



Utmost Worldwide Limited Solvency and Financial Condition Report 2025

Month: March 2026

Author: Utmost Worldwide Limited

Owner: Board of Directors

INDEX

Introduction	3
Summary	4
A. Business and Performance.....	9
A.1. Business	9
A.2. Underwriting Performance.....	11
A.3. Investment Performance	11
A.4. Performance of Other Activities.....	13
A.5. Any Other Information	13
B. System of Governance	14
B.1. General Information on the System of Governance	14
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	25
B.5. Internal Audit Function.....	27
B.6. Actuarial Function	28
B.7. Outsourcing.....	29
B.8. Any Other Information	30
C. Risk Profile.....	31
C.1. Underwriting Risk	31
C.2. Market Risk.....	33
C.3. Credit Risk	34
C.4. Operational Risk.....	35
C.5. Liquidity Risk.....	36
C.6. Other Material Risks	37
C.7. Any Other Information	38
D. Valuation for Solvency Purposes.....	39
D.1. Assets	39
D.2. Technical Provisions.....	44
D.3. Other Liabilities.....	47
D.4. Alternative Methods for Valuation.....	49
D.5. Any Other Information	49
E. Capital Management	50
E.1. Own Funds.....	50
E.2. Solvency Capital Requirement and Guernsey Minimum Capital Requirement.....	53
E.3. Differences Between the Standard Formula and Any Internal Model Used	54
E.4. Non-Compliance with Guernsey Minimum Capital Requirement and Solvency Capital Requirement.....	54
E.5. Any Other Information	54
F. Quantitative Reporting Templates.....	55
F.1. IR.02.01.02 Balance Sheet.....	55
F.2. IR.05.02.01 Premiums, Claims and Expenses by Country	57
F.3. IR.05.03.02 Life Income and Expenditure	58
F.4. IR.12.01.02 Life and Health SLT Technical Provisions	59
F.5. IR.22.01.21 Impact of Long Term Guarantees Measures and Transitionals.....	60
F.6. IR.23.01.01 Own Funds.....	61
F.7. IR.25.04.21 Solvency Capital Requirement – Standard Formula.....	64
F.8. IR.28.01.01 Minimum Capital Requirement - Guernsey	67

Introduction

Utmost Worldwide Limited (UW) (the Company) is incorporated in Guernsey and licensed by the Guernsey Financial Services Commission (GFSC) as its principal regulator to transact both general and long-term insurance business under the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended. UW is also authorised to effect certain classes of business by the Jersey Financial Services Commission (JFSC), the Hong Kong Insurance Authority (HKIA), the Monetary Authority of Singapore (MAS), the Swiss Financial Market Supervisory Authority (FINMA), and the British Virgin Islands Financial Services Commission (BVIIFSC).

UW is required under the Insurance Business Rules to publish its audited financial statements and to provide additional information where not addressed in the financial statements relating to the following: profile of the insurer, corporate governance, technical reserves, insurance risk, financial performance, capital adequacy, financial instruments, enterprise risk management, and asset-liability management. The rules set out a number of circumstances under which, following notification to the GFSC, disclosure is not required. UW has not sought to limit its disclosures under the rules.

UW reports its solvency position as calculated in accordance with the requirements of the Prudential Regulation Authority's Rulebook for Solvency UK entities. The Rulebook was updated to incorporate assimilated regulations from the European Union with effect from 31 December 2024.

The Board of Directors (the Board) of UW has further determined that the Company should make public disclosure meeting the requirements of both the GFSC's rules and relevant rules under the Rulebook Reporting Chapters 3 and 3A pertaining to the Solvency and Financial Condition Report of Individual Firms. This report is therefore prepared as a Solvency and Financial Condition Report in a manner consistent with those of UK incorporated insurance undertakings of the Utmost Group, save that the report itself is unaudited.

This report covers the Business and Performance of UW, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management. The Company's Board has ultimate responsibility for all of these matters and is assisted by various governance and control functions put in place to monitor and manage the business.

The Company's financial year runs to 31 December each year and the results and position are reported in thousands of Pounds Sterling (£k). Figures presented in the tables contained within the report may not add up to the totals or subtotals due to rounding.

Summary

BUSINESS AND PERFORMANCE

The core business lines within UW are:

- Wealth Solutions:
 - Wealth Accumulation: Offering unit-linked insurance and capital redemption solutions for both regular and single premium products aimed at mass affluent and medium net worth customers. These solutions are offered through the Company's arrangements with licensed insurance intermediaries in markets where the Company is directly authorised or where it may operate on an international basis under its home authorisation.
- Corporate Solutions:
 - Risk: Offering corporate entities, mainly multi nationals, life, disability, and critical illness insurance coverages as employee benefit solutions; and
 - Savings: Offering corporate entities investment based insurance coverages to provide pension and savings related employee benefits for their employees.

The Company also operates an annuity business line, which is not actively marketed.

The Company's total comprehensive income for the year was £31,669k (2024 - £28,070k).

SYSTEM OF GOVERNANCE

The Company's corporate governance framework is based on a number of cornerstones, such as the central role played by the Board, the correct management of situations that present conflicts of interest, transparency in disclosing decisions regarding the management of the Company, and the effectiveness of the Internal Control and Risk Management System (ICRMS).

As part of its governance structure the Company has established a series of Board Committees with specific delegated authorities. Please refer to Section B.1.1 for details of the Board composition during the year and the make-up of the Board Committees.

In accordance with local laws and regulations, and the approach that would be required under Solvency UK were the Company UK incorporated, UW has established an ICRMS which is defined as a set of strategies, guidelines, processes and procedures aimed at identifying, measuring, monitoring and reporting on a continuous basis the risks to which the Company is exposed.

The ICRMS is put in place within the Company through specific on-going processes which involve, with different roles and responsibilities, the Board, the Executive Committee (ExCo) and the first, second and third line organisational structures. The functions involved in the ICRMS process operate according to the Three Lines Model:

- First Line: The operational structures (Risk Owners) represent the first line in the model.
- Second Line: The Risk Management, Compliance, and Actuarial Functions represent the second line in the model.
- Third Line: Internal Audit represents the third line of the model.

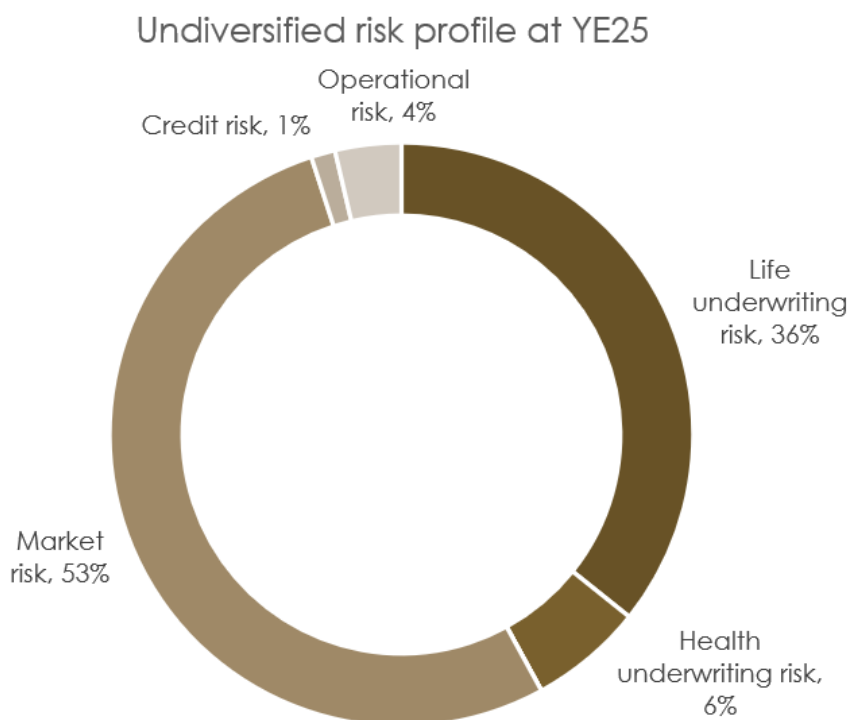
RISK PROFILE

Risks are generally grouped by risk types for the purposes of risk identification and measurement in accordance with the Company’s risk management policy. The groups used are life underwriting (including long term health), market, credit, operational, liquidity and other material risks, including strategic and reputational risks. The classes of risk to which the Company is exposed have not changed significantly over the year, albeit that the Company fully exited its remaining non-life insurance exposure during the year.

Risk identification is carried out on a regular basis as part of the business planning process. The process involves consideration of both internal and external data, and their application in both normal and stressed environments. Sources for identifying risk include risk event analysis, management information and other governance processes, and input from management and internal committees.

The Company sets its capital risk appetite and limits considering the Solvency UK Solvency Capital Requirement (SCR) and the solvency ratio. The use of the SCR as the Prescribed Capital Requirement under The Insurance Solvency Rules 2021 has been acknowledged by the GFSC¹, and consent to consider the Solvency UK Eligible Own Funds as the Regulatory Capital Resources granted. The SCR and coverage ratio are used to assess the significance of risks and to determine appropriate strategies for their management.

The chart below shows the composition of the Company's undiversified SCR as at 31 December 2025:



¹ Solvency UK terminology is used in preference to Guernsey specific terminology throughout this report to assist with comparability in the public arena.

Market Risks

The Market Risks that UW is exposed to include:

- Equity risk: mainly a reduction in ad valorem fees earned on equity-based components of future profits recognised in the Technical Provisions;
- Currency risk: where the movement in exchange rates can result in gains and losses arising from net changes in currency mismatched asset and liability positions. The Company's base currency is GBP and the next largest exposure is to USD;
- Spread Risk: defined as the risk that arises from changes in or volatility of credit spreads over the risk-free interest rate term structure. The spread risk module is calibrated to also include an element for default on credit exposures;
- Interest rate risk: where movements in interest rates directly impact the present value of future asset and liability cash flows;
- Property risk: where movements in property values reduce the related components of future profits. There is limited exposure to property investments held by policyholders; and
- Market risk concentration risk: additional risk arising from aggregated exposures to entities under the common control of a single name entity.

Market Risks contribute £124,030k of SCR before diversification (2024: £123,538k). The SCR arising from Equity, Spread and Currency risks are the main contributors to the financial risk capital. They have increased from £80,957k to £84,989k for Equity risk, decreased from £11,574k to £9,644k for Spread risk and decreased from £58,364k to £54,821k for Currency risk.

Credit Risk

UW is exposed to the risk of incurring losses due to the inability or unwillingness of counterparties to honour their financial obligations. UW's key default risks include:

- The exposure to a reinsurance company defaulting on its obligations;
- The counterparty default exposure from cash deposits; and
- Money owed to UW by external parties.

Life Underwriting Risks

Life underwriting risks relate to the risk of unfavourable underwriting and expense experience, relative to assumptions, resulting in reduced profitability for UW. The key life underwriting risks for UW are:

- Lapse risk: defined as the change in liabilities due to changes in the expected exit rates. Exits can happen from either a partial or full surrender of a policy. This also includes the occurrence of an event resulting in mass lapse;
- Expense risk: defined as the change in the value of liabilities resulting from changes in the expenses incurred in servicing insurance contracts; and
- Longevity risk: defined as the risk that annuitants live longer than expected.

Health Underwriting Risk

Health risk relates to risk in both long-term and short-term health coverages. The key health risk for UW is:

- Health catastrophe risk, comprising mass accident, accident concentration and pandemic scenarios.

Operational Risk

Operational Risk is the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. Compliance and Financial Reporting Risks fall within this category. UW is exposed to operational risk as part of its day-to-day operations. An operational risk management framework has been implemented to identify, assess, control and monitor operational risks.

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet both expected and unexpected cash flow requirements.

Further information on UW's risks is included in Section C.

VALUATION FOR SOLVENCY PURPOSES

Assets, technical provisions and other liabilities are valued in accordance with the Solvency UK, and related regulation and guidance, to calculate the Solvency UK Eligible Own Funds, which are treated, with the agreement of the GFSC, as equivalent to the Regulatory Capital Resources under The Insurance Solvency Rules 2021. The principle underlying the approach is that the value determined is that at which the relevant item could be exchanged, transferred or settled by knowledgeable and willing third parties in an arm's length transaction.

The valuation methods used by the Company have not changed during the year. The Company has not applied any transitional measures, nor does it apply matching or volatility adjustments, in its valuation of technical provisions.

Solvency UK Assets, Liabilities and Technical Provisions

	31 December 2024 £'000	31 December 2025 £'000
Total Assets	3,718,593	3,659,498
Total Liabilities	3,406,809	3,371,063
Net Technical Provisions	3,269,528	3,252,118

Further information on UW's assets and liabilities, including the differences between the Solvency UK value and the International Financial Reporting Standards (IFRS) Financial Statements value, is provided in Sections D.

CAPITAL MANAGEMENT

UW calculates its solvency capital requirements (SCR) according to the Standard Formula methodology, corresponding to a Value-at-Risk of basic own funds of the Company subject to a confidence level of 99.5% over a one year period. At 31 December 2025 UW had a solvency capital ratio of 153% (2024 - 170%). All of UW's Own Funds are classified as Tier 1 and are eligible to meet the SCR and the Guernsey Minimum Capital Requirement (Guernsey MCR).

There were no instances of non-compliance with the SCR or Guernsey MCR over the reporting period.

Solvency Capital Requirement and Guernsey Minimum Capital Requirement

	31 December 2024 £'000	31 December 2025 £'000
Solvency Capital Requirement	173,292	174,762
Guernsey Minimum Capital Requirement	10,624	10,762
Eligible Own Funds	293,994	268,226
Solvency Capital Ratio	170%	153%

Further details on UW's capital position are outlined in Section E.

A. Business and Performance

A.1. BUSINESS

Legal Entity Name:

Utmost Worldwide Limited

Registered Office:

Utmost House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

Auditors:

PricewaterhouseCoopers CI LLP
Royal Bank Place
1 Gategny Esplanade
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Primary Regulator:

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Commission
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GY1 3HQ

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www.gfsc.gg

Group Regulator:

The Prudential Regulation
Authority
Threadneedle St
London
England
EC2R 8AH

+44 (0)20 3461 7000
www.bankofengland.co.uk

Other Regulators:

Jersey Financial Services
Commission
14-18 Castle Street
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Authority
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Swiss Financial Market
Supervisory Authority
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Switzerland

+41 31 3279100
www.finma.ch

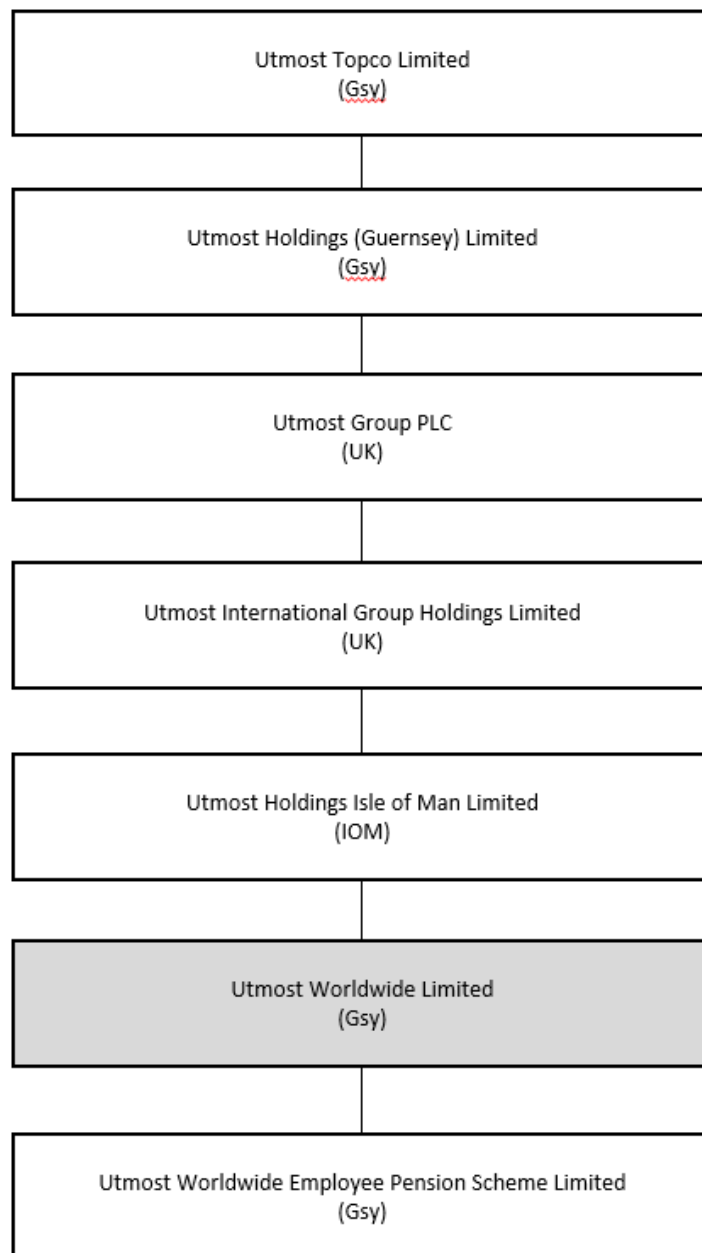
British Virgin Islands Financial
Services Commission
Pasea Estate
PO Box 418
Road Town, Tortola, VG 1110
British Virgin Islands

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www.bvifsc.vg

Board of Directors as at 31 December 2025:

Name	Country of Residence	Date Appointed
Charles Bangor-Jones	Guernsey	April 2020
Andrew Henton (Chairman)	Guernsey	June 2023
Ian Maidens	United Kingdom	February 2019
Ashley Paxton	Guernsey	July 2025
Leon Steyn	Guernsey	February 2019
Paul Thompson	United Kingdom	February 2019

UW Ownership Structure



UW Lines of Business

The core business lines within UW are:

- Wealth Solutions:
 - Wealth Accumulation: Offering unit-linked insurance and capital redemption solutions for both regular and single premium products aimed at mass affluent and medium net worth customers. These solutions are offered through the Company's arrangements with licensed insurance intermediaries in markets where the Company is directly authorised or where it may operate on an international basis under its home authorisation.

- Corporate Solutions:
 - Risk: Offering corporate entities, mainly multi nationals, life, disability, and critical illness insurance coverages as employee benefit solutions; and
 - Savings: Offering corporate entities investment based insurance coverages to provide pension and savings related employee benefits for their employees.

The Company also operates an annuity business line, which is not actively marketed.

A.2. UNDERWRITING PERFORMANCE

The most significant country for UW from which policies are written (by 2025 insurance revenue) is Guernsey.

Revenue

	31 December 2024 £'000	31 December 2025 £'000
Insurance Revenue	52,363	52,712

Detailed information on the Company's premiums, claims and expenses is included in IR.05.02.01 and IR.05.03.02 in Section F Quantitative Reporting Templates. Insurance revenue is disclosed above on the same recognition and valuation basis in the published financial statements.

A.3. INVESTMENT PERFORMANCE

Investments for the Benefit of Life Assurance Policyholders who bear the Investment Risk

The investments linked to insurance policies are selected by policyholders, or their appointed advisors or, where applicable, by asset managers selected by the policyholders and appointed for the purpose by the Company. The assets are owned by the Company. The Company maintains assets to directly match its unit-linked and index-linked policyholder liabilities at all times. The value of assets under management is affected by new business, asset and currency performance, fee deductions and policies maturing or surrendering each year. The Company is exposed only to second order impacts of the investment selections through the charges it levies on an ad valorem basis.

Investments for the benefit of life assurance policyholders who bear the investment risk

Policyholder Investments	31 December 2024 £'000	31 December 2025 £'000
Investments	2,906,594	2,871,449
Cash balances and short term deposits	127,487	128,713
Total	3,034,081	3,000,162
Investments		
Bonds	115,135	109,099
Equities	210,664	196,474
Funds	2,580,792	2,565,857
Derivatives	2	19
Total	2,906,593	2,871,449

Company Financial Investments

Company financial investments are primarily bonds, investment funds and cash. These assets back the liabilities arising from traditional business classes, and provide cover and an excess over the Company's capital requirements. The market risks of these investments are retained by the Company.

Company Financial Investments

Company Investments, including Investments backing Traditional Business	31 December 2024 £'000	31 December 2025 £'000
Financial Assets		
Investments in subsidiaries	459	0
Debt securities – Fair value through profit or loss	415,711	421,213
Debt securities – Fair value through Other Comprehensive Income	137,669	127,432
Investment Funds	38,958	25,630
Total Company Financial Investments	592,797	574,276

Investment income on Company financial investments includes income on bonds and dividend income. Movements are recognised in either the profit and loss account or in other comprehensive income in the period in which they arise.

Investment Income

Investment Income from Policyholder and Company Financial Investments	31 December 2024 £'000	31 December 2025 £'000
Income from financial assets at fair value through profit or loss	38,748	46,855
Income from financial assets at fair value through OCI	4,812	1,381
Total Investment Income	43,560	48,236

A.4. PERFORMANCE OF OTHER ACTIVITIES

Expenses

Expenses for the Company include acquisition costs and other commission for direct insurance and other operating expenses. Other operating expenses include service fees payable to Outsourced Service Providers, staff costs, systems development and maintenance costs, and office premises costs. Also included are professional and legal fees paid by the Company, including Auditors' remuneration for the audit of the Company's financial statements. Company expenses are charged through the Statement of Comprehensive Income in the Company's financial statements.

Dividends and Distributions

Dividends of £40,000k were paid in 2025 (2024 - £40,000k). The Company also made an in-specie distribution of its subsidiaries Utmost Portfolio Management Limited, Utmost International Middle East Limited and Dynasty ICC Limited to Utmost Holdings Isle of Man Limited in 2025. No capital was returned through share re-purchase in 2025 (2024 £nil).

Leasing Arrangements

The Company has rights of use in relation to leases of £3,665k (2024 - £701k) and corresponding lease liabilities of £3,896k (2024 - £718k). The leases relate primarily to the Company's offices.

A.5. ANY OTHER INFORMATION

No further information disclosed.

B. System of Governance

B.1. GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

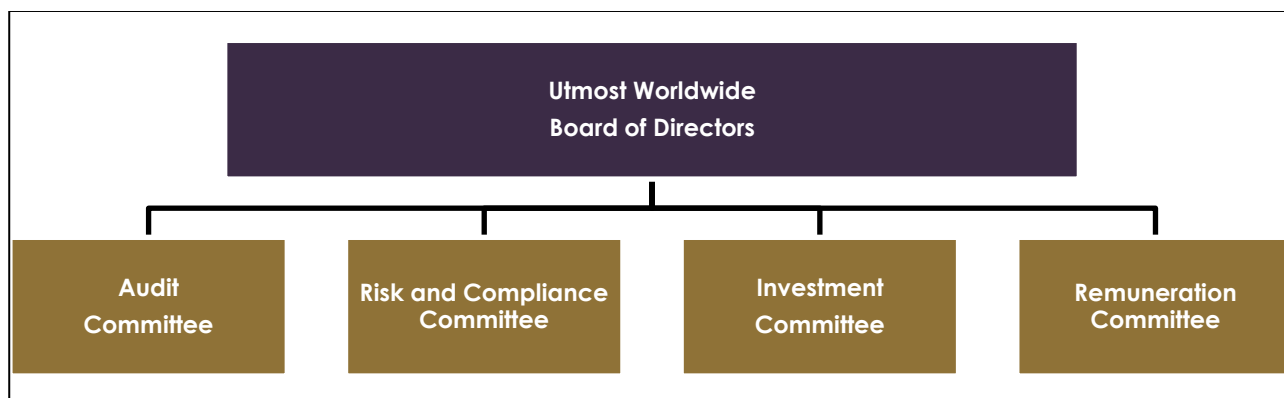
Corporate governance represents the sum of the methods, models and planning, management and control systems that are required for the operation of the Company's governing bodies.

UW's corporate governance is based on a number of cornerstones, such as the central role played by the Board, the correct management of situations that present conflicts of interest, transparency in disclosing decisions regarding the management of the Company, and the effectiveness of the ICRMS.

B.1.1. INFORMATION ON GENERAL GOVERNANCE

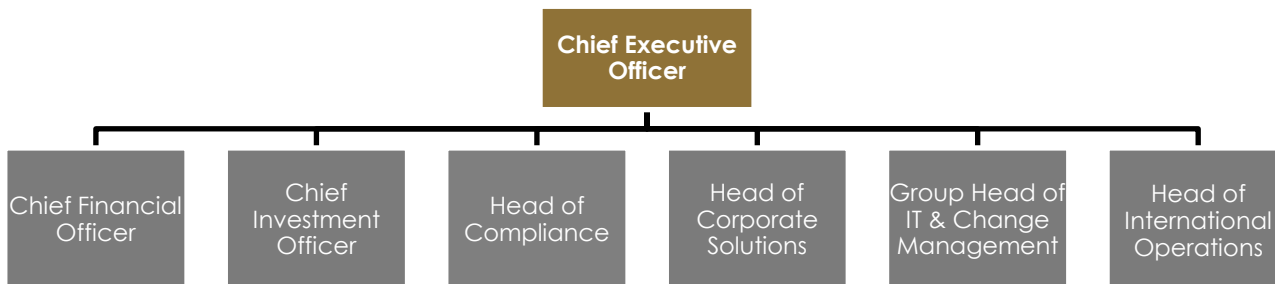
Risk governance is aimed at establishing an effective organisational structure based on a clear definition of risk roles and responsibilities, and on a set of policies, standards, guidelines and operating procedures. As part of its governance structure, the UW Board has established a series of Board Committees with specific delegated authorities.

Governance Structure

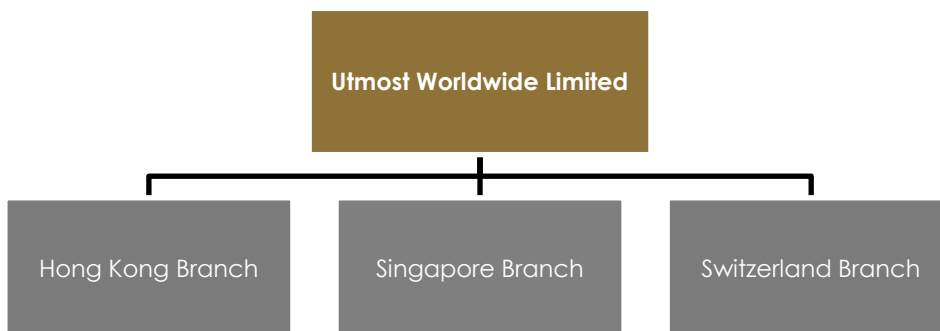


The remit of each of the Committees outlined in the above table is set out in their respective Terms of Reference which are subject to annual review and approval. Furthermore, the performance of each of the Committees is subject to annual review.

UW Executive Management Structure



UW Branch Structure



Each Branch is managed by a Branch CEO or equivalent, with full local regulatory responsibility for the operations of the respective Branch.

Main Governance Bodies

Key Role	Description
Board of Directors	The Board ensures that the Risk Management system identifies, evaluates and controls the most significant Company risks. Within the scope of its typical duties and responsibilities, the Board is ultimately responsible for setting strategies and policies in the area of Risk Management and internal control and ensuring their adequacy and sustainability over time, in terms of completeness, functioning and effectiveness. The Board has established the following Board committees: the Audit Committee, the Risk and Compliance Committee, the Investment Committee and the Remuneration Committee. Details on the Board Committees, and other committees and functions, are provided below.

Key Role	Description
Audit Committee	The Audit Committee takes delegated responsibility on behalf of the Board for ensuring that there is a framework for accountability, examining and reviewing systems and methods of financial control and for ensuring UW is complying with its constitutional documents together with all aspects of the law and relevant regulations. The Audit Committee is chaired by an independent Non-Executive other than the Chairman of the Board of Directors.
Risk and Compliance Committee	The Risk and Compliance Committee has been established by the Board in order to provide leadership, direction, and oversight with regard to UW's policies and procedures, including those relating to risk management and compliance. It assists the Board of Directors in fulfilling its risk management responsibilities as defined by applicable law and regulations, UW's constitutional documents and internal regulations as well as considering leading market practice standards.
Investment Committee	The Investment Committee is responsible for ensuring that UW adheres to the Investment Policy approved by the Board. The committee is authorised by the Board to: <ul style="list-style-type: none"> • Define and monitor the risks to be managed by way of investment activity; • Monitor implementation of investment policy across all the business lines; • Ensure UW adheres to the requirement of the Risk Guidelines; and • Set guidelines for foreign exchange trading and foreign currency positions.
Remuneration Committee	The Remuneration Committee is responsible for the Company's overall remuneration policy and for recommending and monitoring the level and structure of remuneration for senior management including executives, directors and sales staff. Additionally, it is responsible for the overall remuneration budget and structure and makes recommendations to the Board for all remuneration, pay schemes and structures as well as major changes to employee benefits. These align with the risk appetite of the Company and its long strategic term goals to promote the long-term success of the Company, while complying with all relevant legal and regulatory requirements. The Remuneration Committee is comprised of all the Non-Executive Directors of the Board.
Executive Committee ('ExCo')	ExCo supports the Board in all parts of its responsibilities but in particular: <ul style="list-style-type: none"> • Implements UW's strategic, business and financial plans; • Monitors and manages business activities that will have a significant impact on UW's profitability, assets and liabilities, financial position and reputation; and • Ensures the appropriate risk management structure is implemented across all parts of UW.
Risk Function	The Risk function carries out assessment of the risk profile and reports both to the Board and also to the Executive Committee on the most significant risks in order to support them in the definition of risk management strategies and tools for risk identification, monitoring, management and measurement. The function supports the definition of risk measurement methodologies and models. Risk also provides, through a structured reporting system, the elements for assessing exposures and effectiveness of the end-to-end risk management system.
Compliance Function	The Compliance Function is responsible for assessing whether the Company's internal organisation, policies, and procedures are adequate to prevent the risk of legal or regulatory sanctions, financial loss, or reputational damage arising from non-compliance with applicable laws, regulations, and supervisory requirements. The Compliance Function has unrestricted access to, and reports directly to, both the Board and the Executive Committee.

Key Role	Description
Internal Audit Function	The Internal Audit function is responsible for providing independent and objective assurance over the design and effectiveness of the controls in place to manage the key risks to which the company is exposed. The Internal Audit Function is independent of the Company's operational management and reports directly to the Board's Audit Committee.
Finance Function	The Finance Function is responsible, <i>inter alia</i> , for determination of the IFRS balance sheet, and conversion and enhancement to establish the Solvency UK Balance Sheet.
Actuarial Function	The Actuarial Function is responsible, <i>inter alia</i> , for calculation of the IFRS technical liabilities and the Technical Provisions in the Solvency UK Balance Sheet and for assessing and reporting on the effectiveness of the reinsurance programme. The Actuarial function reports directly to the Board in relation to Technical Provisions and reinsurance under the policy framework, as well as on other matters by regulation.

B.1.2. INFORMATION ON RISK MANAGEMENT, INTERNAL AUDIT, COMPLIANCE AND ACTUARIAL FUNCTIONS INTEGRATION INTO THE ORGANISATIONAL STRUCTURE AND THE DECISION MAKING PROCESSES OF THE UNDERTAKING, STATUS AND RESOURCES OF THE FUNCTIONS WITHIN THE UNDERTAKING

In accordance with the various regulatory laws to which the Company is subject, and recognising the Solvency UK requirements, UW has established a Risk Management System which is defined as a set of strategies, guidelines, processes and procedures aimed at identifying, measuring, monitoring and reporting on a continuous basis the risks to which UW is exposed.

Risk governance is aimed at establishing an effective organisational structure based on a clear definition of risk roles and responsibilities and a set of policies, standards, guidelines and operating procedures, which together form the ICRMS.

The functions involved in the risk management process operate according to the Three Lines Model:

- Risk Owners are ultimately responsible for risks concerning their area and for defining and updating the actions needed to make their risk management processes effective and efficient.
- The Risk Management Function oversees the whole Risk Management System ensuring its effectiveness. It supports the Board and ExCo in defining the Risk Strategy and in the development of the methodologies to identify, take, assess, monitor and report risks. It also supports the operating functions in implementing and adopting the relevant policies and guidelines. The Compliance Function is responsible for advising on compliance with law and regulation and internal provisions adopted under the Solvency UK regime. The Actuarial Function, through the Appointed Actuary, considers the reliability and adequacy of the quantification of the technical provisions and also reports to the Board on the effectiveness of the Company's reinsurance programme.
- Internal Audit is responsible for independently evaluating the effectiveness of the system of internal controls.

The roles and responsibilities of each of the control functions (Risk Management, Compliance, Actuarial and Internal Audit) and how they interact with the organisation in the execution of that responsibility are set out in within Group and Local policies.

B.1.3. INFORMATION ON AUTHORITIES, RESOURCES PROFESSIONAL QUALIFICATIONS, KNOWLEDGE, EXPERIENCE AND OPERATIONAL INDEPENDENCE OF THE FUNCTIONS AND HOW THEY REPORT TO AND ADVISE THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BOARD OF THE INSURANCE UNDERTAKING

All ExCo positions outlined in the Organisational structure chart have responsibilities to the Board and Committees. All persons identified as holding Prescribed Positions in UW are assessed on an ongoing basis to ensure they meet the guidance provided by the GFSC, and other regulators where appropriate, in respect of fit and proper criteria.

B.1.4. MATERIAL CHANGES TO THE SYSTEM OF GOVERNANCE

Mr Ashley Paxton joined the Board of Directors replacing Mark Thompson as an independent Non-Executive Director during 2025.

With regards to the Executive Committee, Messrs. Leon Steyn, Charles Bangor-Jones and Rupert Stow were members of the Executive Committee throughout the year. Messrs. Glenn Morrissey, Derek Aherne and Mses. Catherine Bateman and Michelle Leahy all joined the Executive Committee, whilst Messrs. Jean-Pierre Nicolle, Tony Mealing and Ian McLennan left the Executive Committee during the year. Ms Sandra Knowles, Mr. Gary Williams and Mr. Nigel Saxton, who are employed by other entities in the Utmost Group, also attended meetings of the Executive Committee during the year in their respective Utmost Group roles as Heads of Human Resources, Proposition, and Internal Audit respectively.

B.1.5. REMUNERATION POLICY

The Remuneration Policy provides a summary of the applicable principles, rules and standards of employee remuneration and covers directors and employees. Directors' and employees' remuneration is regularly considered and reviewed against the policy at the Board of Directors' Remuneration Committee. This policy itself is reviewed annually to ensure the policy rules and standards are relevant, consistently applied and remain compliant with the various legal requirements of the jurisdictions in which the Company operates.

The remuneration policy is based on the following key principles:

- Employee and Director reviews will be conducted annually to ensure that the objectives for individuals are consistent with the business objectives and risk tolerances articulated by the Board;
- Remuneration criteria will be reviewed and approved annually, by the appropriate committee;
- Utmost Group remuneration packages are based on a combination of fixed and variable components that are based on both individual and business performance, align with the fair treatment of employees and promote sound risk management;
- Long term incentive plans (LTIPs) may be used to reward eligible employees for their contribution to the increase in value of the business over an extended period and focus on sustainable growth. An LTIP must demonstrate that it contributes to effective risk management, and provides the opportunity for longer-term motivation and retention;
- The Company shall have an appropriate independent committee to oversee the design and implementation of remuneration and incentive schemes. No individual shall be involved in any decisions pertaining to their own remuneration;
- The determination of variable remuneration awards for Control Functions (Risk, Compliance, Internal Audit and Actuarial) must not use criteria which measure the performance of the operational units or business areas in respect of which these individuals perform their control function; and
- Remuneration for any Non-Executive Directors will be fixed fees, recognising the responsibilities undertaken, time commitment required and market conditions. Individuals shall not be involved in any decisions regarding their own remuneration.

Balanced Remuneration Package

Employees' remuneration packages are made up of fixed components, variable components and additional benefits, which together provide an appropriate balance between short-term and medium to long-term incentives.

Additionally, the following is in place that further supports the principles and remuneration of employees:

- an annual pay review is performed annually and considers market surveys and conditions;
- the level of staff and their pay is considered as part of this annual pay review cycle and mapped against market pay surveys wherever possible;

- UW has performance management processes directly linked to variable pay that seeks to encourage performance progression and improvement;
- performance is assessed against objectives or targets and has a structured approach to help provide a consistent and objective evaluation;
- all employee (except sales staff) performances are rated using a performance review rating scale to promote a fair and transparent understanding of an employees performance. The performance rating has a direct impact on the variable awards paid; and
- sales staff have a structured and transparent commission based incentives and qualitative targets and this too has a direct impact on their pay.

Additional benefits

Additional benefits offered to employees depend on the jurisdiction in which the Company operates. The Company seeks to make comparable all pay and benefits across the Company where possible. In addition to mandatory pension scheme offerings, further benefits may include medical insurance and life and disability assurance.

B.1.6. MATERIAL TRANSACTIONS DURING THE REPORTING PERIOD

There were no material transactions during the year.

B.2. FIT AND PROPER REQUIREMENTS

A core component of an effective risk culture is the knowledge and skills of the Company's resources. In order to confirm that the right resources and skills are in place, UW has implemented the Group Fit and Proper Policy and related procedures in order to assess more specific aspects of the fitness and probity both initially and on an on-going basis of the individuals who are performing key functions. Key function holders are considered to include the Board, the ExCo, regional CEOs, heads of control functions, and prescribed positions including the Appointed Actuary.

B.2.1. DESCRIPTION OF THE SPECIFIC REQUIREMENTS CONCERNING SKILLS, KNOWLEDGE AND EXPERTISE REQUIRED

The Board and the ExCo are required to possess collectively appropriate knowledge and experience of:

- the markets in which the undertaking operates;
- business strategy and business model;
- system of governance;
- actuarial and financial analysis; and
- regulatory framework and requirements.

Other key personnel are required to possess specific skills and qualifications relevant to the role held.

B.2.2. PROCESS FOR ASSESSING THE FITNESS AND THE PROBITY OF THE PERSONS

The Board of Directors and the Executive Committee are expected to take collective decisions based on the contribution of each single member. The members are not expected to possess, each of them individually, expert knowledge, competence and experience within all areas of the undertaking. However, the collective

knowledge, competence and experience of the Board and the ExCo as a whole have to provide for a sound and prudent management of the undertaking.

Therefore, the fitness of the Board of Directors and the Executive Committee members is evaluated from both an individual (considering the contribution that each member can give to the collective decision) and collective perspective.

When assessing the knowledge, competence and experience required for the performance of a particular role within the above, the qualifications and experience of the employees within the undertaking are taken into account as relevant factors. The evaluation is intended to demonstrate that the collective knowledge of the body is maintained at an adequate level or that a rebalancing of skills and experience is necessary.

Other key personnel are required to possess specific skills and qualifications relevant to the role held, and the full range of responsibilities of that role.

Assessment of the propriety of relevant personnel includes assessment of their honesty based on relevant evidence of character, personal behaviour and business conduct. Areas given particular emphasis include regulatory and supervisory assessment, criminal convictions under laws relating to financial services, money laundering, consumer protection, companies and insolvency, and adherence to Company policy.

B.3. RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT

B.3.1. RISK MANAGEMENT SYSTEM

As outlined in the Company's Risk Management Policy, the Risk Management Function assists the Board and Risk and Compliance Committee in designing and implementing the risk management system. The Risk Management function is responsible for monitoring the operation of the risk management system and the general risk profile of the Company, providing detailed reporting on risk exposures, advising the Board and Risk and Compliance Committee on risk management matters, and identifying and assessing emerging risks.

Risk Management Function

The Risk Management Function is separate from the operational business units and does not have operating responsibilities. The independence of the Risk Management Function is guaranteed through its reporting lines to the Risk and Compliance Committee.

The Risk Management function consists of the Head of Operational Risk (HoOR) and the Operational Risk team, supported by members of the Actuarial team including the Capital & Risk Actuary. The HoOR's primary responsibilities are to the Board. The HoOR has a dotted reporting line to the Chief Executive Officer (CEO) on operational issues.

The Risk Management function oversees the sustainability of the risk management system. The Risk Management Function supports the Board, ExCo and departmental managers in defining risk management strategies and the instruments to monitor and measure risks, providing, through an appropriate reporting system, the elements for an assessment of the performance of the risk management system as a whole. The Risk Management Function is responsible in particular for the following activities:

- Defining the risk measurement methodologies and models;
- Cooperating, with the Risk Owners, on the definition of the operating limits attributed to the operating

structures and on the definition, with the first level functions (i.e. senior management) in charge of control, of the procedures for the prompt verification of such limits;

- Validating the information flows, prepared by the various Risk Owners, necessary to ensure the timely control of risk exposures and the prompt identification of any operational anomaly;
- Presenting appropriate reports to the Board and the Risk and Compliance Committee on the overall performance of the risk control and management system and its ability, in particular, to react to context and market changes, as well as on the development of risks and any instances in which the operating limits have been exceeded; and
- Ensuring that the Executive Committee reacts to results from the stress tests if unexpected events or results are identified.

The Risk Management, Compliance and Internal Audit Functions are operationally independent from ExCo and have unfettered access to the Board.

Policy Framework

The documentation tree is structured into:

- Policies approved by the Board;
- Standards approved by the ExCo; and
- Operating Procedures and Guidelines.

Risk Management System

The purpose of the Risk Management System is to ensure that all risks to which the Company is exposed to are properly and effectively managed on the basis of the risk strategy defined, following a set of processes and procedures and based on clear governance provisions.

The principles defining the Risk Management System are provided in the Risk Management Policy, which is the cornerstone of all risk-related policies and guidelines. The Risk Management Policy outlines all risk categories to which the Company is exposed on a current or forward-looking basis.

UW's Risk Management process is defined in the following phases:

Risk Management Process



1. Risk Identification

The purpose of the risk identification phase is to ensure that all material risks to which the Company is exposed are properly identified. For that purpose, the Risk Management Function interacts with the main Business Functions in order to identify the main risks, assess their importance and ensure that adequate measures are taken to mitigate them according to a sound governance process. Within this process, emerging risks are also taken into consideration.

Based on Solvency UK risk categories, and for the purpose of SCR calculation, risks are categorised according to the Risk Map below.

Risk Map

Financial Risks	Credit Risks	Insurance Risks	Other Risks
Equity	Counterparty Default	Life Mortality	Operational
Property		Life Longevity	Liquidity
Interest Rate		Life Lapse	Strategic
Spread		Life Expense	Reputational
Currency		Life - Catastrophe	Contagion
Concentration		Health - SLT ²	Emerging
		Health - NSLT ³	Regulatory/Compliance
		Health - Catastrophe	Conduct
		Non-Life - premium & reserve	
		Non-Life - Catastrophe	

	Risks excluded from the quantitative risk assessment approach of SCR calculation
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2. Risk Measurement

UW has formally adopted a number of risk assessment methodologies.

The SCR is calculated in accordance with the requirements of the Rulebook Solvency Capital Requirement - Standard Formula. On an annual basis UW completes an appropriateness assessment of the Standard Formula SCR against UW's risk profile.

3. Risk Management and Control

The Company operates a sound Enterprise Risk Management Framework in line with the established strategy and processes. To ensure that the risks are managed according to the risk strategy, the Company follows the governance defined in the Risk Appetite Statement (RAS) and Internal Control System. This provides a framework for the embedding of risk management practices in day-to-day and extraordinary business operations, the development of appropriate control mechanisms and escalation and reporting processes.

The purpose of the RAS is to set the desired level of risk (in terms of risk appetite and risk preferences) and limit excessive risk-taking. Tolerance Levels on the basis of capital and liquidity metrics are set accordingly. Should an indicator approach or breach the defined Tolerance Levels, escalation mechanisms are then activated.

² SLT – Similar to Life Techniques

³ NSLT – Not Similar to Life Techniques

4. Risk Reporting

Risk monitoring and reporting is a key Risk Management process which allows Business Functions, ExCo, Board and the Company's regulators to be aware of, and informed about, the risk profile development, risk trends and any breaches of risk tolerances.

Risk factors are taken into consideration in the following decision making processes: Strategic Planning Process; Capital Management; Asset Liability Matching and Investment Allocation; Solvency and Liquidity; Product Pricing, Development and Monitoring; Management Information; and Performance Management.

Risk Culture

A core objective of the Risk Management Function is to embed a positive and open risk management culture within UW. In support of this objective, risk management and compliance training is provided to all staff. In addition, the following structures have been established in order to embed a risk culture within UW:

- The ExCo, supported by the Risk Management Function, meet regularly to review risk management issues and to integrate risk management thinking into the decision making process. Furthermore, material risk incidents and the results of risk assessments are reviewed, resulting in the required corrective actions being identified; and

The risk culture is further embedded within UW through the following:

- The strategic planning process must remain consistent with the ORSA in order to include a risk based forward-looking view in the development of the strategic plan;
- The Risk Management Function is involved in the material initiatives which may impact on the risk profile of UW. The role of the Risk Management Function is to integrate the risk management assessment methodologies into the decision making process by supporting the business in identifying, assessing and managing the risks associated with these initiatives; and
- The Risk Management Function works closely with the business units providing advisory services.

B.3.2. INTERNAL MODEL FRAMEWORK: GOVERNANCE, DATA AND VALIDATION

This section is not applicable to the Company due to the adoption of Solvency UK standard formula.

B.3.3. ORSA PROCESS

The ORSA process is a key component of the Risk Management System which is aimed at assessing the adequacy of the solvency position and the risk profile on a current and forward-looking basis.

The ORSA process documents and assesses the main risks to which the Company is, or might be, exposed on the basis of its Strategic Plan. It includes the assessment of the risks in scope of the SCR calculation, but also the other risks not included in SCR calculation. The Company annually reviews the appropriateness of the Standard Formula SCR and, in aggregate, it is not deemed to be unreasonable. In terms of risk assessment techniques, stress tests and sensitivity analysis are also performed with the purpose of assessing the resilience of the Company risk profile, and its interaction with the approach to capital management, to changed market conditions or specific risk factors.

The ORSA Report is produced on an annual basis. In addition to the annual ORSA Report, a non-regular ORSA Report would be produced were the risk profile of the Company to change significantly.

All results are documented in the ORSA Report, which is reviewed by the Risk and Compliance Committee and the Board. After discussion and approval by the Board, the ORSA Report is submitted to the primary regulator, the GFSC. The ORSA Report, with any requisite supplementary information, is also submitted to other regulators as required. The information included in the ORSA Report is sufficiently detailed to ensure that the relevant results can be used in the decision-making process and business planning process.

UW's risk profile, including ORSA triggers which would prompt the undertaking of a non-regular ORSA report, is monitored on an ongoing basis and reported to the Risk and Compliance Committee quarterly.

B.3.4. RISK EMBEDDING IN CAPITAL MANAGEMENT PROCESS

Capital Management, Strategic Planning and Risk Management are strongly integrated processes. This integration is deemed essential to ensure alignment between business and risk strategies.

Through the ORSA process, the projection of the capital position and the forward-looking risk profile assessment contributes to the Strategic Planning and Capital Management process.

The ORSA Report also leverages the capital management aspects of the Business Plan to verify the adequacy, including the quality, of the Eligible Own Funds to cover the overall solvency needs on the basis of the plan assumptions.

To ensure the on-going alignment of the business strategy to UW's risk appetite, the Risk Management Function actively supports the Strategic Planning process. This process includes strategy discussions, initiatives to be implemented, monitoring the business performance and oversight on risk and capital positions.

B.4. INTERNAL CONTROL SYSTEM

The ICRMS, whose design and structure is approved by the Board, is the system in place to ensure that business activity complies with the law and with the various policies and procedures in place. It also ensures that UW's processes are efficient and effective and that accounting and management information is reliable and complete.

Internal Control comprises a set of tools that helps the Company reach its targets in line with the level of risk selected by ExCo and the Board. Such targets are not restricted solely to business targets, but extend also to those connected with financial reporting as well as compliance with all internal and external rules and regulations, and take on varying importance depending on the risk that has been identified. It follows that the relevant internal control mechanisms take on a varying nature and form too, depending on the particular process or processes under consideration.

It is the responsibility of the Board to encourage the development and spread of the 'culture of control', requiring senior management to make all staff aware of the importance of internal controls and the role that they play, as well as the added value that they represent to the business. Senior management is responsible for implementing both the 'culture of processes' and the 'culture of control' together with ensuring that employees are made aware of their individual roles and responsibilities regarding internal controls. UW management ensures that the system of delegated powers and procedures governing the allocation of duties, the operating processes and the reporting channels is duly formalised and employees are sufficiently informed and receive adequate training in relation to such systems.

The effectiveness of the control mechanisms listed above is delivered not only by means of monitoring and control activities carried out throughout the entire organisational structure of the business, but also via suitable channels for reporting any breaches.

As a result, UW's internal controls are organised on the basis of various operational levels and levels of responsibility, these being regulated and codified:

- The controls that are the duty of the organisational units that form an integral part of each company process and represent the basis of the internal control system.
- The controls carried out by the corporate functions whose main activity is to perform control tasks. These include:
 - The Risk Management Function, which evaluates the risk profile of the Company and compliance by management with the limits established by the Board and senior management;
 - The Compliance Function operates as an independent second-line control function within the ICRMS. It is responsible for assessing whether the organisation of the insurance business, together with its policies, procedures and internal controls, is adequate to prevent breaches of legal, regulatory or supervisory requirements. The Function also evaluates the risk of financial loss, regulatory sanctions, or reputational harm arising from non-compliance and advises senior management and the Board on measures necessary to mitigate these risks;
 - The budgeting and controlling activities, with the aim of observing and analysing business performance as far as meeting the targets established at the planning stage is concerned, demonstrating, by measuring specific indicators, any variance between the targets established at the planning stage and performance, and identifying any unusual changes;
 - The risk management activities in fraud prevention, which work to prevent both internal and external fraud and to identify and suppress the same; and
 - Other non-operational functions, which, in providing advice to other corporate functions, assist in implementing all internal control objectives (tax advice, advice on privacy issues, legal counsel, etc.).
- The independent assessment carried out by Internal Audit of the quality and effectiveness of the controls put in place by the other corporate functions.

B.4.1. INTERNAL CONTROL FUNCTIONS

The Risk Management, Compliance, Actuarial and Internal Audit Functions operate within the framework of specific policies that are subject to periodic updates and approval by the Board. Specific regulations stemming from these policies set out further guidance on the activities to be performed, as well as the powers and responsibilities allocated by the Board. Compliance and Risk Management Functions are involved where new material processes are drawn up and where changes are made to the organisational structure of the business. In particular, the Compliance Function must always be involved in the establishment of processes where the issue of compliance is relevant.

B.4.2. COMPLIANCE FUNCTION

UW maintains an independent Compliance Function, led by the Head Compliance (HoC) to support the Board and ExCo in identifying, assessing and effectively managing statutory and regulatory compliance risks. The HoC reports directly to the Board and Risk & Compliance Committee and has a reporting line to the Chief Executive Officer on operational issues and dotted reporting line to the Isle of Man Chief Risk Officer. The Compliance Function operates independently from ExCo and first-line management and has unrestricted access to the Board as required.

The Compliance Function is responsible for advising the Board and senior management on compliance with all applicable laws, regulations, supervisory requirements, and internal policies relevant to UW's activities, including those applicable to its branches. Where mandated, the Function also provides guidance on wider regulatory matters designated by the Board or ExCo.

In addition, the Compliance Function monitors developments in the regulatory environment, assesses the potential impact on UW business, and identifies emerging or material risks. It evaluates the adequacy and effectiveness of corporate policies, procedures, and internal controls designed to ensure compliance with regulatory and internal requirements.

The Compliance Function is required to identify compliance deficiencies, breaches, or weaknesses and ensure that appropriate remediation, escalation, and (where relevant) regulatory notifications are completed in a timely manner. It also assesses the appropriateness and effectiveness of the controls relied upon by the business.

To support its oversight responsibilities, the Compliance Function maintains a Board-approved Compliance Monitoring Plan, reports progress to the Risk & Compliance Committee, and undertakes ongoing monitoring and surveillance over first-line activities. Core monitoring activities include:

- Countering Financial Crime: Quality Assurance Review - sample customer due diligence to ensure adherence to the GFSC Countering Financial Crime Handbook (including client risk assessment).
- Transaction Monitoring: Oversight of transactional activity to identify potentially suspicious behaviour and ensure timely escalation (Suspicious Activity Reports by Money Laundering Reporting Officer).
- Regulatory and Legislative Monitoring: Tracking regulatory developments, conduct requirements, and jurisdictional obligations relevant to the Company.

The Compliance Function also provides advice and training to staff on regulatory obligations, conduct standards, and areas of key compliance risk, reinforcing a culture of integrity and compliance awareness across UW. The Function additionally facilitates the whistle-blowing framework, ensuring staff can raise concerns confidentially and without detriment.

B.5. INTERNAL AUDIT FUNCTION

Internal Audit is an integral part of the Company's system of internal control and provides independent and objective assurance over the design and effectiveness of the controls in place to manage the key risks impacting UW.

The Internal Audit function is independent of UW's operational management and is not involved directly in revenue generation or in the management and financial performance of any business line. Internal Auditors have neither direct responsibility for, nor authority over, any of the activities reviewed, nor do their review and their appraisal relieve other persons in the Company of responsibilities assigned to them. Internal Auditors are not responsible for developing, revising or installing systems, policies or procedures, or for appraising an individual's performance in relation to the operations that are being audited.

The Internal Audit Senior Manager for UW reports to its Audit Committee, and through the Group Internal Audit function. The Internal Audit function is responsible for regularly assessing the adequacy of the system of internal control of the Company, and reporting its findings to the UW board (via the Audit Committee).

Internal Audit activity is carried out based on the framework of risk-based annual audit plans that are prepared and submitted for review and approval by the UW Audit Committee. Upon approval, the Internal Audit Senior Manager distributes the plan to senior management and executes the plan during the audit plan period. At the

Internal Audit Senior Manager's discretion or at the request of an Audit Committee or member of senior management, other unannounced audits may be completed.

The Group Internal Audit policy defines the framework for the activities of the wider Utmost Group's Internal Audit function and is approved by the UW Board (via its Audit Committee), reported on quarterly. The policy and associated methodology is aligned with the Institute of Internal Auditors' Global Internal Audit Standards and the UK Chartered Institute of Internal Auditors' Code of Practice.

The Internal Audit reporting structure and the policy allow UW's Internal Audit function to be independent of the functions audited and provides it with full, free and unrestricted access to all operations, records, property and personnel. It provides the authority to allocate resources, set frequencies, select subjects, determine scope of work and apply the techniques required to accomplish audit objectives.

During their audit planning process, the Internal Audit team review the entire process taxonomy and risk universe and identify the highest risk items that need to be covered by risk-based audits. They also identify processes which, although not necessarily constituting significant risk areas, still need to be reviewed on a cyclical basis to ensure that the audit process achieves sufficient breadth of coverage. Throughout the audits themselves, the Internal Audit team identifies key risks and examines how effectively they are mitigated through assessing the design and operational effectiveness of key internal controls, information systems, governance, risk management and financial reporting. Where appropriate, the Internal Audit function institutes a program of testing.

B.6. ACTUARIAL FUNCTION

The Actuarial Function within UW performs the specified tasks as set out in paragraph 6 of the Conditions Governing Business part of the PRA Rulebook and are detailed in the Company's Actuarial Function policy. The key statutory responsibilities are to determine and validate the calculation of the Technical Provisions, provide opinions on the underwriting and reinsurance policies, and assist the Risk Management function with certain tasks.

The Actuarial Function is headed up by the Company's Appointed Actuary (Head of Actuarial Function), who has functional reporting to the UW Board (including direct access) and management line reporting to the Chief Financial Officer. The Appointed Actuary is responsible for the following activities:

- Coordinating the calculation of technical provisions;
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- Comparing best estimates against experience;
- Informing the Board of the reliability and adequacy of the calculation of technical provisions;
- Overseeing the calculation of technical provisions in the cases where approximations need to be used due to insufficient and/or inadequate data ;
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements in the firm's ORSA.

Calculations undertaken as part of the above are performed in accordance with the Solvency UK methodologies set out by The Prudential Regulatory Authority in the UK and other activities are undertaken with

reference to the relevant Solvency UK requirements.

In addition, the Appointed Actuary has a number of other responsibilities to support the business, such as IFRS financial reporting, solvency reporting in other jurisdictions, business planning, management information, risk reporting, as well as product pricing and technical literature.

The Board receives an annual report from the Appointed Actuary which considers the adequacy, appropriateness and reliability of technical provisions, underwriting, reinsurance, contributions to Risk Management and conflicts of interest. The report clearly identifies any deficiencies or areas for improvement and provides recommendations as to how such improvements could be implemented.

B.7. OUTSOURCING

UW uses third party service providers to supplement some of its business operations. In order to mitigate the risks associated with outsourcing, the Company has implemented an Outsourcing Governance Framework. This framework includes a process for both the selection of and the ongoing review and monitoring of outsourced service providers' performance.

A due diligence process, which addresses all material factors that could impact on the potential service provider's ability to perform the business activity, is undertaken prior to the appointment of all outsourcing service providers.

UW has in place an Outsourcing Policy and Standard to establish the Outsourcing Governance Framework, including requirements for identifying, justifying and implementing material outsourcing arrangements. The Outsourcing Standard sets out minimum mandatory outsourcing controls, assigns main outsourcing responsibilities and ensures that appropriate controls and governance structures are established within any outsourcing arrangement.

The Outsourcing Policy introduces a risk-based approach, adopting a proportionality principle to apply requirements according to the risk profile (distinguishing between critical and non-critical outsourcing) and the materiality of each outsourcing agreement. The outsourcing of critical or important operational functions or activities is managed in compliance with any relevant regulatory obligations.

The Outsourcing Policy also requires the appointment, for each outsourcing arrangement, of a Responsible Person. The Responsible Person is responsible for the overall execution of the outsourcing lifecycle, from the initial risk assessment to the final management of the agreement and subsequent monitoring activities of the service level agreements defined in each contract.

This Outsourcing Standard encompasses the following lifecycle stages:

- Outsourcer Sourcing: Drafting the business proposal for outsourcing and receiving approval for selection of the preferred service provider;
- Assessment and Due Diligence: Assessing service provider capability to perform the activities according to UW standards, internal and external regulations;
- Outsourcing Agreement Negotiation and Management: Allocating rights and obligations, provide standard clauses and minimum contents;
- Migration and Exit Plan: Definition of a structured migration and exit plan to minimise risk during transition to or from an Outsourcing Provider; and

- **Monitoring and Reporting:** Ensuring the implementation of appropriate organisational safeguards to monitor the outsourcer performances and set reporting obligations for critical outsourced activities.

UW maintains an outsourcing oversight process that is co-ordinated by the Chief Financial Officer. UW's outsourcing arrangements are subject to a detailed annual review. The review findings and risk assessments are reviewed by the Board.

The critical and important external outsourced services relate to the provision of local actuarial services to the Singapore and Swiss branches by Milliman. Internal outsourcings in place relate to the provision of policy administration, investment administration and management, and IT and information security management services through arrangements with other companies within the Utmost Group based in Guernsey, the Isle of Man, Ireland and the United Kingdom.

B.8. ANY OTHER INFORMATION

B.8.1. ASSESSMENT OF THE ADEQUACY OF THE SYSTEM OF GOVERNANCE TO THE NATURE, SCALE AND COMPLEXITY OF THE RISKS INHERENT IN THE BUSINESS

The UW Board, as part of the ORSA process, has assessed its corporate governance system and has concluded that it effectively provides for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of the operations of the Company. The system is reviewed as regulatory changes are implemented and in consideration of the Utmost Group's operating strategy.

B.8.2. OTHER MATERIAL INFORMATION REGARDING THE SYSTEM OF GOVERNANCE

No other information on the company's system of governance is considered to require disclosure in this section.

Solvency & Financial Condition Report 2025

C. Risk Profile

Investment activities are carried out in a sound and prudent manner and according to the Prudent Person Principles. Through portfolio diversification and a prudent liability-driven investment strategy, UW aims to maximise the investment returns for shareholder investments in line with the Company's Risk Appetite and to achieve the Strategic Plan objectives.

UW's regulatory capital requirements for each main risk category, calculated using the Solvency UK Standard Formula methodology are outlined below.

Solvency Capital Requirements

	31 December 2024 £'000	31 December 2025 £'000
Life underwriting risk	87,727	83,692
Health underwriting risk	14,413	14,753
Non-life underwriting risk	-	-
Market risk	123,538	124,030
Credit risk	3,381	3,130
Operational risk	8,635	8,586
Diversification	(53,536)	(52,472)
Adjustment for the loss-absorbing capacity of taxes	(10,865)	(6,958)
Solvency Capital Requirement	173,292	174,762

Further information on the Company's key risks is outlined below.

C.1. UNDERWRITING RISK

The Company's underwriting risks arise from its group life and disability coverages, its closed annuity book, and its group and individual savings business.

C.1.1. RISK EXPOSURE AND ASSESSMENT

The Risk Map, outlined in Section B.3.1, sets out the Underwriting risks to which the Company is exposed. The key Life and Health Underwriting Risks the Company is exposed to include:

- Mortality risk, defined as change in the value of liabilities resulting from changes in the mortality rates, where an increase in the mortality rates leads to an increase in the value of insurance liabilities. Mortality Risk also includes Mortality Catastrophe Risk, defined as a change in the value of the liabilities, resulting from extreme or irregular events;
- Longevity risk, defined as the risk that people live longer than expected leading to an increase in the value of insurance liabilities;
- Lapse risk, defined as the change in liabilities due to changes in the expected exit rates. Exits can happen from either a partial or full surrender of a policy. This also includes a catastrophic event with a mass lapse resulting;

Solvency & Financial Condition Report 2025

- Expense risk, defined as the change in the value of liabilities resulting from changes in the expenses incurred in servicing insurance contracts; and
- Health Catastrophe risk, which is a combination of risks arising from mass accident, accident concentration and pandemic.

The SCR for Underwriting Risks is calculated using the Standard Formula approach. The measurement is made by applying pre-defined stresses to the best estimate liabilities at levels calibrated to the Solvency UK confidence level of 99.5%.

- For the Mortality Risks, the uncertainty in insured population mortality and its impact on the Company is measured by applying permanent and catastrophe stresses to the policyholders' death rates;
- For longevity risk, an instantaneous and permanent decrease of 20% is made to the mortality rates used to calculate the technical provisions;
- For Lapse Risk, the measurement is calculated as the worst case of the effect of a permanent increase or decrease in the underlying lapse rates, analysed at policy option level, or a mass lapse event;
- Expense Risk is measured through the application of stresses to the amount of expenses and expense inflation that the Company expects to incur in the future; and
- Health Catastrophe risk, which in SCR terms is dominated by accident concentration exposure, is assessed by considering the largest exposures in each country in which business is written.

C.1.2. RISK MANAGEMENT AND MITIGATION**Reinsurance Strategy**

UW has the primary reinsurance objectives of providing both balance sheet and profit & loss protection against material losses and events in accordance with the UW Risk Appetite Statement.

- The Company has a number of reinsurance contracts in place with Assicurazioni Generali SpA, covering the life and disability business lines. The Company also has catastrophe covers in place which provide a degree of protection against risk accumulation. These do not cover pandemic and epidemic risks.

Underwriting Strategy

- The Company applies its internal underwriting guidelines in relation to the assumption and renewal of risks, with premium loadings and medical testing where appropriate. The guidelines are agreed with reinsurer for relevant coverages, with agreement at case level for certain larger exposures.

C.1.3. RISK SENSITIVITY FOR UNDERWRITING RISKS

The Company carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material underwriting risks. The results of this analysis showed that the most material impact on the SCR cover was in the lapse and expense stresses. A reduction in lapse rates would increase the Present Value of Future Profits (PVFP) as a result of modelling persistent but low value policies further into the future, as well as increase the Solvency Capital Requirement. In the extreme, this could lead to insolvency, but in reality the Company actively manages its low value policies to mitigate this risk. Expense risks are controlled through management focus on cost control, and longer-term strategies to seek efficiencies across the Utmost Group. Sensitivity to expense inflation shock is covered further in Section C.2.3.

Solvency & Financial Condition Report 2025**C.2. MARKET RISK****C.2.1. RISK EXPOSURE AND ASSESSMENT**

The Company is exposed to market risk both through its direct exposure to investments where it retains the investment risk and indirectly through the exposure of its PVFP to the investment decisions made by policyholders where they bear the investment risk. The Company is also exposed to market risks in its technical provisions where these are calculated with reference to market data such as interest rate yield curves.

The key Market Risks that UW is exposed to include:

- Equity risk: mainly a reduction in ad valorem fees earned on equity-based components of future profits recognised in the Technical Provisions;
- Currency risk: where the movement in exchange rates can result in gains and losses arising from net changes in currency mismatched asset and liability positions. The Company's base currency is GBP and the next largest exposure is to USD;
- Spread Risk: defined as the risk that arises from changes in or volatility of credit spreads over the risk-free interest rate term structure. The spread risk module is calibrated to also include an element for default on credit exposures;
- Interest rate risk: where movements in interest rates directly impact the present value of future asset and liability cash flows;
- Property risk: where movements in property values reduce the related components of future profits. There is limited exposure to property investments held by policyholders; and
- Market risk concentration risk: additional risk arising from aggregated exposures to entities under the common control of a single name entity.

Equity, currency and spread risk represent the three most material components of the SCR at a sub-module level.

C.2.2. RISK MANAGEMENT AND MITIGATION

The Company has in place an asset liability matching (ALM) programme under which the market risk sensitivities of liabilities are considered and only appropriate investment classes are used to back those liabilities. This approach focuses on currency and interest rate aspects. Further to this the Company sets a Strategic Asset Allocation, in conjunction with the Risk Appetite Statement, under which equity, spread and market risk concentration are addressed. The Company does not take direct equity exposure and operates within defined limits to manage its spread and concentration exposures. At least 50% of its market risk exposed assets must be held in government bonds. Positions are assessed against limits on a monthly basis.

C.2.3. RISK SENSITIVITY FOR MARKET RISKS

The Company carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material market risks. The scenario of inflation + 1% has been identified as having some of the most significant adverse effects on the Company's solvency position. Whilst the GFSC stipulated requirement to maintain a minimum solvency ratio of 135% is not threatened, the Company remains aware of the threat posed by inflation and is ensuring that it has the ability and willingness to enforce inflation protections in its current and future

Solvency & Financial Condition Report 2025

product designs to mitigate such a scenario. The sensitivity of the Company's position to market shocks is shown in the table below.

Solvency Ratio Sensitivity	31 December 2025			
	Eligible Own Funds £m	Solvency Capital Requirement £m	Solvency Ratio	Change in percentage points
Base Position	268.2	174.8	153%	
GBP +20%	233.1	151.4	154%	1%
GBP -20%	321.0	210.1	153%	0%
Equity & Property value +40%	334.0	224.1	149%	-4%
Equity & Property value -40%	203.6	116.8	174%	21%
Inflation +1%	257.2	175.2	147%	-6%
Corporate Bond Spreads +2%	260.3	172.2	151%	-2%
Risk Free Rate +1%	269.0	172.9	156%	3%
Risk Free Rate -1%	264.1	176.9	149%	-4%

C.3. CREDIT RISK

C.3.1. RISK EXPOSURE AND ASSESSMENT

UW is exposed to credit risks that arise from its exposure to banks, in relation to cash, reinsurers and other debtors, including policyholders. Default risk is the risk that these counterparties are unwilling or unable to honour their obligations to the Company. In assessing counterparty default risk, the Company further considers the default exposure of risk mitigations, and the interactions with other risks, such as underwriting risks.

C.3.2. RISK MANAGEMENT AND MITIGATION

UW manage its cash counterparty risk by using only rated banks. It holds reinsurance deposits from its principal reinsurer which can be offset in the event of default. Limits are set through the Risk Appetite Statement and other exposures monitored against these.

C.3.3. RISK SENSITIVITY FOR CREDIT RISKS

The Company carries out stress and scenario testing as part of the ORSA process which includes stress testing for the material counterparty default risks. The results show the Company to be resilient to counterparty default stresses.

Solvency & Financial Condition Report 2025**C.4. OPERATIONAL RISK****C.4.1. RISK EXPOSURE AND ASSESSMENT**

Operational Risk is the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. Losses from events such as fraud, litigation, damages to premises, cyber-attacks and failure to comply with regulations are, therefore, covered in the definition. It also includes financial reporting risk but excludes strategic and reputational risks.

In line with industry practices, UW adopts the following operational risk classification categories:

- Internal fraud – defined as the losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or Company policy, excluding diversity/discrimination events, which involves at least one internal party;
- External fraud – defined as the losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party;
- Employment Practices and Workplace Safety – defined as the losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims, or from diversity/discrimination events;
- Clients, Products and Business Practices – defined as the losses arising from an unintentional or negligent failure to meet regulatory obligations to clients (including fiduciary and suitability requirements), or from the nature or design of a product;
- Damage to Physical Assets – defined as the losses arising from loss or damage to physical assets from natural disaster or other events;
- Business disruption and system failures – defined as the losses arising from disruption of business or system failures; and
- Execution, Delivery and Process Management – defined as the losses from failed transaction processing or process management, from relations with trade counterparties and vendors.

Following best industry practices, UW's framework for Operational Risk Management includes as main activities the risk incident reporting and loss data collection process, risk assessment and scenario analysis. The risk incident reporting and loss data collection process involves the collection of losses incurred as a result of the occurrence of operational risk events and provides a backward-looking view of the historical losses incurred due to operational risk events.

The risk assessment and scenario analysis processes provide a forward-looking view on the operational risks to which UW is exposed. The Operational Risk and Compliance Assessment provides a high-level evaluation of the forward-looking inherent and residual operational risks faced by UW. The outcomes of the assessment can be used to drive the scenarios assessed as part of the scenario analysis. Scenario analysis is a recurring process, which provides a detailed evaluation of the key operational risks faced by UW and their potential impact.

C.4.2. RISK MANAGEMENT AND MITIGATION

UW has identified the following key operational risks for the year-ended 31 December 2025:

Cyber Security and Fraud – the potential for financial loss, operational disruption, or reputational damage from failures or breaches in digital systems. Fraud risk is the potential for loss due to deceptive or unlawful activities,

Solvency & Financial Condition Report 2025

often carried out digitally, to gain money or an advantage. UW continues to develop its approach to management of information security risks under the oversight of the Group's information security function.

Regulatory & Legislative change and Supervision - the potential for adverse outcomes arising from breaches of legal or regulatory requirements, exposing the company to financial penalties and reputational damage. The Company is continually reviewing its application of processes to manage its compliance risk in the light of changing law, regulation and regulatory appetites.

Technology, Digitisation and Operating Platforms – the risk that the Company may not realise its objectives if its technology solutions do not meet the needs of its clients, or its business processes, including any vulnerability or threat from digital transformation, operational disruptions, reputational damage, and regulatory non-compliance that can hinder business objectives. The Group technology advancements are not sufficiently timely or focussed to support the operating platform of UW thereby preventing the Company from achieving its ambitions. The Company continues to improve controls over its system development process to ensure timely and accurate delivery against specified requirements.

Outsourcers and Third Parties – the risk of loss, reputation damage or failure to enhance value resulting from actions or failure by critical or important outsourcing arrangements. Third party supplier risk relates to the risk of loss, damage to the brand, or failure to deliver business services to the required standard, because of actions or failure by a third party supplier. The Company has an outsourcing policy and framework which requires ongoing review and monitoring of outsourced service providers' performance.

C.5. LIQUIDITY RISK**C.5.1. RISK EXPOSURE AND ASSESSMENT**

Liquidity risk refers to the risk that the Company will not be able to meet both expected and unexpected cash flow requirements.

UW has a Credit and Liquidity Risk Policy in place that is reviewed and approved at least annually by the Board. The Company performs regular analysis of its liquidity position against limits for normal and stressed circumstances set out in its Risk Appetite Statement.

The Chief Financial Officer is responsible for managing the on-going liquidity requirements of UW.

C.5.2. RISK MANAGEMENT AND MITIGATION

UW manages Liquidity Risk to meet its own obligations and cash commitments along with unexpected contingent market situations, through a constant monitoring of actual and expected cash flows, and the availability of assets that can be sold easily without loss in the event of need. This activity is aimed at maintaining a high level of financial robustness both in the short and long term, which helps to mitigate UW's liquidity risk and is the basis for the evaluation of the adequacy of the adopted measures. The Company also has in place contractual means to manage cash outflows from surrenders from its unit-linked and investment-linked policies, whereby it is able to match the timing of cash flows with receipts from disposal of the underlying assets.

Solvency & Financial Condition Report 2025

UW maintains sufficient liquidity levels with specified limits relating to the minimum amount of shareholder assets invested in short term liquid investments such as cash and cash equivalents or government and supranational bonds.

C.6. OTHER MATERIAL RISKS**C.6.1. RISK CONCENTRATION**

Concentration risk is the risk stemming from all risk exposures with a potential loss which could threaten the solvency or the liquidity position of the Company, thus substantially impacting the Company's risk profile. UW seeks to limit concentration risk by assigning concentration limit to counterparties, sectors and industries where appropriate.

UW's material risk concentrations are as follows:

- Reinsurance Counterparties – UW reinsurance counterparties are concentrated to one reinsurer.

UW mitigates the concentration risk primarily through the holding of reinsurance deposits and also through quarterly monitoring and reporting of concentration exposures to the Risk and Compliance Committee.

C.6.2. REPUTATIONAL RISK

UW defines reputational risk as the risk of a potential decrease in UW's value or worsening of its risk profile, due to a reputational deterioration or to a negative perception of UW's image among its stakeholders. In particular, reputational risk is managed mainly as a second level risk originated from a first level risk (as for example an operational or a financial risk).

C.6.3. EMERGING RISKS

Emerging risks arising from new trends or risks difficult to perceive and quantify, although typically systemic. These usually include changes to the internal or external environment, social trends, regulatory developments, technological achievements, etc. Areas under consideration include potential short and long-term change driven by geo-political considerations, cybercrime and ESG developments. UW reviews the Emerging Risk Register on a quarterly basis and reports to the Risk Committee.

C.6.4. STRATEGIC RISK

Strategic Risk is defined as the possible source of loss that might arise from the pursuit of an unsuccessful business plan. For example, strategic risk might arise from making poor business decisions, from the substandard execution of decisions, from inadequate resource allocation, or from a failure to respond well to changes in the business environment.

The UW ExCo and Board are involved in the strategic planning process of the Company, starting from the target setting phase through to the monitoring of processes. UW has a number of specific strategic risk preferences, and these are actively monitored through the RAS.

C.6.5. CONTAGION RISK

UW defines Contagion Risk to be the probability that significant economic changes in one country will spread to other countries. Contagion can refer to the spread of either economic booms or economic crises throughout a geographic region. This risk is mitigated primarily through the setting of a prudent investment strategy, with enhanced monitoring of the Company's position during times of stress, and to some extent through the diversification of UW's business operations and products.

C.7. ANY OTHER INFORMATION

On 15 October 2025 Fitch Ratings affirmed the Insurer Financial Strength Rating of UW at 'A+' (Strong) and the Outlook at Stable.

C.7.1. EXPECTED PROFIT INCLUDED IN FUTURE PREMIUMS

There are no total expected profits included in future premiums as at 31 December 2025. This is consistent with the position at 31 December 2024.

Solvency & Financial Condition Report 2025

D. Valuation for Solvency Purposes

D.1. ASSETS

D.1.1. VALUATION OF ASSETS FOR SOLVENCY UK BALANCE SHEET

The following paragraphs describe the value of assets for solvency and financial statements purposes, along with the valuation criteria and the common methodology used by UW for the determination of fair value of assets and liabilities. The following sections are covered in the report below:

- Valuation of assets – explanation of differences between financial statements balance sheet and Solvency UK balance sheet;
- Fair value hierarchy – explanation of methods used to classify assets into three levels, based on the inputs used in valuation techniques to increase consistency and comparability of fair value measurements;
- Guidance on fair value measurement approach – UW reviews its financial investments and classifies them in accordance with IFRS 13 'Fair Value Measurement'. The same approach is taken for investments held on behalf of life assurance policyholders who bear the investment risk; and
- Valuation techniques – the methods used to maximise the use of observable inputs.

Solvency UK Asset Valuation

	31 December 2024 £'000	31 December 2025 £'000
Solvency UK Valuation	3,718,593	3,659,498
Statutory Accounts Valuation	3,798,649	3,737,125
Difference	80,056	77,627

Valuation of Assets

In the Solvency UK environment, fair value should generally be determined in accordance with the financial statements. UW's financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board, interpretations issued by the International Financial Reporting Interpretations Committee to the extent they have been endorsed by the United Kingdom (IFRS UK) and with applicable requirements of the Companies (Guernsey) Law, 2008.

Certain assets are excluded or measured at fair value to comply with Solvency UK principles. In particular, the exceptions and non-applicable items for UW are summarised below.

Solvency & Financial Condition Report 2025

Valuation of Assets

Valuation of Assets 31 December 2025	Solvency UK £'000	Statutory Accounts £'000	Difference £'000
Deferred Tax Assets	-	3,499	3,499
Deferred Acquisition Costs	-	99,049	99,049
Fixed Assets	3,693	3,693	-
Pension benefit surplus	8,363	8,363	-
Investments (other than assets held for Index Linked and Unit-Linked funds)	579,054	574,276	(4,778)
Assets held for Index Linked and Unit-Linked funds	3,000,162	3,000,162	-
Ceded Reinsurance Reserves	28,112	5,680	(22,432)
Receivables	6,371	12,554	6,183
Cash and Cash Equivalents	29,849	29,849	-
Other assets	3,895	-	(3,895)
Total Assets	3,659,498	3,737,125	77,627

The primary objective for valuation, as set out in the PRA Rulebook, requires an economic, market-consistent approach to the valuation of assets and liabilities. According to the approach for Solvency UK, when valuing balance sheet items on an economic basis, undertakings need to consider the risks that arise from a particular balance sheet item, using assumptions that market participants would use in valuing the asset or the liability.

Assets should be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.

Liabilities should be valued at the amount for which they could be transferred, or settled, between knowledgeable and willing parties in an arm's length transaction.

This valuation section describes the value of assets for Solvency UK purposes and for financial statements, valuation criteria and the methodology used by UW for the determination of fair value of assets and liabilities.

Deferred Tax Asset

Deferred taxation is provided in the financial statements on timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for taxation purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted by the balance sheet date. Deferred tax is not discounted.

There is no Deferred Tax Asset included within the Solvency UK balance sheet.

Solvency & Financial Condition Report 2025Deferred Acquisition Costs (DAC)

Deferred acquisition costs of £99,049k relate to unit linked business and are not recognised on the Solvency UK balance sheet. Commission costs incurred in the acquisition of new business are deferred as an explicit DAC asset. This asset is amortised against future revenue margins on the related policies. The DAC asset is reviewed for recoverability at the end of each accounting period against future revenue margins expected to arise from the related policies. They are the part of acquisition costs allocated to future reporting periods. DAC is recognised under IFRS but is disallowed for Solvency UK asset valuation purposes. As a result, the DAC asset for Solvency UK decreased by £99,049k.

Intangible Assets

The Company does not hold any intangible assets.

Fixed Assets

Fixed assets comprise of Property and Equipment and Right of Use Assets – Property. All property and equipment is stated at historical cost less depreciation. The initial cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

The assets' residual values and useful lives are reviewed at each statement of financial position date and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

An item of property and equipment, including the related accumulated depreciation and impairment losses, is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset

In accordance with IFRS 16 Lease Accounting UW recognises Right of Use assets for property leases, measured at the amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet and an estimate of any costs to dismantle and remove the asset at the end of the lease. UW depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Pension benefit surplus

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity that approximate the terms of the related pension liability.

Solvency & Financial Condition Report 2025

Investments including assets held for index-linked and unit-linked funds

In the statutory financial statements UW has classified its investments into the following categories:

- Financial assets at fair value through profit and loss
- Financial assets at fair value through other comprehensive income

Financial assets held to back investment and insurance contracts have been designated upon initial recognition as at fair value through profit or loss and are carried at fair value. The basis of this designation is that financial assets and liabilities in connection with investment and insurance contracts are managed and evaluated together on a fair value basis. This designation eliminates or significantly reduces a measurement inconsistency that would otherwise occur if these financial assets were not measured at fair value and the changes in fair value were not recognised in the profit and loss account. There is no valuation difference under Solvency UK and the financial statements.

Financial assets that meet certain criteria regarding the predictability of cashflows and the business model purpose of ownership are designated as being at fair value through other comprehensive income. These assets are not allocated under the Company's asset liability matching approach to backing liabilities to policyholders.

Listed investments are valued at current market price on the balance sheet date. Unlisted investments for which a market exists are also stated at the current price on the balance sheet date or the last trading day before that date. The pricing basis applied is to value assets where the market risk is substantially transferred to the policyholder on a mid basis and otherwise to value long asset positions at bid. The value of other unlisted investments, for which no active market exists, are established at directors' best estimate of fair value, based on third party information or valuations provided by counterparties, or valued at cost and reviewed for impairment at the balance sheet date. The adjustment between the Solvency UK and IFRS valuation of investment is a result of reclassification £4,778k of accrued interest to IFRS Receivables.

Ceded reinsurance reserves

This amount represents the reinsurers' share of technical reserves. The ceded reinsurance reserves for Solvency UK increased by £22,432k. The amount comprises both a presentational adjustment for the treatment of reinsurance deposits of £23,015k and a further valuation adjustment. Refer to section D.2 for detailed narrative on the valuation of technical liabilities and section D.3.1 in respect of presentation.

Receivables

Receivables represent amounts owing to UW. Receivables are held at initial book value in the Company's financial statements and are recoverable within one year. The adjustment between the Solvency UK and IFRS Receivables of £6,183k is a result of reallocation of IFRS accruals and prepayments of £3,895k plus IFRS accrued interest of £4,778k less the reallocation of IFRS premium receivables of £2,348k and reinsurance claim receivables of £142k.

Cash and cash equivalents

Cash is a liquid asset and comprises cash holdings in current accounts. Balances are held at initial book value in the Company's financial statements.

Other Assets

Solvency & Financial Condition Report 2025

Other assets are valued at cost net of any impairment on the same basis as used in the statutory accounts. Accruals and prepayments of £3,895k are reclassified from Receivables in the IFRS balance sheet to Other Assets in the Solvency UK balance sheet.

Fair Value Hierarchy

IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy'. The hierarchy categorises the inputs used in valuation into three levels. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs:

Level 1 inputs

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 inputs

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or the liability, either directly or indirectly.

Level 3 inputs

Level 3 inputs are unobservable inputs for the asset. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Guidance on Fair Value Measurement Approach

The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

A fair value measurement requires an entity to determine all of the following:

- The particular asset or liability that is the subject of the measurement (consistently with its unit of account);
- For a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use);
- The principal (or most advantageous) market for the asset or for the liability; and
- The valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or the liability and the level of the fair value hierarchy within which the inputs are categorised.

Solvency & Financial Condition Report 2025

IFRS 13 provides further guidance on the measurement of fair value, including the following:

- An entity takes into account the characteristics of the asset or the liability being measured that a market participant would take into account when pricing the asset or the liability at measurement date (e.g. the condition and location of the asset and any restrictions on the sale and use of the asset);
- Fair value measurement assumes an orderly transaction between market participants at the measurement date under current market conditions;
- Fair value measurement assumes a transaction taking place in the principal market for the asset or the liability, or in the absence of a principal market, the most advantageous market for the asset or the liability;
- A fair value measurement of a non-financial asset takes into account its highest and best use;
- A fair value measurement of a financial or non-financial liability or an entity's own equity instruments assumes it is transferred to a market participant at the measurement date, without settlement, extinguishment, or cancellation at the measurement date;
- The fair value of a liability reflects non-performance risk (the risk the entity will not fulfil an obligation), including an entity's own credit risk and assuming the same non-performance risk before and after the transfer of the liability; and
- An optional exception applies for certain financial assets with offsetting positions in market risks or counterparty credit risk, provided conditions are met (additional disclosure is required).

Valuation Techniques

An entity uses valuation techniques appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The objective of using a valuation technique is to estimate the price at which an orderly transaction to sell the asset would take place between market participants and the measurement date under current market conditions. Three used valuation techniques are:

- Market approach – uses prices and other relevant information generated by market transactions involving identical or comparable (similar) assets/liabilities or a group of assets/liabilities (e.g. a business);
- Cost approach – reflects the amount that would be required currently to replace the service capacity of an asset (current replacement cost); and
- Income approach – converts future amounts (cash flows or income and expenses) to a single current (discounted) amount, reflecting current market expectations about those future amounts.

In some cases, a single valuation technique will be appropriate, whereas in other cases multiple valuation techniques will be appropriate.

Further information on UW's assets is included in S.02.01.02 in Section F.

D.2. TECHNICAL PROVISIONS

The technical provisions as at 31 December 2025 have been assessed adopting the Company's methodology and techniques which are compliant with the Solvency UK framework and are proportionate to the nature, scale and complexity of the business in question.

Solvency & Financial Condition Report 2025

Technical provisions at 31 December 2025 relate to life contracts only, as the Company no longer has any non-life contracts. No transitional adjustments have been deducted from the technical provisions and there are no volatility adjustments or matching adjustments.

Technical Provisions

	31 December 2024 £'000	31 December 2025 £'000
Best Estimate of Liabilities	3,287,088	3,265,178
Risk Margin	14,540	15,051
Gross Technical Provisions	3,301,628	3,280,229
Reinsurance Recoverables	(32,101)	(28,112)
Net Technical Provisions	3,269,527	3,252,118

The overall decrease in technical provisions from 31 December 2024 to 31 December 2025 is mainly due to a combination of net outflows offset by positive investment returns over the year. A split of the Company's technical provisions by line of business is included in IR.12.01.02 in Section F.

The Company implemented IFRS17, Insurance Liabilities, in 2023. Under IFRS17 the approach to valuation of insurance liabilities is more closely aligned with, though not identical to, the approach under Solvency UK when compared with previous requirements under IFRS4. Both approaches are now based on the present value of future cash flows, with adjustments for risk margins. The approach under IFRS17 also includes a contractual service margin.

The main factors that have an impact on the technical provisions are set out below:

- The best estimate assumptions;
- The application of contract boundaries; and
- Projected SCRs: The risk margin is a constituent part of the total technical provisions. As the risk margin is based on projected SCRs the method and assumptions used in projecting these SCRs can have a sizeable impact on the resulting risk margin.

In calculating the technical provisions, the Company has made material judgments in relation to:

- The choice of what are deemed to be best estimate assumptions;
- The use of certainty equivalent deterministic calculations;
- The choice of method used in calculating the risk margin; and
- The application of contract boundaries.

Life Best Estimate of Liabilities (BEL)

The BEL is defined as the probability-weighted average of future cash-flows, taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure.

The method used to derive the BEL is the direct approach, which specifically refers to a valuation method based on projecting and discounting on a market consistent basis all expected future cash flows to policyholders in the certainty equivalent scenario. Therefore, the cash flow projection used in this context considers all potential

Solvency & Financial Condition Report 2025

cash in-and-out flows required to settle the insurance obligations over their lifetime, within the appropriate contract boundaries.

The projected future cash flows typically include:

- Regular premium receipts (subject to contract boundaries);
- Claims payments with an allowance for any early discontinuance charges;
- Expenses;
- Commissions;
- Unit growth; and
- External fund charges.

These cash flows are then discounted using the relevant risk-free rates provided by the Prudential Regulatory Authority (PRA), or other appropriate bodies for currencies outside the PRA's coverage, to obtain the gross BEL.

Life Reinsurance Recoverables

Life reinsurance recoverable is defined as the present value of the future liability cash flows referring to the life reinsurance contractual agreements.

From the ceding Company perspective, the reinsurance cash inflows include at a minimum:

- Reinsurance recoverables for claims payments and expenses contractually recoverable by the Company from the agreement; and
- Revenues from reinsurance commissions and from shares in profit from technical sources relevant to reinsurance contracts paid to the Company.

From the ceding Company perspective, the reinsurance cash outflows includes at least:

- Future premiums paid by the Company to reinsurers.

Life Risk Margin

The risk margin represents a prudent margin for unavoidable uncertainty. The risks considered are:

- Mortality Trend Risk;
- Mortality Catastrophe Risk;
- Morbidity Risk;
- Longevity Risk;
- Lapse Risk;
- Health Similar to Life;
- Health Catastrophe;
- Expense Risk;
- Counterparty Default Risk with respect to Reinsurance contracts; and
- Operational Risk.

Solvency & Financial Condition Report 2025

Description of the Level of Uncertainty of Technical Provisions Valuation

The key sources of uncertainty for the Company are expenses and policyholder behaviour assumptions such as surrenders.

It is noted that no significant simplified methods were used to calculate technical provisions, including those used for calculating the risk margin.

The Company does not apply a volatility adjustment, as referred to in the Rulebook Technical Provision part, or matching adjustments, as referred to in the Rulebook Matching Adjustment part.

No basic own fund items have been subject to transitional arrangements.

Further information on the technical provisions is included in IR.02.01.02 and IR.12.01.02 in Section F.

D.3. OTHER LIABILITIES

D.3.1. VALUATION OF LIABILITIES FOR SOLVENCY UK BALANCE SHEET

The following paragraphs describe the valuation criteria and the common methodology to be used by UW for the determination of fair value of other liabilities.

Valuation of Liabilities

In the Solvency UK environment, fair value should generally be determined in accordance with the financial statements. UW's financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board, and interpretations issued by the International Financial Reporting Interpretations Committee, to the extent they have been endorsed by the United Kingdom (IFRS UK) and with applicable requirements of the Companies (Guernsey) Law, 2008. Certain liabilities are excluded or fair valued to comply with Solvency UK principles. In particular, the exceptions and non-applicable items for the Company are as follows.

- Technical liabilities;
- Deferred taxes;
- Financial liabilities;
- Deferred income liability; and
- Other liabilities

Solvency UK Liabilities Valuation

	31 December 2024 £'000	31 December 2025 £'000
Solvency UK Valuation	3,406,809	3,371,063
Statutory Accounts Valuation	3,662,600	3,611,064
Difference	255,791	240,001

Solvency & Financial Condition Report 2025

Value of Liabilities

<i>Value of Liabilities</i>	<i>Solvency UK Value</i>	<i>Statutory Accounts Value</i>	<i>Difference</i>
31 December 2025	£'000	£'000	£'000
Technical Liabilities	3,280,229	3,432,034	151,804
Deferred Tax Liabilities	8,429	1,338	(7,091)
Financial Liability – Deposit from reinsurers	23,015	-	(23,015)
Financial Liability – Contingent liability	-	-	-
Deferred Income Liability	-	127,826	127,826
Other Liabilities	59,390	49,866	(9,524)
Total Liabilities	3,371,063	3,611,064	240,001

The valuation section describes the value of liabilities for solvency purposes and for financial statements, valuation criteria and the common methodology used by the Company for the determination of fair value of assets and liabilities.

Technical Liabilities

The Technical Liabilities comprise the Technical Provisions for Life Insurance Contracts and Investment Contracts where the investment risk is borne by the contract holder. Provisions cover claims, unearned premiums, profit sharing, liability adequacy, mathematical provisions and provision for policies where the investment risk is borne by the policyholder.

Under Solvency UK, Technical Provisions comprise the BEL and the Risk Margin. The BEL recognises the cash flow required to meet policyholder liabilities, while the Risk Margin represents a prudent margin for unavoidable uncertainty. The Technical Provisions liability for Solvency UK were £151,804k less than the IFRS liabilities.

Please refer to section D2 for detailed narrative on the valuation of Technical Provisions.

Solvency & Financial Condition Report 2025Deferred Taxes

Deferred tax liabilities are calculated for Solvency UK purposes and represents the tax liability associated with UW's Present Value of Future Profits (PVFP) originating from UW's branches operating in jurisdictions with material non-zero tax rates. The liability is calculated by applying the relevant tax rate to the PVFP after allowing for any deferred losses. The deferred tax liability for Solvency UK increased by £7,091k.

The International Accounting Standards Board amended IAS 12 (Income Taxes) in 2023 such that there is a temporary mandatory exception on recognising the deferred tax implications of GloBE top-up tax on an IFRS basis and, by extension, Solvency UK basis (which states that the recognition of deferred taxes follows international accounting standards). Consequently, the Company's deferred tax liability quoted above, does not include a component in respect of GloBE top-up tax.

Financial Liabilities

UW holds deposits of £23,015k from reinsurers and has the legal right to offset against the receivables which have arisen from reinsurance contracts. These amounts are presented net with the ceded reinsurance reserves in the IFRS balance sheet. See section D.1.1.

There are no contingent liabilities recognised on either the IFRS basis or a Solvency UK basis.

Deferred Income Liability

Deferred Income liability (DIL) of £127,826k relates to unit linked business DIL is recognised under IFRS but is disallowed under Solvency UK.

Other Liabilities

Claims are settled once all due diligence is received from the customer. The policyholder is regularly contacted on outstanding requirements to ensure prompt settlement. Death claims follow the normal probate process and are settled accordingly. Other trading balances are settled in the normal course of business and usually settled within one month. Under the Solvency UK valuation approach, payables in respect of claims settlement of £1,258k, payables arising out of reinsurance activities of £6,752k and other insurance payables of £1,512k are presented as other liabilities, whereas these balances are included in the technical liabilities or offset against technical assets under the presentational requirements of IFRS17.

Fair Value Measurement Approach

The fair value measurement approach for other liabilities is outlined above. Further information on UW's liabilities is included in IR.02.01.02 in Section F.

D.4. ALTERNATIVE METHODS FOR VALUATION

The Company does not use any alternative methods for valuation.

D.5. ANY OTHER INFORMATION

No other information noted.

Solvency & Financial Condition Report 2025

E. Capital Management

E.1. OWN FUNDS

According to the Rulebook Own Funds part, own funds comprise the sum of basic own funds and ancillary own funds.

E.1.1. CAPITAL MANAGEMENT POLICIES

The Group capital management policy is approved annually by the local Board and includes the following requirements:

- Annually review the Company's capital limits, which are set with reference to the prevailing solvency regulations;
- Maintain a Capital Management framework which sets out how capital will be managed and monitored;
- Produce a medium-term Capital Management Plan which is approved by the Board on an annual basis. The purpose of the Capital Management Plan is to define the strategic objectives and outline the future capital requirements;
- Assess the quality of the Company's Own Funds;
- Prior to recommending a dividend, the Company should review the financial position and prevailing circumstances in light of Own Risk and Solvency Assessment report;
- Monitor and report the regulatory solvency position at least quarterly, reporting to the appropriate Board and governance committees;
- In the event the Company requires additional capital, consideration should be given to the amount, nature and timing of the capital.

Planning and managing own funds are a core part of the strategic planning process.

Basic Own Funds

According to Rulebook Own Funds part, basic own funds is defined as the sum of the excess of assets over liabilities (reduced by the amount of own shares held by the insurance or reinsurance undertaking) and subordinated liabilities.

The components of the excess of assets over liabilities are valued in accordance with the Rulebook Valuation part, which requires that all assets and liabilities must be valued at the amount for which they could be exchanged, transferred or settled between knowledgeable willing parties in an arm's length transaction.

Basic own fund items shall be classified into three tiers, depending on the extent to which they possess specific characteristics. The Rulebook Own Funds part sets the requirements relating to the classification of own funds onto Tiers 1 to 3.

UW's basic own funds includes ordinary share capital, share premium and reconciliation reserve. UW has only Tier 1 own funds.

Solvency & Financial Condition Report 2025

Basic Own Funds

	Total £'000	Tier 1 Unrestricted £'000	Tier 1 - Restricted £'000	Tier 2 £'000	Tier 3 £'000
Total Eligible Own Funds to Meet the MCR / SCR at 31 Dec 2024	293,994	293,994	-	-	-
Total Eligible Own Funds to Meet the MCR / SCR at 31 Dec 2025	268,226	268,226	-	-	-

Tier 1 Basic Own Funds

Basic own fund items are classified into three tiers, depending on the extent to which they possess specific characteristics. Generally, assets which are free from any foreseeable liabilities are available to absorb losses due to adverse business fluctuations on a going-concern basis or in the case of winding-up. UW's excess of assets over liabilities, is valued in accordance with the principles set out in Rulebook Own Funds, and treated as Tier 1. Details on the composition of UW's Own Funds assets are outlined above, and further explained in IR.23.01.01 in Section F.6.

Ordinary Share Capital and Share Premium

As at 31 December 2024 and 2025 UW had 100,230,699 issued ordinary shares valued at £1 each.

Reconciliation Reserve

The excess of assets over liabilities are divided into amounts that correspond to capital items in the financial statements and a reconciliation reserve. The reconciliation reserve may be positive or negative. For UW, the reconciliation reserve is made up of the revenue reserves as per the financial statements and adjustments to assets and liabilities for Solvency UK purposes, as outlined in sections D.1. and D.3. See also F.6.

Tier 2 Basic Own Funds

This does not apply to the Company.

Tier 3 Basic Own Funds

This does not apply to the Company.

Reconciliation between Equity in the Financial Statements and Basic Own Funds

Basic Own Funds is valued at £268,226k while the shareholders' equity per the statutory accounts is £126,061k. The table below reconciles the movement from shareholders' equity to basic own funds.

Solvency & Financial Condition Report 2025

Reconciliation to Shareholders' Equity

Reconciliation of Shareholders Equity to Basic Own Funds	31 December 2024 £'000	31 December 2025 £'000
Shareholder Equity	136,049	126,061
Elimination for Deferred Acquisition Costs & Deferred Income Liability	32,333	28,777
Elimination of Intangible Assets	-	-
Valuation of Technical Provisions	156,136	144,187
Valuation of Financial Liabilities	-	-
Valuation of Investments	1,198	-
Valuation of Withholding Tax Asset	-	-
Valuation of Deferred Taxes	(13,933)	(10,591)
Adjustment for Foreseeable Dividend	-	-
Adjustment for Ring Fenced funds	(17,789)	(20,209)
Other restatement item	-	-
Basic Own Funds	293,994	268,226

Basic own funds decreased by £25,768k from 31 December 2024 to 31 December 2025.

Deduction from Own Funds

The deduction rule from own funds does not apply to the Company.

Ancillary Own Funds

Ancillary own funds does not apply to the Company.

E.1.2. ELIGIBLE OWN FUNDS

Own Funds Assets

	Total £'000	Tier 1 Unrestricted £'000	Tier 1 Restricted £'000	Tier 2 £'000	Tier 3 £'000
Total Eligible Own Funds to Meet the MCR / SCR at 31 Dec 2024	293,994	293,994	-	-	-
Total Eligible Own Funds to Meet the MCR / SCR at 31 Dec 2025	268,226	268,226	-	-	-

The Company maintains an efficient capital structure to meet its regulatory requirements. The Company is required to hold sufficient capital to cover 135% of the SCR. The SCR at 31 December 2025 was £174,762k. The Company's Own Funds at that date were £268,226k. This represents a solvency ratio of 153%.

Solvency & Financial Condition Report 2025

E.1.3. ELIGIBLE OF OWN FUNDS TO MEET THE SOLVENCY CAPITAL REQUIREMENT

All of the Company's Own Funds are classified as Tier 1 and are eligible to meet the SCR.

E.1.4. ELIGIBLE OF OWN FUNDS TO MEET THE GUERNSEY MINIMUM CAPITAL REQUIREMENT

All of the Company's Own Funds are classified as Tier 1 and are eligible to meet the Guernsey MCR.

Further information on the own funds is included in IR.23.01.01 in Section F.

E.2. SOLVENCY CAPITAL REQUIREMENT AND GUERNSEY MINIMUM CAPITAL REQUIREMENT

E.2.1. SCR AND GUERNSEY MCR VALUES

The SCR at 31 December 2025 was £174,762k and the Guernsey MCR £10,762k. The calculations of the SCR follow the Solvency UK Standard Formula regime. The Rulebook sets out the approach to be followed by companies applying the Standard Formula. The Guernsey MCR is calculated in accordance with the requirements of The Insurance Solvency Rules 2021.

SCR and Guernsey MCR Values

	31 December 2024 £'000	31 December 2025 £'000
Solvency Capital Requirement	173,292	174,762
Guernsey Minimum Capital Requirement	10,624	10,762
Eligible Own Funds	293,994	268,226
Solvency Coverage Ratio	170%	153%
Guernsey Minimum Solvency Coverage Ratio	2767%	2492%

Solvency & Financial Condition Report 2025

E.2.2. SCR BREAKDOWN

A summary of Company's SCR is provided below with further detail provided in IR.25.04.21 in Section F.

SCR Breakdown

	31 December 2024 £'000	31 December 2025 £'000
Life underwriting risk	87,727	83,692
Health underwriting risk	14,413	14,753
Non-life underwriting risk	-	-
Market risk	123,538	124,030
Credit risk	3,381	3,130
Operational risk	8,635	8,586
Diversification	(53,536)	(52,472)
Adjustment for the loss-absorbing capacity of deferred taxes	(10,865)	(6,958)
Solvency Capital Requirement	173,292	174,762

E.3. DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

This section is not applicable for UW.

E.4. NON-COMPLIANCE WITH GUERNSEY MINIMUM CAPITAL REQUIREMENT AND SOLVENCY CAPITAL REQUIREMENT

UW has complied with the Guernsey MCR and the SCR at all times.

E.5. ANY OTHER INFORMATION

No additional information required.

Solvency & Financial Condition Report 2025

F. Quantitative Reporting Templates⁴

F.1.IR.02.01.02 BALANCE SHEET

		Solvency UK value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	8,363
Property, plant & equipment held for own use	R0060	3,693
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	579,054
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	553,424
Government Bonds	R0140	406,082
Corporate Bonds	R0150	147,342
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	25,630
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	3,000,162
Loans and mortgages	R0230	-
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	R0270	28,112
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	28,112

⁴ QRT Figures are reported in thousands of Pound Sterling (£k) throughout. Figures presented in the tables may not add up to the totals or subtotals presented due to rounding.

Solvency & Financial Condition Report 2025

Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	2,348
Reinsurance receivables	R0370	142
Receivables (trade, not insurance)	R0380	3,881
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	29,849
Any other assets, not elsewhere shown	R0420	3,895
Total assets	R0500	3,659,498
Liabilities		
Technical provisions – total	R0505	3,280,229
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	3,280,229
Best estimate - total	R0542	3,265,178
Best estimate - non-life	R0544	-
Best estimate - life	R0546	3,265,178
Risk margin – total	R0552	15,051
Risk margin - non-life	R0554	-
Risk margin - life	R0556	15,051
Transitional (TMTP) - life	R0565	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	-
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	23,015
Deferred tax liabilities	R0780	8,429
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	35,355
Reinsurance payables	R0830	8,303
Payables (trade, not insurance)	R0840	3,936
Subordinated liabilities	R0850	-
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	11,796
Total liabilities	R0900	3,371,063
Excess of assets over liabilities	R1000	288,435

F.2.IR.05.02.01 PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

		GG	HK	SG	CH	n/a	n/a	Total Top 5 and home country
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	154,111	21,402	9,214	6,820	-	-	191,547
Reinsurers' share	R1420	31,933	-	-	-	-	-	31,933
Net	R1500	122,178	21,402	9,214	6,820	-	-	159,614
Premiums earned								
Gross	R1510	154,111	21,402	9,214	6,820	-	-	191,547
Reinsurers' share	R1520	31,933	-	-	-	-	-	31,933
Net	R1600	122,178	21,402	9,214	6,820	-	-	159,614
Claims incurred								
Gross	R1610	307,815	93,151	35,251	18,894	-	-	455,110
Reinsurers' share	R1620	11,397	-	-	-	-	-	11,397
Net	R1700	296,418	93,151	35,251	18,894	-	-	443,713
Net expenses incurred	R1900	40,922	1,355	574	418	-	-	43,269

F.3.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								
Gross direct business	R0010	64,665	85,577	-	-	24,465	16,840	191,547
Gross reinsurance accepted	R0020	-	-	-	-	-	-	-
Gross	R0030	64,665	85,577	-	-	24,465	16,840	191,547
Reinsurers' share	R0040	-	9	-	-	18,787	13,137	31,933
Net	R0050	64,665	85,568	-	-	5,678	3,704	159,614
Claims incurred								
Gross direct business	R0110	78,474	353,532	-	-	15,913	7,191	455,110
Gross reinsurance accepted	R0120	-	-	-	-	-	-	-
Gross	R0130	78,474	353,532	-	-	15,913	7,191	455,110
Reinsurers' share	R0140	-	-	-	-	6,718	4,680	11,397
Net	R0150	78,474	353,532	-	-	9,195	2,512	443,713
Expenses incurred								
Gross direct business	R0160	1,623	35,880	-	-	4,004	2,732	44,238
Gross reinsurance accepted	R0170	-	-	-	-	-	-	-
Gross	R0180	1,623	35,880	-	-	4,004	2,732	44,238
Reinsurers' share	R0190	-	-	-	-	571	399	969
Net	R0200	1,623	35,880	-	-	3,433	2,334	43,269
Other expenses	R0300							-
Transfers and dividends								
Dividends paid	R0440							40,000

F.4.IR.12.01.02 LIFE AND HEALTH SLT TECHNICAL PROVISIONS

		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
Best Estimate								
Gross Best Estimate (direct business)	R0025	318,229	2,861,032	42,061	-	5,197	29,795	3,256,314
Gross Best Estimate (reinsurance accepted)	R0026	-	-	8,864	-	-	-	8,864
Gross Best Estimate	R0030	318,229	2,861,032	50,925	-	5,197	29,795	3,265,178
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	(3,379)	-	-	-	-	(24,732)	(28,112)
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	314,850	2,861,032	50,925	-	5,197	5,063	3,237,067
Risk Margin	R0100	497	13,084	817	-	480	174	15,051
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	-	-	-	-	-	-	-
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	-
TMTP - best estimate non-dynamic component	R0160	-	-	-	-	-	-	-
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	-
Transitional Measure on Technical Provisions	R0180	-	-	-	-	-	-	-
Technical provisions - total	R0200	315,347	2,874,116	51,741	-	5,676	5,237	3,252,118

F.5.IR.22.01.21 IMPACT OF LONG TERM GUARANTEES MEASURES AND TRANSITIONALS

The Company has not used any long term guarantees measures or transitional measures.

F.6.IR.23.01.01 OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 (UK) of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	100,231	100,231		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	167,995	167,995			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency UK own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency UK own funds	R0220	-				
Deductions						
Deductions for participations in financial and credit institutions	R0230	-	-	-	-	-
Total basic own funds after deductions	R0290	268,226	268,226	-	-	-

Utmost Worldwide Limited
Solvency & Financial Condition Report 2025



Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees under Article 96(2) (UK) of the Directive 2009/138/EC	R0340	-			-	
Letters of credit and guarantees other than under Article 96(2) (UK) of the Directive 2009/138/EC	R0350	-			-	
Supplementary members calls under first subparagraph of Article 96(3) (UK) of the Directive 2009/138/EC	R0360	-			-	
Supplementary members calls - other than under first subparagraph of Article 96(3) (UK) of the Directive 2009/138/EC	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	268,226	268,226	-	-	-
Total available own funds to meet the MCR	R0510	268,226	268,226	-	-	
Total eligible own funds to meet the SCR	R0540	268,226	268,226	-	-	-
Total eligible own funds to meet the MCR	R0550	268,226	268,226	-	-	
SCR	R0580	174,762				
MCR	R0600	10,762				
Ratio of Eligible own funds to SCR	R0620	153%				
Ratio of Eligible own funds to MCR	R0640	2492%				

Utmost Worldwide Limited
Solvency & Financial Condition Report 2025



		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	288,435
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	100,231
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	20,209
Reconciliation reserve	R0760	167,995
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	-
Total Expected profits included in future premiums (EPIFP)	R0790	-

F.7.IR.25.04.21 SOLVENCY CAPITAL REQUIREMENT – STANDARD FORMULA

		C0010
Net of loss-absorbing capacity of technical provisions		-
Market risk	R0140	124,030
Interest rate risk	R0070	5,393
Equity risk	R0080	84,989
Property risk	R0090	916
Spread risk	R0100	9,644
Concentration risk	R0110	437
Currency risk	R0120	54,821
Other market risk	R0125	-
Diversification within market risk	R0130	(32,170)
Counterparty default risk	R0180	3,130
Type 1 exposures	R0150	2,262
Type 2 exposures	R0160	1,052
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	(185)
Life underwriting risk	R0270	83,692
Mortality risk	R0190	1,016
Longevity risk	R0200	5,362
Disability-Morbidity risk	R0210	-
Life-expense risk	R0220	25,654
Revision risk	R0230	-
Lapse risk	R0240	65,101

Utmost Worldwide Limited

Solvency & Financial Condition Report 2025



Life catastrophe risk	R0250	3,154
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(16,594)
Total health underwriting risk	R0320	14,753
Health SLT risk	R0280	1,050
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	14,455
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	(752)
Non-life underwriting risk	R0370	-
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	R0400	-
Operational and other risks	R0430	8,586
Operational risk	R0422	8,586
Other risks	R0424	-
Total before all diversification	R0432	283,892
Total before diversification between risk modules	R0434	234,191
Diversification between risk modules	R0436	(52,472)
Total after diversification	R0438	181,720
Loss-absorbing capacity of technical provisions	R0440	-
Loss-absorbing capacity of deferred taxes	R0450	(6,958)

Utmost Worldwide Limited
Solvency & Financial Condition Report 2025



Other adjustments	R0455	-
Solvency capital requirement including undisclosed capital add-on	R0460	174,762
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	R0480	174,762
Biting interest rate scenario	R0490	UP
Biting life lapse scenario	R0495	LAPSE MASS

F.8.IR.28.01.01 MINIMUM CAPITAL REQUIREMENT - GUERNSEY

Life net provision	385,996
Life net provision 2.5% charge	9,650
Life capital floor	250
Life MCR	9,650
Non-Life net premium	9,267
Non-Life net premium 12% charge	1,112
Non-Life net provision	7,330
Non-Life net provision 12% charge	880
Non-Life capital floor	100
Non-Life MCR	1,112
Guernsey MCR	10,762