **IT Infrastructure, Security and Change:** Risk from systems or transformation initiatives, or disruption of business, including from cyber-attacks.

Operational risks are reviewed quarterly and linked to the ORSA through performance of the Risk and Control Self-Assessment (“**RCSA**”) Process facilitated by the Risk Management Function.

Operational risk review is facilitated by the Risk Management Function and are linked to emerging risks, as applicable and provide early warning to the Board and senior management of extreme but plausible events which could impact the business. This enables the Group to formulate plans to manage the business in the event of such extreme shock.

Other key operational risks with the corresponding mitigating actions are summarized in the table below:

Process Risks	Mitigating Activities / Tools
Business Operation and Process Failures	<ul style="list-style-type: none"> • Documented controls and procedures • Statistical reporting • Business Continuity arrangements
Governance Failures	<ul style="list-style-type: none"> • Documented controls and procedures • Corporate Governance Structure
Health & Safety Procedural Failures	<ul style="list-style-type: none"> • Documented controls and procedures • Review and enhancement of risk control activities
	<ul style="list-style-type: none"> • Periodic review of projects and activities
Process Risks	Mitigating Activities / Tools
Change Management Failures	<ul style="list-style-type: none"> • Compliance with Travelers Group Change Management Processes and Procedures

People Risks	Mitigating Activities / Tools
Fraud	<ul style="list-style-type: none"> • Documented controls and procedures • Anti-fraud administration procedures • Authorisation limits and segregation of duties • Employee screening
Human Resources	<ul style="list-style-type: none"> • Documented controls and procedures • HR Policies and monitoring • Training programme for Management and Staff
Finance and Accounting Errors	<ul style="list-style-type: none"> • Documented controls and procedures • Accounting Policy • Authority Limits • Oversight by Internal Audit
Compliance and Legal	<ul style="list-style-type: none"> • Documented controls and procedures • Compliance Plan • Risk Committee oversight and reporting • Approval limits • Contracts approval procedure
Systems Risks	Mitigating Activities / Tools
Technology	<ul style="list-style-type: none"> • Documented controls and procedures • Fall-back suppliers/Service Providers • Disaster Review/Recovery Processes
Systems and information Security	<ul style="list-style-type: none"> • Information Security policies and monitoring • Business Continuity Plan
External Risks	Mitigating Activities / Tools
External Party-induced BCP Failure	<ul style="list-style-type: none"> • Systems Security Checks • Rigorous Business Continuity/Disaster Recovery Plan
External Risks	Mitigating Activities / Tools
	<ul style="list-style-type: none"> • Office Premises Security Checks
Failure of Outsourcing Arrangements	<ul style="list-style-type: none"> • Service-level agreements • Outsourcing approval and monitoring procedures
Loss of key distribution relationships	<ul style="list-style-type: none"> • Proactive management of Third-party relationship issues • Proactive sourcing of alternative distribution relationships

Changes in Regulatory Framework

- Legal and Compliance monitoring procedures
- Regular review of regulatory environment

In addition, regular risk monitoring and reporting using the risk register provides management and the Board with ongoing assurance that material operational controls to manage these operational risks are functioning properly. Recommendations and actions arising from this review are documented in the risk register and tracked to facilitate a discussion about the plan, its risks, and potential management actions to enhance the Group's resilience and deliver the plan's objectives.

Through the attendance of the Head of Compliance at the ERC, there is challenge over whether regulatory elements are considered appropriately within these risks. Similarly, notable regulatory developments and breaches are disseminated through Compliance reporting linked to the Risk Management Framework.

There were no changes to the material operational risk exposures during the period, nor to the measures used to assess those material risk exposures.

C.5.2 Material Risk Concentrations.

The Group has no particular operational risk concentrations

C.5.3 Material Risk Mitigation

See table above

C.5.4 Sensitivity Analysis

The Group does not perform any sensitivity analysis in respect of operational risk.

C.6 Any material risks

There are no other significant risk concentrations for the Group.

C.7 Any other information

None

C.8 Stress and Scenario Testing

Stress and scenario testing is facilitated at least annually by the ERM and contemplates risks to which the business may become exposed to in the future. Stress and scenario testing involves projection of the plan, under extreme but plausible risk conditions, to identify potential management actions and inform the business strategy. Investigation of different scenarios identifies how perceived risks are likely to impact the strategy and supports proactive risk management.

Stress and scenario testing identifies how, with the business model under stress, policyholder security is assured and encourages continuous improvement, to evolve financial and operational resilience, in view of emerging risks. Analysis of external and internal events to develop/inform scenarios for analysis are identified by the Risk and Control Owners, ELT, OpCo, ERC, Board and ERM amongst others.



Figure A: Overview of the Stress and Scenario Methodology

C.8.1 Overview of the Methodology

Specific objectives relating to stress and scenario testing are to:

- explore the potential causes of total business model failure i.e., reverse stress testing;
- further understand the types of scenario and the extent of stress required to result in a breach of capital requirements;
- awareness of the impact on capital requirements and the position against risk tolerance and/or appetite under various stressed conditions;
- understand the impact on the ability to meet key targets under various stressed conditions; and
- analyse ORSA outputs, particularly in relation to the capital and solvency position under stressed conditions.

ERM facilitates Stress and Scenario testing and challenges potential management actions in response to these tests so that they are realistic, credible, consistent with regulatory expectations, and achievable; and consider triggers for potential activity.

C.8.2 Risk Appetite and Capital Scenario Analysis

The Risk Appetite Framework defines the Risk Appetite and reflects the level and nature of risks that the Board considers acceptable for it to seek, accept or transfer in pursuit of strategic objectives. The Risk Appetite Framework sets specific thresholds that are in the Group’s tolerance level and this is monitored on an ongoing basis. The list of stress and scenario tests are reviewed frequently to identify new scenarios or stresses required and how to recalculate historic scenarios. This considers any new information that may have come to light through internal or external sources

Scenarios are considered within each risk category by ERM and specialist risk owners. This helps to identify which risks could have a common cause or are likely to occur simultaneously in order to develop an aggregate view.

Generally, stress and scenario tests are accumulated until the overall capital figure or the local appetite is exceeded. The combination of events required to exceed this capital figure is seen as a good test of suitability of the capital amount and modelling.

Quantitative Assessment

- Review the average drivers of capital loss that would take TICL or TIDAC below its Economic Capital Requirement (“**ECR**”); or erode all capital.
- Rank the largest drivers of capital erosion and report on the correlation between these to sense check whether these events could occur that accumulate these losses.
- Attach a likelihood to some of the scenario tests.

Qualitative Assessment

- Subject Matter Experts frame scenarios around risk register risks, drivers and internal controls and then work with ERM to review and assess capabilities.

D Valuation for Solvency Purposes

D.1 Assets

The assets on a Solvency II and UK GAAP basis as at 31 December 2025 and 31 December 2024 were as set out below:

2025	The Group		
	Solvency II basis	UK GAAP basis	Difference
	£m	£m	£m
Deferred tax asset	-	4.0	(4.0)
Other Financial investments	2,126.8	2,093.0	33.8
Investment in subsidiary	-	-	-
Reinsurance recoverables	150.5	216.6	(66.1)
Insurance and intermediaries receivables	7.8	119.4	(111.6)
Reinsurance receivables	5.3	22.1	(16.8)
Receivables (trade, not insurance)	35.1	26.5	8.6
Cash and cash equivalents	100.2	100.2	-
Accrued interest	-	44.2	(44.2)
Deferred acquisition costs	-	38.2	(38.2)
Total Assets	2,425.7	2,664.2	(238.5)

The Company		
Solvency II basis	UK GAAP basis	Difference
£m	£m	£m
-	3.9	(3.9)
1,913.3	1,882.5	30.8
147.6	114.6	33.0
130.4	178.0	(47.6)
5.0	82.0	(77.0)
0.7	17.4	(16.7)
56.8	54.9	1.9
77.2	77.2	-
-	30.7	(30.7)
-	34.2	(34.2)
2,331.0	2,475.4	(144.4)

2024	The Group		
	Solvency II basis	UK GAAP basis	Difference
	£m	£m	£m
Deferred tax asset	-	21.1	(21.1)
Other Financial investments	2,024.1	1,996.0	28.1
Investment in subsidiary	-	-	-
Reinsurance recoverables	160.6	243.5	(82.9)
Insurance and intermediaries receivables	12.6	124.4	(111.8)
Reinsurance receivables	2.4	8.6	(6.2)
Receivables (trade, not insurance)	17.6	16.0	1.6
Cash and cash equivalents	77.6	77.7	(0.1)
Accrued interest	-	28.1	(28.1)
Deferred acquisition costs	-	39.2	(39.2)
Total Assets	2,294.9	2,554.6	(259.7)

The Company		
Solvency II basis	UK GAAP basis	Difference
£m	£m	£m
-	20.7	(20.7)
1,827.6	1,801.8	25.8
121.3	114.6	6.7
132.7	193.3	(60.6)
6.4	98.9	(92.5)
1.7	6.6	(4.9)
28.6	27.2	1.4
46.6	46.6	-
-	25.8	(25.8)
-	35.2	(35.2)
2,164.9	2,370.7	(205.8)

The assets are recognised and valued using the following principles:

Deferred acquisition costs

Deferred acquisition costs comprise brokerage and commission incurred on contracts written during the financial year, but that fall to be expensed in future financial years on a UK GAAP basis. Deferred acquisition costs are removed under Solvency II principles.

Deferred tax asset

The deferred tax asset relates to carry forward tax losses and unrealised losses on investments.

The deferred tax relating to carry forward losses is valued using an estimate of future profits by financial year. The deferred tax relating to unrealised losses on investments is valued using an estimate of when the unrealised loss will reverse, by financial year. The latest tax rate which has received Royal Assent and which might reasonably be expected to apply when the timing differences reverse is then applied. There are no unprovided deferred tax assets or liabilities.

The valuation method for deferred tax balances is the same under UK GAAP and Solvency II. The difference in the valuation between Solvency II and UK GAAP relates to the application of deferred tax to valuation differences that apply between net assets on a UK GAAP and a Solvency II basis. This difference resulted in a net deferred tax liability at year end.

The recoverability of the UK GAAP deferred tax asset on carry forward losses depends on the availability of future profits. Projected profits over the planning cycle have been used as the basis for determining the recoverability of this asset, together with the indefinite tax loss carry forward available in the UK.

The recoverability of the deferred tax asset on unrealised losses on investments depends on the likely disposal date of the investment. Projected disposal rates have been used as the basis for determining the recoverability of this asset, together with the indefinite tax loss carry forward available in the UK.

Other Financial Investments

The Group classify their fixed income bond financial investments as “available for sale” and carries those investments at fair value, with unrealised gains and losses being reported through Other Comprehensive Income on a UK GAAP FRS 102 basis. For assets where no active market exists, fair value is determined by referring to quoted prices in active markets for similar assets. All of the Group’s investments fall into this category. The difference in the Solvency II valuation basis compared to UK GAAP is that on a Solvency II basis the value of investments includes accrued interest.

Deposits other than cash equivalents is cash held as policyholder collateral. This cash is held in accounts which are not subject to any time restriction and can be withdrawn without penalties. Cash is held at book value as a proxy for market value and a consistent valuation basis is used for Solvency II and UK GAAP reporting.

Investment in subsidiary

On a UK GAAP basis the investment by the Company in the subsidiary is carried at cost. For Solvency II purposes it is carried at net asset value on a Solvency II basis.

Reinsurance recoverables

Reinsurance recoverables on a Solvency II basis relate to all expected future cash inflows and outflows from reinsurers in respect of contracts bound as at the balance sheet date. These cash flows are discounted to establish their value on an economic basis. The major difference between the UK GAAP and Solvency II basis valuation is

that on a Solvency II basis the reinsurance recoverables are stated net of cash outflows in respect of premiums or reinstatement premiums. On a UK GAAP basis, these cash outflows are presented separately as liabilities. In addition, the UK GAAP reserves are not discounted, and UK GAAP includes an unearned premium reserve for that period of a reinsurance contract's term that is unexpired as at the balance sheet date. Solvency II does not recognise the concept of unearned premium, but instead recognises expected reinsurance cash inflows and outflows up until the expiry of the underlying reinsurance contract. These cash flows are discounted.

Insurance and intermediaries receivables

On a Solvency II basis, only insurance premiums and associated balances that are outstanding past their credit terms are shown as a separate asset on the balance sheet. All other insurance premiums receivable and associated balances are reported as a component of technical provisions. This explains the difference in valuation to the UK GAAP basis. Insurance premium receivables and associated balances are stated net of an impairment provision and are recorded at book value as a reasonable proxy for economic value, as all amounts are expected to be received within six months.

Reinsurance receivables

On a Solvency II basis, only reinsurance receivables that are outstanding past their credit terms are shown as a separate asset on the balance sheet. All other reinsurance receivables are reported as a component of technical provisions. Reinsurance receivables are stated net of an impairment provision and are recorded at book value as a reasonable proxy for economic value, as all amounts are expected to be received within six months.

Receivables (trade not insurance)

Receivables (trade, not insurance) are recorded at book value as a reasonable proxy for economic value, as all amounts are expected to be received within six months. The difference between the valuation on a Solvency II and UK GAAP basis relates to the component of intercompany balances that relates to intercompany reinsurances and which gets reclassified as technical provisions for Solvency II purposes.

Cash and cash equivalents

All cash balances are held in accounts which are not subject to any time restriction and can be withdrawn without penalties. Cash is held at book value as a proxy for market value and a consistent valuation basis is used for Solvency II and UK GAAP reporting.

Accrued Interest

Accrued interest is valued at book value for both Solvency II and UK GAAP purposes. As all amounts accrued fall due for payment within six months, this is deemed a reasonable proxy for market value. For Solvency II purposes accrued interest is classified as part of Investments.

D.2 Technical Provisions

The Solvency II gross technical provisions as at 31 December 2025 and 2024 were as set out below:

	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Best estimate	1,319.3	1,331.6	1,241.3	1,220.1
Risk margin	53.8	56.8	45.7	47.3
Total gross technical provisions	1,373.1	1,388.4	1,287.0	1,267.4

The most material class is General Liability which comprises 71.9% (2024 67.4%) of the total gross best estimate as follows:

General Liability	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Gross best estimate	949.0	934.3	882.6	838.6
Risk margin	38.4	32.5	32.0	25.9
Total gross technical provisions	987.4	966.8	914.6	864.5
Reinsurance best estimate	(45.7)	(47.6)	(35.1)	(26.6)
Total net technical provisions	941.7	919.2	879.5	837.9

The gross technical provisions best estimate represents the best estimate of the ultimate cost of settling claims that will arise from all contracts written as at the balance sheet date, including those that are bound but not yet incepted. In addition to the inherent uncertainty of having to forecast the ultimate costs of those claims that have occurred but not yet been advised as at the balance sheet date and the eventual final costs of the claims that have been reported by the balance sheet date but which remain unsettled, there is considerable uncertainty of forecasting those claims that will arise on exposures written that extend beyond the balance sheet date. As a consequence of these uncertainties, the Group has to apply sophisticated estimation techniques to determine the appropriate level of claims provisions. In overview, claims provisions are determined based upon prior claims experience, knowledge of market conditions and trends, and the terms and conditions of the underlying policies of insurance. A variety of different statistical techniques are used by the in-house actuaries to determine the appropriate level of provision to carry. These methods include the following:

- chain ladder development of paid and incurred claims, where claims to date for each accident year are extrapolated based upon the historical development patterns of earlier years;
- estimates based upon the projection of claims' numbers and average costs;
- expected loss ratios; and
- Bornhuetter Ferguson method, which combines use of expected loss ratios, for the more recent and underdeveloped accident years, and the chain ladder projection of incurred claims data for earlier years.

All projections are carried out separately for each country, product, line of business and accident year. Gross and ceded data is projected separately. Large claims are identified and reserved for separately. Where possible, the Group adopts multiple techniques to estimate the required level of provision. This assists in giving a greater understanding of the trends inherent in the data being projected and setting the range of possible outcomes. The most appropriate estimation technique is then selected taking into account the characteristics of the business class under consideration. These cash flows are then discounted using the relevant EIOPA yield curves. The data is then aggregated to Solvency II class of business for reporting purposes.

Establishing an appropriate level of claims provision is inherently uncertain. The degree of uncertainty will vary by product and line of business according to the characteristics of the insured risk. The level of uncertainty is also influenced by a number of factors such as claims cost inflation, judicial trends and legislative changes. As a consequence of this uncertainty the eventual cost of settling outstanding claims can vary substantially from the initial estimates. It is not unlikely that the ultimate cost is greater, or lower, than the initial reserves by 10%.

The risk margin is an addition to the best estimate liabilities. The risk margin is an estimate of the cost of providing the capital necessary to support the run-off to expiry of the underlying insurance liabilities. The Group uses the full calculation as the basis for calculating the risk margin. This involves taking the Standard Formula SCR and projecting it:

- for 30 years into the future;
- restricted to the policies legally obliged on the balance sheet date;

- assuming market risk is nil;
- using the gross and ceded, premium, claims and expense cashflows from the technical provisions; and
- making various expert judgments used in respect of the risk prevailing at each future projection point.

This is then discounted and multiplied by the prescribed cost of capital rate of 4% (6% for the Irish subsidiary). There has been no change to the basis of computing the risk margin relative to that used in the prior year.

To allow for business that is contractually bound but not incepted at the balance sheet date the Group uses assumptions as to binding date, together with data from the latest business plan. For reinsurance we assume a future management action will be to purchase reinsurance cover, similar to the protection offered by current reinsurance treaties, to provide ongoing protection for any unexpired gross exposures. An additional expense provision is calculated to cover the cost of administering the policies and settling the claims in respect of unearned premiums and bound but not incepted policies. For Events Not in Data (“ENIDS”), we use a truncated log normal distribution-based approach. Other than moving to the truncated log normal distribution-based approach for ENIDs, there has been no change to the basis of calculating technical provisions in 2025 relative to the prior year. This calculation approach is applied to all Solvency II classes.

On a Solvency II basis the Group’s gross technical provisions as at 31 December 2025 were £1,373.1m (2024 £1,388.4m). On a UK GAAP basis gross technical provisions were £1,617.8m (2024 £1,661.2m). On a Solvency II basis the Company’s gross technical provisions as at 31 December 2025 were £1,287.0m (2024 £1,267.4m). On a UK GAAP basis gross technical provisions were £1,482.3m (2024 £1,508.2m). A reconciliation of the UK GAAP reserves to the Solvency II reserves on a gross and net basis, itemising the key items in reconciliation, as at 31 December 2025 and 2024 is set out below:

2025	The Group			The Company		
	Gross	RI	Net	Gross	RI	Net
	£m	£m	£m	£m	£m	£m
UK GAAP reserves	1,617.8	216.6	1,401.2	1,482.3	178.0	1,304.3
Removal of margin	(37.4)	-	(37.4)	(34.9)	-	(34.9)
Removal of UPR reserve	(269.4)	(38.3)	(231.1)	(244.8)	(28.0)	(216.8)
Future Premium	(145.7)	(51.7)	(94.0)	(103.9)	(39.3)	(64.6)
Discounting	(123.1)	(13.3)	(109.8)	(114.8)	(11.7)	(103.1)
Events not in data	37.9	5.0	32.9	34.7	4.2	30.5
Claims on unearned/un-incepted business	151.1	14.2	136.9	138.5	10.2	128.3
Commissions on un-incepted business	17.5	3.1	14.4	14.8	1.9	12.9
Risk Margin	53.8	-	53.8	45.7	-	45.7
Additional expenses	53.8	-	53.8	52.3	-	52.3
Reinsurance debtor	-	-	-	-	-	-
Settled claims not yet paid	16.8	16.8	-	16.8	16.7	0.1
Reinsurance bad debt	-	(1.9)	1.9	0.3	(1.6)	1.9
Solvency II Technical Provisions	1,373.1	150.5	1,222.6	1,287.0	130.4	1,156.6

2024	The Group			The Company		
	Gross	RI	Net	Gross	RI	Net
	£m	£m	£m	£m	£m	£m
UK GAAP reserves	1,661.2	243.5	1,417.7	1,508.2	193.3	1,314.9
Removal of margin	(37.5)	-	(37.5)	(35.0)	-	(35.0)
Removal of UPR reserve	(290.2)	(44.0)	(246.2)	(263.6)	(32.5)	(231.1)
Future Premium	(155.8)	(55.8)	(100.0)	(128.3)	(41.4)	(86.9)
Discounting	(135.5)	(17.9)	(117.6)	(124.1)	(14.9)	(109.2)
Events not in data	50.0	6.9	43.1	45.2	5.4	39.8
Claims on unearned/un-incepted business	139.9	19.0	120.9	127.9	15.6	112.3
Commissions on un-incepted business	43.6	7.0	36.6	39.1	5.1	34.0
Risk Margin	56.8	-	56.8	47.3	-	47.3
Additional expenses	55.9	-	55.9	50.5	-	50.5
Reinsurance debtor	-	4.9	(4.9)	-	4.9	(4.9)
Settled claims not yet paid	-	-	-	-	-	-
Reinsurance bad debt	-	(3.0)	3.0	0.2	(2.8)	3.0
Solvency II Technical Provisions	1,388.4	160.6	1,227.8	1,267.4	132.7	1,134.7

On a Solvency II basis reserves are carried on a best estimate basis, so any reserve margin held under UK GAAP is released. Solvency II does not recognise the concept of earned premium and earned reserves. Instead, reserves are established based on all contracts written at the balance sheet date, including those where the Group is contractually bound but the contract has not yet incepted. In this way, the unearned premium reserve held on a UK GAAP basis is released and replaced by future cash outflows in respect of claims for all contracts to which the Group are contractually bound at the balance sheet date. Solvency II technical provisions also include the premium cash inflows in respect of these contracts.

On a Solvency II basis it is necessary to carry a reserve for ENIDS. In addition, the Group provides for the additional expenses that will be incurred in servicing all contracts to which the Group are contractually bound at the balance sheet date to their expiry. Then to put the provisions held onto an economic basis, a risk margin is added to reflect the margin a willing buyer on an arms-length basis would require to assume these liabilities, and the reserves are discounted to reflect the time value of money.

The Group has not applied the Matching Adjustment, as set out in PRA Rulebook: Solvency UK, Matching Adjustment. Furthermore, the Group has not used the Volatility Adjustment in accordance with PRA Rulebook: Solvency UK, Technical Provisions 8, nor has it applied the Transitional Measure on the Risk-Free Interest Rate Term Structure under PRA Rulebook: Solvency UK, Transitional Measures 10. Additionally, the Group has not applied the Transitional Deduction from Technical Provisions, as outlined in PRA Rulebook: Solvency UK, Transitional Measures on Technical Provisions.

Reinsurance recoverables for the Group were £150.5m (2024 £160.6m). Reinsurance recoverables relate to current and expected claims recoveries from reinsurers in respect of all contracts written, including those bound but not incepted, at the balance sheet date, offset by payments due to reinsurers for premiums and reinstatement premiums.

Reinsurance recoverables for the Company were £130.4m (2024 £132.7m).

In the year the approach for ENIDs was updated from an assumption-based approach to a truncated log normal distribution-based approach.

D.3 Other Liabilities

The other liabilities as at 31 December 2025 and 31 December 2024 on a Solvency II and UK GAAP basis were as follows:

2025	The Group			The Company		
	Solvency II basis	UK GAAP Basis	Difference	Solvency II basis	UK GAAP Basis	Difference
	£m	£m	£m	£m	£m	£m
Deferred tax liabilities	19.6	-	19.6	18.3	-	18.3
Deposits from reinsurers	1.5	1.5	-	1.5	1.5	-
Insurance and intermediaries payables	0.4	40.2	(39.8)	0.3	39.3	(39.0)
Reinsurance payables	0.1	33.7	(33.6)	-	26.2	(26.2)
Payables, (trade not insurance)	25.6	26.4	(0.8)	18.5	19.4	(0.9)
Any other liabilities, not elsewhere Shown	-	6.2	(6.2)	-	4.0	(4.0)
Total Other Liabilities	47.2	108.0	(60.8)	38.6	90.4	(51.8)

2024	The Group			The Company		
	Solvency II basis	UK GAAP Basis	Difference	Solvency II basis	UK GAAP Basis	Difference
	£m	£m	£m	£m	£m	£m
Deferred tax liabilities	4.2	-	4.2	3.0	-	3.0
Deposits from reinsurers	1.6	1.6	-	1.6	1.6	-
Insurance and intermediaries payables	0.7	28.0	(27.3)	0.7	23.8	(23.1)
Reinsurance payables	-	33.0	(33.0)	-	24.7	(24.7)
Payables, (trade not insurance)	29.5	25.6	3.9	21.7	18.3	3.4
Any other liabilities, not elsewhere Shown	-	7.0	(7.0)	-	5.1	(5.1)
Total Other Liabilities	36.0	95.2	(59.2)	27.0	73.5	(46.5)

The amounts disclosed as “Any other liabilities, not shown elsewhere” relate to the Reinsurers’ share of deferred acquisition costs.

The other liabilities are recognised and valued using the following principles:

Deferred tax liabilities

The valuation method for deferred tax balances is the same under UK GAAP and Solvency II. The difference in the valuation between Solvency II and UK GAAP relates to the application of deferred tax to valuation differences that apply between net assets on a UK GAAP and a Solvency II basis. This difference resulted in a net deferred tax liability at year end.

Insurance and Intermediaries payables

On a Solvency II basis Insurance and intermediaries payables that are not overdue are classified within technical provisions.

Reinsurance payables

On a Solvency II basis cash outflows to reinsurers are a component of reinsurance technical provisions. The only element reported as a liability on the balance sheet is the amount outstanding past credit terms, if any.

Payables (trade, not insurance)

Payables comprise amounts payable to other group entities and corporation tax payable. They are recorded at book value as a reasonable proxy for economic value, as all amounts are expected to be paid within six months. The difference between the valuation on a Solvency II and UK GAAP basis relates to the component of intercompany balances that relates to intercompany reinsurances and which gets reclassified as technical provisions for Solvency II purposes.

Reinsurers' share of deferred acquisition costs

The reinsurer's share of deferred acquisition costs under UK GAAP relates to that element of commissions receivable from reinsurers that falls to be earned after the balance sheet date. Deferred acquisition costs as a principle does not exist under Solvency II.

D.4 Alternative methods for valuation

None

D.5 Any Other Information

The Group has prepared the Single Solvency and Financial Condition Report on the going concern basis. The Directors have assessed the suitability of using the Going Concern assumption in preparing this SFCR. In making this assessment they have looked forward, taking into account all available information about the future which is at least, but not limited to, the twelve months from the date that this SFCR is signed. In doing so, the Directors considered the 2026 through 2028 three year plan, financial performance to date during 2026, and the likely trading environment over the next 12 months. The Company does not have any external debt, nor is it dependant on any banking facilities. As a result of this assessment, the Directors prepared the Company's financial statements and single SFCR using the Going Concern assumption.

E Capital Management

E.1 Own Funds

This SFCR is a Single SFCR incorporating the Group and the solo entity of TIDL.

The Group's primary objectives when managing its capital position are as follows:

- to protect its ability to continue as a going concern and thus to protect its policyholders;
- to enable an appropriate return to the shareholder by allocating appropriate amounts of capital to its products commensurate with the risks taken, and measuring the return on this capital; and
- to comply with its regulatory capital requirements.

The Capital Management Policy is owned by the TIDL and TIDAC Finance Committees and is approved by the TIDL and TIDAC Boards on an annual basis. The position relative to the TIDL and TIDAC regulatory capital requirements and internal targets are monitored on a quarterly basis by the TIDL and TIDAC Finance Committees and reported to the respective Boards.

The Group uses a three-year business plan time horizon and ensures it has enough capital to meet all reasonably anticipated needs through this period. There have been no material changes to the Group's objectives and approach in this area during the year.

The Group and Company's Own Funds are comprised principally of Tier 1 capital, which in turn is composed of share capital, share premium and a reconciliation reserve. There are no anticipated dividends over the foreseeable future.

The Basic Own Funds for the Group and the Company by type and tier at 31 December 2025 and 31 December 2024 were:

31 December 2025	Tier 1	Tier 2	Tier 3	Total	Tier 1	Tier 2	Tier 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Share capital	392.1	-	-	392.1	392.1	-	-	392.1
Share premium	0.7	-	-	0.7	0.7	-	-	0.7
Deferred tax asset	-	-	-	-	-	-	-	-
Reconciliation reserve	612.6	-	-	612.6	612.6	-	-	612.6
Total Basic Own Funds	1,005.4	-	-	1,005.4	1,005.4	-	-	1,005.4

31 December 2024	Tier 1	Tier 2	Tier 3	Total	Tier 1	Tier 2	Tier 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Share capital	392.1	-	-	392.1	392.1	-	-	392.1
Share premium	0.7	-	-	0.7	0.7	-	-	0.7
Deferred tax asset	-	-	-	-	-	-	-	-
Reconciliation reserve	477.7	-	-	477.7	477.7	-	-	477.7
Total Basic Own Funds	870.5	-	-	870.5	870.5	-	-	870.5

There is no restriction in the amount of Own Funds in either tier that is eligible to meet the Group or the Company's SCR. All Tier 1 Own Funds are eligible to cover the Group and the Company's MCR.

A comparison of the excess of assets over liabilities as calculated for Solvency II purposes and equity as shown in the UK GAAP accounts as at 31 December 2025 and 2024 is set out below:

	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Equity on a UK GAAP basis	938.4	798.2	902.7	789.0
Equity on a Solvency II basis	1,005.4	870.5	1,005.4	870.5
Difference	67.0	72.3	102.7	81.5

In both 2025 and 2024, the excess of assets over liabilities is higher on a Solvency II basis than under UK GAAP. This difference largely reflects the benefit of discounting of Technical Provisions under Solvency II.

A detailed reconciliation as at 31 December 2025 and 2024 is set out below:

	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Equity per UK GAAP	938.4	798.2	902.7	789.0
Reserve margin release	37.4	37.3	34.9	34.9
Discounting	109.8	117.7	103.1	109.3
Events not in data	(32.9)	(43.1)	(30.5)	(39.9)
Additional expenses	(30.1)	(30.1)	(25.9)	(27.6)
Risk Margin	(53.8)	(56.8)	(45.7)	(47.3)
Profit recognised on unearned premiums	62.2	75.8	58.0	71.9
RI bad debt	(1.9)	(3.2)	(1.9)	(2.8)
Investment in subsidiary adjustment to fair value	-	-	33.0	6.7
Deferred tax on UK GAAP to SII adjustments	(23.7)	(25.3)	(22.3)	(23.7)
Excess of assets over liabilities in Solvency II	1,005.4	870.5	1,005.4	870.5

No Own Funds item for the Group are subject to the transitional arrangements referred to in the PRA Rulebook: Solvency UK, Own Funds 4A.3(2) and PRA Rulebook: Solvency UK, Transitional Measures section 4.1. The Group has no Ancillary Own Funds.

The Company had deposited fixed income securities with Lloyd's as security for the underwriting activities of its affiliate companies, Aprilgrange Ltd and F&G UK Underwriters limited. On 19 June 2024 these securities were returned in full. The fees attaching to this security earned by the Company in 2024 were £0.1m.

As at 31 December 2025 the Company has pledged \$12.8m (2024 \$12.8m) of assets in trust with the National Association of Insurance Commissioners in the US ("**NAIC**"), as a condition of authorisation to write insurance business on a surplus lines basis in the US.

A reconciliation of the excess of assets over liabilities to the reconciliation reserve at 31 December 2025 and 2024 is set out below:

	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Excess of assets over liabilities	1,005.4	870.5	1,005.4	870.5
Less Share capital and share premium	(392.8)	(392.8)	(392.8)	(392.8)
Reconciliation reserve	612.6	477.7	612.6	477.7

The Company also has £441.9m (2024 £399.8m) of assets that are pledged as collateral to its subsidiary TIDAC in the context of the Whole Account Quota Share Reinsurance arrangement. These are reported as investments on the Company's balance sheet. No restriction is made to the Company's Own Funds for these assets as they are matched by a corresponding amount of insurance liabilities.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Both the Group and the Company uses the Standard Formula to calculate its Solvency Capital Requirement (SCR) and Minimum Capital Requirement (“MCR”). Neither the Group nor the Company use any Undertaking Specific Parameters.

The amount of the Group’s MCR and SCR as at 31 December 2025 were £167.0m (2024 £170.9m) and £546.5m (2024 £535.5m) respectively. The amount of the Company’s MCR and SCR as at 31 December 2025 were £157.5m (2024 £158.6m) and £516.7m (2024 £497.0m) respectively.

The SCR by risk module as at 31 December 2025 and 2024 was as set out below:

SCR Component	The Group		The Company	
	2025	2024	2025	2024
	£m	£m	£m	£m
Non-Life Underwriting	453.5	453.1	419.8	412.9
Life Underwriting	4.7	0.8	4.7	0.8
Market Risk	124.1	103.2	136.9	113.9
Counterparty Default Risk	14.4	12.1	11.7	10.3
Undiversified Basic SCR	596.7	569.2	573.1	537.9
Diversification credit	(89.5)	(73.6)	(93.6)	(77.6)
Basic SCR	507.2	495.6	479.5	460.3
Operational risk	39.3	39.9	37.2	36.5
Solvency Capital Requirement	546.5	535.5	516.7	496.8

Neither the Group nor the Company has been required to use any Undertaking Specific Parameters or to make any capital add-on by the supervisory authority. In calculating the SCR using the Standard Formula, the Group and the Company has used simplified calculations for the Non-Life Underwriting risk, Market risk and Counterparty Default Risk modules, and within Market risk for the Spread risk and Interest Rate risk sub-modules.

The MCR is calculated by reference to the net technical provisions by class as at 31 December 2025 and by the net written premiums by class written over the last twelve months. The result of the calculation is then subject to a floor and a cap of 25% and 45% of the SCR respectively. As at 31 December 2025 the MCR for the Group has been set at £167.0m (2024 £170.9m).

As at 31 December 2025 the MCR for the Company has been set at £157.5m (2024 £158.6m).

The SCR and MCR are subject to supervisory assessment by the PRA.

The increase in the SCR during the year for the Group and the Company is largely driven by the increased future premium volumes written. The decrease in the MCR for the Group and the Company is largely driven by a reduction in the Gross Written Premiums in the year.

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

As the Group does not write life insurance business it does not make use of the duration-based equity risk sub-module to calculate its SCR.

E.4 Differences between the Standard Formula and any Internal Models Used

Not Applicable.

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

The Group and the Company has remained in compliance with its MCR and SCR throughout the year and through the period since the end of the financial year.

The position relative to the capital requirements as at 31 December 2025 and 31 December 2024 was as set out below:

2025	The Group		The Company	
	MCR	SCR	MCR	SCR
	£m	£m	£m	£m
Capital Requirement	167.0	546.5	157.5	516.7
Eligible Own Funds	1,005.4	1,005.4	1005.4	1005.4
Surplus	838.4	458.9	847.9	488.7
Coverage	602.0%	184.0%	638.5%	194.6%

2024	The Group		The Company	
	MCR	SCR	MCR	SCR
	£m	£m	£m	£m
Capital Requirement	170.9	535.5	158.6	497.0
Eligible Own Funds	870.5	870.5	870.5	870.5
Surplus	699.6	335.0	711.9	373.5
Coverage	509.4%	162.6%	549.0%	175.2%

E.6 Any other information.

None.

Approval by the Board of Directors of the SFCR and Quantitative Reporting Templates

Travelers Insurance Company Limited Financial Year ending 31 December 2025

We acknowledge our responsibility for preparing the single SFCR in all material respects in accordance with the PRA rules and the Solvency II Regulations.

We are satisfied that:

- a) throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable to the insurer; and
- b) it is reasonable to believe that the insurer has continued so to comply subsequently and will continue so to comply in the future.

Matthew Wilson

Director and Chief Executive Officer

19 May 2026

Report of the external independent auditor to the Directors of Travelers Insurance Company Limited pursuant to Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook applicable to Solvency II firms

Report on the audit of the relevant elements of the Single Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by Travelers Insurance Company Limited Group (the 'Group'), comprising Travelers Insurance Company Limited (the 'Company') and its wholly owned Irish subsidiary, Travelers Insurance Designated Activity Company ('TIDAC'), as at 31 December 2025

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Single Solvency and Financial Condition Report of Travelers Insurance Company Limited Group as at 31 December 2025 (the '**Narrative Disclosures subject to audit**');
- Group templates IR.02.01.02, IR.23.01.04, IR.25.04.22 and IR.32.01.22 (the '**Group Templates subject to audit**'); and
- Company templates IR.02.01.02, IR.12.01.02, IR.17.01.02, IR.23.01.01, IR.25.04.21, IR.28.01.01, in respect of Travelers Insurance Company Limited ('the group member') (the '**Company Templates subject to audit**').

The Narrative Disclosures subject to audit, the Group Templates subject to audit and the Company Templates subject to audit are collectively referred to as the '**relevant elements of the Single Solvency and Financial Condition Report**'.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- The 'Business and performance', 'System of governance' and 'Risk profile' elements of the Single Solvency and Financial Condition Report;
- Group templates IR.05.02.01, IR.05.03.02, IR.05.04.02;
- Company templates IR.05.02.01, IR.05.03.02, IR.05.04.02, IR.19.01.21 and;
- the written acknowledgement by management of their responsibilities, including for the preparation of the Single Solvency and Financial Condition Report (the '**Statement of Directors' Responsibilities**').

To the extent the information subject to audit in the relevant elements of the Single Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Single Solvency and Financial Condition Report of the Group as at 31 December 2025 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including ISA (UK) 800 and ISA (UK) 805. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report* section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of accounting

We draw attention to the Valuation for solvency purposes and Capital Management sections of the Single Solvency and Financial Condition Report, which describe the basis of accounting. The Single Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. The Single Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority (the 'PRA'). As a result, the Single Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

In auditing the relevant elements of the Single Solvency and Financial Condition Report, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Single Solvency and Financial Condition Report is appropriate.

Our audit procedures to evaluate the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting in the preparation of the Single Solvency and Financial Condition Report included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern;
- Obtaining an understanding of the process relating to the directors' going concern assessment and the period of assessment considered;
- Challenging the appropriateness of the directors' key assumptions underpinning the going concern assessment by assessing the reasonableness of the underlying assumptions applied in forecasting cash flows and considering their consistency with our understanding of the Group and Company's business, other information and our expectation of the future economic outlook and performing independent stress testing in relation to those key assumptions;
- Considering the Directors' assessment of the regulatory solvency coverage and liquidity position in the forward looking scenarios, derived from the Group and Company's Own Risk and Solvency Assessment;
- Evaluating the historical accuracy of forecasts by comparing them to actual results and considering the consistency of the directors forecasts with other areas of our audit; and
- Evaluation the appropriateness of the directors' disclosures on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Company's ability to continue as a going concern for a period of at least twelve months from when the Single Solvency and Financial Condition Report is authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Single Solvency and Financial Condition Report does not cover the Other Information and, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Single Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Single Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Single Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors for the Single Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Single Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA rules and Solvency II regulations which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA, the PRA Rules and Solvency II regulations on which they are based.

The Group as well as the Company has been granted a waiver from the PRA to produce a Single Solvency and Financial Condition Report that includes the required information for the Group as well as for the Company.

The Directors are also responsible for:

- such internal control as management determines is necessary to enable the preparation of a Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error;
- overseeing the Group's and the Company's financial reporting process; and
- assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the relevant elements of the Single Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Single Solvency and Financial Condition Report are prepared, in all material respects, with financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Single Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Single and Financial Condition Report.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Group and the Company and the insurance sector in which they operate, we considered that non-compliance with the following laws and regulations have a material impact on the relevant elements of the Single Solvency and Financial Condition Report:– permissions and supervisory requirements of the PRA and the Financial Conduct Authority (the 'FCA').

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the Group and the Company and the industry in which they operate, and considering the risk of acts by the Group or the Company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the Directors, management and, where appropriate, those charged with governance, as to whether the Group and the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;

- Inspecting correspondence with relevant licensing or regulatory authorities including the PRA, the FCA and HMRC;
- Reviewing minutes of Directors' meetings in the year and up to the date of this report; and
- Consideration by the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct impact on the preparation of the relevant elements of the Single Solvency and Financial Condition Report such as Solvency II regulations.

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the relevant elements of the Single Solvency and Financial Condition Report (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of the provisions for the settlement of future claims and application of earning patterns, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management and those charged with governance on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Critically assessing accounting estimates impacting amounts included in the financial statements for evidence of management bias;
- Identifying journal entries posted which meet our high-risk criteria and testing these against supporting documentation including obtaining management explanations;
- Incorporating an element of unpredictability in performing substantive procedures on account balances/assertions not otherwise tested due to materiality;
- Reviewing the accounting estimate in relation to valuation of technical provisions for evidence of management bias; and
- Considering significant transactions outside of the normal course of business. Our approach included reviewing Board minutes, review of correspondence with regulators (where applicable), and substantively testing the transaction and related disclosure where considered material.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – Other information

In accordance with Rule 4.1 (3) of the External Audit Chapter of the PRA Rulebook for Solvency II firms we are required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of the Group's and the Company's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Use of the audit report

This report, including the opinion, has been prepared for the Directors of the Group and the Company to enable them to comply with their obligations under External Audit Rule 2.1 of the Solvency II Firms Sector of the PRA Rulebook.

Our audit work has been undertaken so that we might state to the Group's and the Company's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Solvency and Financial Condition Report and for no other purpose. We acknowledge that our report will be provided to the PRA for the use of the PRA solely for the purposes set down by statute and the PRA's rules.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors and the PRA for our audit work, for this report, or for the opinions we have formed.

Forvis Mazars LLP
Chartered Accountants
30 Old Bailey
EC4M 7AU

19 May 2026

Appendix – relevant elements of the Solvency and Financial Condition Report that are not subject to audit.

The relevant elements of the Single Solvency and Financial Condition Report that are not subject to audit comprise:

- The 'Business and Performance', System of Governance' and 'Risk Profile' elements of the Single Group Wide Solvency and Financial Condition Report;
- Group templates: IR.05.02.01, IR.05.03.02, IR.05.04.02;
- Company Templates: IR.05.02.01, IR.05.03.02, IR.05.04.02, IR.19.01.21; and
- The Statement of Directors' Responsibilities.

Appendix A: Quantitative Reporting Templates

Travelers Insurance Company Group

Solvency and Financial Condition Report

Disclosures

31 December

2025

(Monetary amounts in GBP thousands)

General information

Entity name	Travelers Insurance Company Group
Entity identification code and type of code	LEI/5493008G0BNFHVUJ0Q27
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.02.01 - Premiums, claims and expenses by country: Life obligations
- IR.05.03.02 - Life income and expenditure
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,126,765
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	2,124,610
R0140	<i>Government Bonds</i>	417,260
R0150	<i>Corporate Bonds</i>	1,707,350
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	0
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	2,155
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	150,479
R0280	<i>Non-life and health similar to non-life</i>	150,479
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	7,762
R0370	Reinsurance receivables	5,300
R0380	Receivables (trade, not insurance)	35,154
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	100,203
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	2,425,663

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	1,373,147
R0510	<i>Technical provisions - non-life</i>	1,368,083
R0515	<i>Technical provisions - life</i>	5,064
R0542	Best estimate - total	1,319,301
R0544	<i>Best estimate - non-life</i>	1,314,547
R0546	<i>Best estimate - life</i>	4,754
R0552	Risk margin - total	53,846
R0554	<i>Risk margin - non-life</i>	53,536
R0556	<i>Risk margin - life</i>	310
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	1,487
R0780	Deferred tax liabilities	19,575
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	385
R0830	Reinsurance payables	68
R0840	Payables (trade, not insurance)	25,557
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	1,420,219
R1000	Excess of assets over liabilities	1,005,444

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Top 5 countries (by amount of gross premiums written)						Total Top 5 and home country
Home Country	IE						
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business	414,997	62,805					477,802
R0120 Gross - Proportional reinsurance accepted							0
R0130 Gross - Non-proportional reinsurance accepted							0
R0140 Reinsurers' share	71,311	10,636					81,947
R0200 Net	343,686	52,169					395,855
Premiums earned							
R0210 Gross - Direct Business	424,818	64,256					489,074
R0220 Gross - Proportional reinsurance accepted							0
R0230 Gross - Non-proportional reinsurance accepted							0
R0240 Reinsurers' share	64,930	10,448					75,378
R0300 Net	359,888	53,808					413,696
Claims incurred							
R0310 Gross - Direct Business	187,254	11,864					199,118
R0320 Gross - Proportional reinsurance accepted							0
R0330 Gross - Non-proportional reinsurance accepted							0
R0340 Reinsurers' share	39,388	2,292					41,680
R0400 Net	147,866	9,572					157,438
R0550 Net expenses incurred	154,043	22,572					176,615

IR.05.02.01

Premiums, claims and expenses by country: Life obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
			C0220	C0230	C0240	C0250	C0260	
R1400								
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0						0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0						0
	Claims incurred							
R1610	Gross	2,220						2,220
R1620	Reinsurers' share							0
R1700	Net	2,220						2,220
R1900	Net expenses incurred							0

IR.05.03.02

Life income and expenditure

	Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
	C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written							
R0010	Gross direct business						0
R0020	Gross reinsurance accepted						0
R0030	Gross	0	0	0	0	0	0
R0040	Reinsurers' share						0
R0050	Net	0	0	0	0	0	0
Claims incurred							
R0110	Gross direct business			2,220			2,220
R0120	Gross reinsurance accepted						0
R0130	Gross	0	0	2,220	0	0	2,220
R0140	Reinsurers' share						0
R0150	Net	0	0	2,220	0	0	2,220
Expenses incurred							
R0160	Gross direct business						0
R0170	Gross reinsurance accepted						0
R0180	Gross	0	0	0	0	0	0
R0190	Reinsurers' share						0
R0200	Net	0	0	0	0	0	0
R0300	Other expenses						
Transfers and dividends							
R0440	Dividends paid						

IR.25.04.22

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

	C0010
Market risk	
R0070 Interest rate risk	50,597
R0080 Equity risk	0
R0090 Property risk	0
R0100 Spread risk	83,846
R0110 Concentration risk	836
R0120 Currency risk	49,688
R0125 Other market risk	
R0130 Diversification within market risk	-60,871
R0140 Total Market risk	124,096
Counterparty default risk	
R0150 Type 1 exposures	11,727
R0160 Type 2 exposures	3,280
R0165 Other counterparty risk	
R0170 Diversification within counterparty default risk	-654
R0180 Total Counterparty default risk	14,353
Life underwriting risk	
R0190 Mortality risk	
R0200 Longevity risk	4,689
R0210 Disability-Morbidity risk	
R0220 Life-expense risk	
R0230 Revision risk	
R0240 Lapse risk	
R0250 Life catastrophe risk	
R0255 Other life underwriting risk	
R0260 Diversification within life underwriting risk	0
R0270 Total Life underwriting risk	4,689
Health underwriting risk	
R0280 Health SLT risk	
R0290 Health non SLT risk	
R0300 Health catastrophe risk	
R0305 Other health underwriting risk	
R0310 Diversification within health underwriting risk	
R0320 Total Health underwriting risk	0
Non-life underwriting risk	
R0330 Non-life premium and reserve risk (ex catastrophe risk)	378,511
R0340 Non-life catastrophe risk	172,223
R0350 Lapse risk	10,489
R0355 Other non-life underwriting risk	
R0360 Diversification within non-life underwriting risk	-107,753
R0370 Total Non-life underwriting risk	453,470
R0400 Intangible asset risk	
Operational and other risks	
R0422 Operational risk	39,460
R0424 Other risks	
R0430 Total Operational and other risks	39,460
R0432 Total before all diversification	805,346
R0434 Total before diversification between risk modules	636,068
R0436 Diversification between risk modules	-89,534
R0438 Total after diversification	546,534
R0440 Loss absorbing capacity of technical provisions	
R0450 Loss absorbing capacity of deferred tax	
R0455 Other adjustments	
R0460 Solvency capital requirement including undisclosed capital add-on	546,534
R0472 Disclosed capital add-on - excluding residual model limitation	
R0474 Disclosed capital add-on - residual model limitation	
R0480 Solvency capital requirement including capital add-on	546,534
R0490 Biting interest rate scenario	increase
R0495 Biting life lapse scenario	increase
Information on other entities	
R0500 Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510 <i>Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies</i>	
R0520 <i>Institutions for occupational retirement provisions</i>	
R0530 <i>Capital requirement for non-regulated entities carrying out financial activities</i>	
R0540 Capital requirement for non-controlled participation requirements	
R0550 Capital requirement for residual undertakings	
Overall SCR	
R0555 Solvency capital requirement (consolidation method)	546,534
R0560 SCR for undertakings included via D and A	
R0565 SCR for sub-groups included via D and A	
R0570 Solvency capital requirement	546,534

IR.12.01.22

Undertakings in the scope of the group

Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non-mutual)	Supervisory Authority	Criteria of influence					Inclusion in the scope of Group supervision		Group solvency calculation
							% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if excluded
CB010	CB020	CB040	CB050	CB060	CB070	CB080	CB090	CB100	CB110	CB120	CB130	CB140	CB150	CB160
IE	LE154933061WBDLWICQ2P96	Travelers Insurance Designated Activity Company	Non life insurance undertaking	Limited by shares	Non-mutual	Central Bank of Ireland	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope	Method 1: Full consolidation
GB	LE15493308028FPHVUJQ27	Travelers Insurance Company Limited	Non life insurance undertaking	Limited by shares	Non-mutual	Prudential Regulation Authority							Included in the scope	Method 1: Full consolidation

Travelers Insurance Company Limited Solo

Solvency and Financial Condition Report

Disclosures

31 December

2025

(Monetary amounts in GBP thousands)

General information

Entity name	Travelers Insurance Company Limited
Entity identification code and type of code	LEI/5493008G0BNFHVUJQ27
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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IR.02.01.02 - Balance sheet

IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations

IR.05.02.01 - Premiums, claims and expenses by country: Life obligations

IR.05.03.02 - Life income and expenditure

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

IR.12.01.02 - Life technical provisions

IR.17.01.02 - Non-Life Technical Provisions

IR.19.01.21 - Non-Life insurance claims

IR.23.01.01 - Own Funds

IR.25.04.21 - Solvency Capital Requirement

IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,060,897
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	147,613
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	1,911,129
R0140	<i>Government Bonds</i>	416,262
R0150	<i>Corporate Bonds</i>	1,494,867
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	0
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	2,155
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	130,386
R0280	<i>Non-life and health similar to non-life</i>	130,386
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	4,998
R0370	Reinsurance receivables	736
R0380	Receivables (trade, not insurance)	56,823
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	77,194
R0420	Any other assets, not elsewhere shown	
R0500	Total assets	2,331,034

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	1,287,024
R0510	<i>Technical provisions - non-life</i>	1,281,960
R0515	<i>Technical provisions - life</i>	5,064
R0542	Best estimate - total	1,241,348
R0544	<i>Best estimate - non-life</i>	1,236,594
R0546	<i>Best estimate - life</i>	4,754
R0552	Risk margin - total	45,676
R0554	<i>Risk margin - non-life</i>	45,366
R0556	<i>Risk margin - life</i>	310
R0565	Transitional (TMTP) - life	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	1,487
R0780	Deferred tax liabilities	18,285
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	285
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	18,510
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	1,325,591
R1000	Excess of assets over liabilities	1,005,443

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Top 5 countries (by amount of gross premiums written)						Total Top 5 and home country
Home Country	IE						
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110 Gross - Direct Business	332,663						332,663
R0120 Gross - Proportional reinsurance accepted	61,285	56,613					117,898
R0130 Gross - Non-proportional reinsurance accepted							0
R0140 Reinsurers' share	61,256						61,256
R0200 Net	332,692	56,613					389,305
Premiums earned							
R0210 Gross - Direct Business	338,226						338,226
R0220 Gross - Proportional reinsurance accepted	64,478	58,127					122,605
R0230 Gross - Non-proportional reinsurance accepted							0
R0240 Reinsurers' share	62,733						62,733
R0300 Net	339,971	58,127					398,098
Claims incurred							
R0310 Gross - Direct Business	161,620						161,620
R0320 Gross - Proportional reinsurance accepted	20,044	10,383					30,427
R0330 Gross - Non-proportional reinsurance accepted							0
R0340 Reinsurers' share	33,110						33,110
R0400 Net	148,554	10,383					158,937
R0550 Net expenses incurred	140,040	29,224					169,264

IR.05.02.01

Premiums, claims and expenses by country: Life obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
			C0220	C0230	C0240	C0250	C0260	
R1400								
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0						0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0						0
	Claims incurred							
R1610	Gross	2,220						2,220
R1620	Reinsurers' share							0
R1700	Net	2,220						2,220
R1900	Net expenses incurred							0

IR.05.03.02

Life income and expenditure

	Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health	
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	
Premiums written								
R0010	<i>Gross direct business</i>							0
R0020	<i>Gross reinsurance accepted</i>							0
R0030	Gross	0	0	0	0	0	0	
R0040	<i>Reinsurers' share</i>							0
R0050	Net	0	0	0	0	0	0	
Claims incurred								
R0110	<i>Gross direct business</i>							2,220
R0120	<i>Gross reinsurance accepted</i>							0
R0130	Gross	0	0	2,220	0	0	2,220	
R0140	<i>Reinsurers' share</i>							0
R0150	Net	0	0	2,220	0	0	2,220	
Expenses incurred								
R0160	<i>Gross direct business</i>							0
R0170	<i>Gross reinsurance accepted</i>							0
R0180	Gross	0	0	0	0	0	0	
R0190	<i>Reinsurers' share</i>							0
R0200	Net	0	0	0	0	0	0	
R0300	<i>Other expenses</i>							
Transfers and dividends								
R0440	<i>Dividends paid</i>							

IR.12.01.02
Life technical provisions

Best estimate

R0025 Gross Best Estimate (direct business)
R0026 Gross Best Estimate (reinsurance accepted)
R0030 **Gross Best Estimate**

R0080 Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default
R0090 Best estimate minus recoverables from reinsurance/SPV and Finite Re

R0100 **Risk margin**

Amount of the transitional on Technical Provisions

R0140 TMTP - risk margin
R0150 TMTP - best estimate dynamic component
R0160 TMTP - best estimate non-dynamic component
R0170 TMTP - amortisation adjustment
R0180 **Transitional Measure on Technical Provisions**

R0200 **Technical provisions - total**

	Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
	C0010	C0020	C0030	C0040	C0050	C0060	C0070
				4,754			4,754
							0
	0	0	0	4,754	0	0	4,754
							0
	0	0	0	4,754	0	0	4,754
				310			310
							0
							0
							0
	0	0	0	0	0	0	0
	0	0	0	5,064	0	0	5,064

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance						Accepted non-proportional reinsurance		Total Non-Life obligation	
		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	Miscellaneous financial loss	Non-proportional marine, aviation and transport reinsurance		Non-proportional property reinsurance
		C0050	C0060	C0070	C0080	C0090	C0100	C0130	C0160	C0170	C0180
Best estimate											
Premium provisions											
R0060	Gross	2,775	355	-1,405	28,890	49,179	1,774	311	-1,100	-23	80,756
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-3,034	-534	-676	-4,290	-1,952	-2,285	-222	-358	437	-12,914
R0150	Net Best Estimate of Premium Provisions	5,809	889	-729	33,180	51,131	4,059	533	-742	-460	93,670
Claims provisions											
R0160	Gross	71,396	2,841	21,162	157,505	833,449	22,991	1,965	5,714	38,815	1,155,838
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	7,140	80	8,765	37,050	37,067	21,949	1,312	2,397	27,540	143,300
R0250	Net Best Estimate of Claims Provisions	64,256	2,761	12,397	120,455	796,382	1,042	653	3,317	11,275	1,012,538
R0260	Total best estimate - gross	74,171	3,196	19,757	186,395	882,628	24,765	2,276	4,614	38,792	1,236,594
R0270	Total best estimate - net	70,065	3,650	11,668	153,635	847,513	5,101	1,186	2,575	10,815	1,106,208
R0280	Risk margin	2,642	114	1,281	7,826	32,041	294	139	391	638	45,366
R0320	Technical provisions - total	76,813	3,310	21,038	194,221	914,669	25,059	2,415	5,005	39,430	1,281,960
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	4,106	-454	8,089	32,760	35,115	19,664	1,090	2,039	27,977	130,386
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	72,707	3,764	12,949	161,461	879,554	5,395	1,325	2,966	11,453	1,151,574

IR.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020

Accident year / underwriting year

Gross Claims Paid (non-cumulative)														
(absolute amount)														
Year	C0010	C0020	C0030	C0040	Development year					C0100	C0110	C0170	C0180	
	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)	
R0100	Prior											10,218	10,218	
R0160	-9	40,125	30,470	12,283	11,958	11,186	7,983	3,925	4,524	8,668	1,254		1,254	
R0170	-8	17,609	60,264	14,635	8,550	9,355	7,111	6,399	4,692	21,370		21,370	149,985	
R0180	-7	27,710	20,145	16,880	11,765	7,046	5,763	12,743	9,328			9,328	111,380	
R0190	-6	40,395	38,172	13,891	16,911	15,294	13,907	6,159				6,159	144,729	
R0200	-5	30,082	38,686	17,641	14,517	14,307	4,892					4,892	120,125	
R0210	-4	19,584	40,850	28,584	17,696	26,028						26,028	132,742	
R0220	-3	62,408	53,376	29,425	29,363							29,363	174,572	
R0230	-2	26,533	63,619	47,660								47,660	137,812	
R0240	-1	33,951	53,048									53,048	86,999	
R0250	0	34,375										34,375	34,375	
R0260												Total	243,695	

Gross Undiscounted Best Estimate Claims Provisions													
(absolute amount)													
Year	C0200	C0210	C0220	C0230	Development year					C0290	C0300	C0360	
	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)	
R0100	Prior											145,035	125,795
R0160	-9	87,791	91,193	77,389	57,966	46,296	35,522	27,848	24,487	14,722	6,915		6,264
R0170	-8	126,065	96,670	69,208	55,919	33,339	29,431	31,563	42,719	30,538			29,459
R0180	-7	146,606	121,017	94,518	90,870	105,410	73,597	54,477	42,894				39,948
R0190	-6	160,420	138,866	113,053	97,794	80,838	60,119	42,274					39,413
R0200	-5	230,291	183,128	124,534	109,065	78,541	72,471						68,036
R0210	-4	227,478	180,494	161,532	128,335	68,980							64,550
R0220	-3	262,802	234,919	211,421	119,346								111,310
R0230	-2	303,778	245,884	217,044									201,546
R0240	-1	275,943	229,351										211,731
R0250	0	240,178											219,735
R0260												Total	1,117,786

Gross premium			
	C0570	C0580	
	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
R0160	N-9	218,574	0
R0170	N-8	219,209	0
R0180	N-7	230,525	0
R0190	N-6	276,689	0
R0200	N-5	345,065	0
R0210	N-4	411,696	0
R0220	N-3	468,894	0
R0230	N-2	502,920	0
R0240	N-1	509,484	0
R0250	N	480,970	0

IR.25.04.21

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

		C0010
Market risk		
R0070	Interest rate risk	43,502
R0080	Equity risk	32,475
R0090	Property risk	0
R0100	Spread risk	75,317
R0110	Concentration risk	668
R0120	Currency risk	50,994
R0125	Other market risk	
R0130	Diversification within market risk	-66,037
R0140	Total Market risk	136,919
Counterparty default risk		
R0150	Type 1 exposures	10,025
R0160	Type 2 exposures	2,143
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-450
R0180	Total Counterparty default risk	11,718
Life underwriting risk		
R0190	Mortality risk	0
R0200	Longevity risk	4,689
R0210	Disability-Morbidity risk	0
R0220	Life-expense risk	0
R0230	Revision risk	0
R0240	Lapse risk	0
R0250	Life catastrophe risk	0
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	0
R0270	Total Life underwriting risk	4,689
Health underwriting risk		
R0280	Health SLT risk	
R0290	Health non SLT risk	
R0300	Health catastrophe risk	
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	
R0320	Total Health underwriting risk	0
Non-life underwriting risk		
R0330	Non-life premium and reserve risk (ex catastrophe risk)	355,158
R0340	Non-life catastrophe risk	151,938
R0350	Lapse risk	6,590
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	-93,868
R0370	Non-life underwriting risk	419,818
R0400	Intangible asset risk	
Operational and other risks		
R0422	Operational risk	37,119
R0424	Other risks	
R0430	Total Operational and other risks	37,119
R0432	Total before all diversification	770,618
R0434	Total before diversification between risk modules	610,263
R0436	Diversification between risk modules	-93,598
R0438	Total after diversification	516,665
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	
R0455	Other adjustments	
R0460	Solvency capital requirement including undisclosed capital add-on	516,665
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	Solvency capital requirement including capital add-on	516,665
R0490	Biting interest rate scenario	
R0495	Biting life lapse scenario	

IR.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

R0010 MCR_{NL} Result

C0010

157,372

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
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C0020

C0030

C0020	C0030
0	
0	
0	
70,065	13,872
3,650	8,738
11,668	17,148
153,635	122,273
847,513	235,029
5,101	0
0	
0	
1,186	345
0	
0	
2,575	93
10,815	1,352

R0020	Medical expense insurance and proportional reinsurance
R0030	Income protection insurance and proportional reinsurance
R0040	Workers' compensation insurance and proportional reinsurance
R0050	Motor vehicle liability insurance and proportional reinsurance
R0060	Other motor insurance and proportional reinsurance
R0070	Marine, aviation and transport insurance and proportional reinsurance
R0080	Fire and other damage to property insurance and proportional reinsurance
R0090	General liability insurance and proportional reinsurance
R0100	Credit and suretyship insurance and proportional reinsurance
R0110	Legal expenses insurance and proportional reinsurance
R0120	Assistance and proportional reinsurance
R0130	Miscellaneous financial loss insurance and proportional reinsurance
R0140	Non-proportional health reinsurance
R0150	Non-proportional casualty reinsurance
R0160	Non-proportional marine, aviation and transport reinsurance
R0170	Non-proportional property reinsurance

Linear formula component for life insurance and reinsurance obligations

R0200 MCR_L Result

C0040

100

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
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C0050

C0060

C0050	C0060
4,754	

R0210	Obligations with profit participation - guaranteed benefits
R0220	Obligations with profit participation - future discretionary benefits
R0230	Index-linked and unit-linked insurance obligations
R0240	Other life (re)insurance and health (re)insurance obligations
R0250	Total capital at risk for all life (re)insurance obligations

Overall MCR calculation

R0300	Linear MCR
R0310	SCR
R0320	MCR cap
R0330	MCR floor
R0340	Combined MCR
R0350	Absolute floor of the MCR
R0400	Minimum Capital Requirement

C0070

157,471
516,665
232,499
129,166
157,471
3,500
157,471