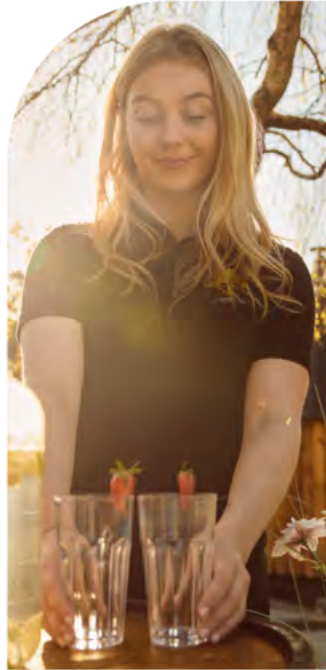


# FBD HOLDINGS PLC

Annual Report 2025



SUPPORT.

IT'S WHAT WE DO.

# FBD / AT A GLANCE

Established in the 1960s by farmers for farmers, FBD has built on its roots in agriculture to become a leading general insurer serving the needs of farmers, businesses and retail customers. With 34 offices throughout Ireland and a multichannel distribution strategy, we are never far away and always ready to support our customers.

## 2025 PERFORMANCE HIGHLIGHTS

Profit  
Before Tax

**€54.2m**

(2024: €77.1m)

Insurance  
Revenue

**€487m**

(2024: €441m)

Earnings  
Per Share

**130c**

(2024: 186c)

Combined  
Operating Ratio<sup>1</sup>

**90.8%**

(2024: 84.9%)

Return  
On Equity<sup>1</sup>

**10%**

(2024: 14%)

Net Asset  
Value Per Share<sup>1</sup>

**1,320c**

(2024: 1,346c)

<sup>1</sup> Further information on these measures is found in Alternative Performance Metrics on pages 295 to 301.

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# MANAGEMENT'S REVIEW

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SUPPORT.

IT'S WHAT WE DO.

PICTURED: DINGLE CRYSTAL,  
FBD BUSINESS INSURANCE CUSTOMER  
Part of FBD's Support Local Business Campaign

# Financial Highlights

	2025 €000s	2024 €000s
Insurance revenue	486,751	441,005
Profit before tax	54,156	77,065
Gross written premium <sup>3</sup>	501,746	460,219
Underwriting result <sup>3</sup>	44,853	66,601

	2025 Cent	2024 Cent
Basic earnings per share	130	186
Diluted earnings per share <sup>1</sup>	127	183
Net asset value per share <sup>3</sup>	1,320	1,346
Ordinary dividend per share proposed	100	100
Ordinary dividend per share paid <sup>4</sup>	100	100
Special dividend per share paid	75	100

	2025 %	2024 %
Combined operating ratio <sup>2,3</sup>	90.8 %	84.9 %
Return on equity <sup>3</sup>	10 %	14 %

<sup>1</sup> Diluted earnings per share reflects the potential vesting of share-based payments.

<sup>2</sup> Combined operating ratio includes discounting.

<sup>3</sup> Further information on measures referred to in our Financial Highlights is found in Alternative Performance Measures on pages 295 to 301.

<sup>4</sup> Ordinary dividend per share paid for previous financial year.

## Financial Calendar

2025 Results Announcement	6 March 2026
Dividend record date	24 April 2026
Annual General Meeting	7 May 2026
Dividend payment date	29 May 2026



# Chair's Statement

**"I am pleased to report that FBD Group has delivered another strong performance in 2025, with a proposed ordinary dividend payment to our shareholders of 100 cent per share."**

**Jim Bergin**

Chair



Dear Shareholder,

## PERFORMANCE

I am pleased to report that FBD Group ("Group" or "FBD") has delivered another strong performance in 2025, with a proposed ordinary dividend payment to our shareholders of 100 cent per share.

We have recorded a Group Profit Before Tax of €54m for 2025. Our Net Asset Value per share is 1,320 cent, after the payment of both ordinary and special dividends of 100c and 75c in 2025. This result was supported by a robust underwriting performance after the impact of January 2025 weather, strong investment returns and reflects the targeted growth being delivered under our strategy. It is a testament to the dedication and focus of our Executive Management Team and our employees.

## CUSTOMERS

2025 saw another year of growth across each customer sector, with 18,000 policies added overall. Our Farmer sector saw a further increase in the average number of policies held, with over 10,000 more policies than this time last year. This is a strong reflection of our customer focused strategy.

At FBD, a core component of our strategy is to build and maintain long-term relationships with our customers. These relationships are rooted in providing our customers with a proposition and service that is of value

to them. Our continued success in this regard is evidenced through our strong retention rates which have remained consistently high in 2025.

The January 2025 weather losses, storm Éowyn in particular, had a devastating impact on the country, with record-breaking wind gusts recorded, and many of our customers were left without electricity. Our Claims and Sales functions mobilised ahead of the storm and kept our customers informed across all communication channels. Customer calls and claims were prioritised with additional employees providing support. The majority of these claims have now been settled and it is especially pleasing that our customers were protected following our Inflation Protection campaign, which ran from 2023.

It was with great honour that FBD won the CSR/Community/Green Loyalty Programme at the prestigious Irish Loyalty and CX Awards, for the second year in a row. The Irish Loyalty and CX Awards recognise excellence, innovation and achievement in loyalty and customer experience for Irish companies. This award is an acknowledgement of the level of our support across several community initiatives including our local and national sponsorship portfolio. The award is a terrific acknowledgement of all the hard work carried out by our employees.

## BOARD OF DIRECTORS

I wish to record my own and the Board's appreciation of Liam Herlihy, our former Chair, and Mary Brennan, our former Independent Non-Executive Director, who both stepped down in August. Mary served on the Board of FBD for nine years, we thank her for her contribution to FBD. I succeeded Liam in the role of Chair of the Board and I would like to express my gratitude for the support he provided to me, ensuring a smooth transition. Liam served on the Board of FBD for over nine years and made a huge contribution over this time. We welcomed three new Independent Non-Executive Directors to the Board over 2025, Colm McGrattan, Paul Stanley and Silvia Milián Bon. Together they bring vast experience and knowledge to the Board and we wish them well in their roles.

FBD remains committed to ensuring that it has a high-performing Board, which is equipped to anticipate, meet and overcome future challenges and risks and to ensure alignment with the Group's long-term strategy. Further details of the external 2025 Board Effectiveness and Performance Evaluation carried out by Board Excellence are set out in the Nomination and Governance Report. In 2025, Members of our Board and Executive Management Team again took to the road for customer site visits. We value the importance of understanding our customers' needs which enables us to provide them with products more suitable to them.

## SUSTAINABILITY

FBD was part of the first wave of organisations to report under the Corporate Sustainability Reporting Directive (CSRD) last year and are delighted to be reporting again for 2025. This is a great showcase for all the Environmental, Social and Governance (ESG) activities FBD undertake year after year. The Group's Sustainability Committee implements the Board approved ESG strategy, and significant progress has been made this year.

Following on from our commitment to the Teagasc facility in Moorepark, Fermoy, I was delighted to attend the sod-turning ceremony at The Pádraig Walshe Centre for Sustainable Animal and Grassland Research in February 2026. In 2024, FBD and University College Dublin announced a major Corporate Advocacy Initiative, an investment in a new agricultural science centre at UCD Lyons Farm. Our contribution of €1.5 million will go towards construction of the new centre. Planning permission has been granted and the project is currently at an advanced stage of detailed design. Construction is expected to commence in summer 2026. These investments highlight our commitment to supporting Ireland's farming communities, education, agriculture as a whole and the food industry.

We are proud to continue our support of farm succession management and the next generation of farm leaders and innovators through our partnerships

with Teagasc, UCD, Nuffield, and the Agriculture Science Association. The first female winner of the FBD Young Farmer of the Year was announced in September. Congratulations to Aileen Sheehan, a dairy farmer from Cork, on her milestone achievement. 2025 also saw the second year of the Teagasc / FBD Environmental Sustainability Awards which recognised farmers who are operating sustainable, profitable farming systems, whilst incorporating the latest scientific developments and technologies on their farms. This year's winners showcased the great work being done on farms around the country in areas such as biodiversity, greenhouse gas emissions, soil health, and in the case of our overall winner Don Somers, improving water quality.

FBD became a signatory of the UN Principles for Sustainable Insurance in 2024. We continue to embed the UN Principles for Sustainable Insurance in our business and report on progress in implementing them.

As we know, farming is a high-risk industry which presents many challenges. FBD's Farm Safety campaigns, including our commitment to the Farm Safety Partnership aim to encourage farmers to make small but meaningful changes to their working behaviour, FBD completes this through seminars, communications, signage, mart awareness, training as well as live events at shows up and down the country. In July, members of our Leadership Team appeared before the Oireachtas Joint Committee on Agriculture and Food to discuss farm health and safety. We welcomed the Committee's invitation and will continue to promote practical steps, from education to risk assessment, to tackle farm safety issues in Ireland.

The National Ploughing Championships in Scraggan was a great success in September. The FBD Leadership Team and our people are always well represented at events such as this, the Tullamore Show and Moorepark Open Day amongst others, as they are a great opportunity to engage with our customers.

At FBD, we believe that an inclusive, diverse, and equitable workforce is critical for the success of our organisation and were delighted to retain our Gold accreditation for Investors in Diversity, through the Irish Centre for Diversity. We will continue to build and maintain our inclusive organisation and implement measures to address our gender pay gap. FBD is a committed signatory of the Women in Finance Charter, partner with industry initiatives such as VOiCE for Insurance, and we are committed to maintaining gender balance Board representation in line with our target. More details can be found in the Board Diversity section of the Nomination and Governance Report.

Further details on all our activity can be found under our Sustainability Statement later in the Annual Report.

## CAPITAL / DIVIDEND

The Board has set a Dividend Policy that aligns with its belief that it is in the long-term interest of all

stakeholders to focus on annual dividend sustainability while maintaining a robust capital position.

In light of the strong financial performance for 2025 the Board proposes an ordinary dividend of 100 cent per share. This follows a special dividend of 75 cent per share declared in August 2025. It reflects our continuing confidence in the underlying profitability and future prospects of the Group. Our capital position remains strong with a Solvency Capital Requirement ("SCR") Ratio of 201% (unaudited) at 31 December 2025, after ordinary dividend and share repurchase (2024: 197%).

## CONCLUSION

Our customer focused strategy, leveraging technology and the strength of our people to deliver profitable growth has been the foundation that has enabled us to deliver positive outcomes during 2025. I look forward to working with my Board colleagues and the Leadership Team to develop the next phase of our customer focused strategy during 2026.

I would like to thank my colleagues on the Board for their continued support, expert guidance, and hard work since I've assumed the role of Chair. I would also like to thank our growing number of loyal customers, we welcome the opportunity to repay your trust and confidence in FBD for many years to come.

With Best Regards.



## JIM BERGIN

Chair

5 March 2026

# Review of Operations

"We are pleased to announce a strong performance for 2025. These results reflect the resilience of our business, the success of our customer-focused strategy and the work of our employees right across FBD."



## Tomás Ó Midheach

Group Chief Executive Officer

### OVERVIEW

The Group has reported a profit before tax of €54.2m (2024: €77.1m) reflecting a robust underwriting result following the poor weather experience in January 2025, with a net cost to FBD of €30.8m.

### OPERATING PERFORMANCE

#### Insurance Revenue

Insurance revenue is 10.4% higher than 2024 at €486.8m (2024: €441.0m). Gross written premium is the largest part of Insurance revenue and is 9.0% higher than 2024 at €501.7m (2024: €460.2m) with growth evident across all our sectors and products. Policy count growth was 3.2% across Farmer, Business and Retail sectors, with more than half of the growth coming from the Farmer sector. We are seeing strong acquisition and retention relating to our Home insurance offering across both Direct and Partnership channels with a 6.0% growth in policy count. Retention rates remain consistently high across the business, particularly with relationship customers.

Average premium increased by 5.6% across the portfolio, 3.4% of which relates to customers increasing their level of insurance cover, and some rate applied reflecting inflationary impacts. Private Motor average premium increased by 5.0%, driven by sustained inflation and increased claims frequency experience for Motor Damage in recent years. Home and Farm average premium increased by 7.7% and 9.7% respectively, largely due to indexation applied to property sums insured, as rebuilding costs continue to rise.

#### Insurance Service Expenses

Insurance service expenses (ISE) increased by €149.8m to €428.3m (2024: €278.5m). The table below splits the ISE into gross incurred claims (before reinsurance recoveries), changes that relate to past service and insurance acquisition expenses. The gross incurred claims increased by €105.3m reflecting the poor weather experience in January 2025 with an approximate gross cost of €100m, and an observed increase in injury awards for more recent accident years. Changes that relate to past service decreased by €35.4m, mainly reflecting reduced favourable prior year reserve movements, gross of reinsurance, compared to 2024. Insurance acquisition expenses of €93.8m form part of the ISE and are referenced below under the Expenses section.

Insurance Service Expenses	2025 €000s	2024 €000s
Gross incurred claims	(372,016)	(266,747)
Changes that relate to past service	37,495	72,928
Insurance acquisition expenses	(93,804)	(84,633)
<b>Total Insurance service expenses</b>	<b>(428,325)</b>	<b>(278,452)</b>

#### Claims Trends

Average settlement costs for injury claims have increased by 4% compared to 2024, with pre-litigation settlement costs 6% higher. We have experienced increases in third-party Motor Damage costs in 2025, across both Private and Commercial Motor.

New Property claims notifications in 2025 increased substantially compared to 2024 due to the January

2025 weather events. Attritional Property severity is higher in 2025 due to an increased number of fire claims compared to 2024.

### Weather and Large Claims

Net of reinsurance, weather losses in 2025 were substantially higher than 2024. This was primarily driven by the January 2025 weather events with a net cost to FBD of €30.8m. Comparably for 2024 there were two storm events, Storm Isha and Storm Darragh, with a net cost to FBD of €15.9m.

Large injury claims, defined as a value greater than €250,000, notified to date in 2025, are in line with the average over the past 10 years.

### Expenses

The Group's expense ratio is 27.6% (2024: 27.8%). Insurance acquisition expenses and non-attributable expenses are combined to calculate the total expense cost of €134.4m (2024: €122.4m). The year on year increase reflects inflationary impacts on employee costs, additional spend on marketing promotional strategies and required regulatory related expenses. The expense ratio has shown a small reduction due to growth in insurance revenue.

### Reinsurance

For 2025, the net income from reinsurance contracts held increased by €85.7m to €34.2m due to increased reinsurance recoveries this year primarily due to the January 2025 weather events. There has also been a small reduction in reinsurance premium compared to 2024 reflecting improved reinsurance rates agreed for 2025.

The reinsurance programme for 2026 was successfully placed, with a reduction in Casualty reinsurance rates and a minor rate increase applied to Property reinsurance. There was a small increase in retention at the lower end of the Property Catastrophe programme. This is a positive result, acknowledging the loss activity in January 2025, the exposure growth in our Property lines and increased overall cover under the Catastrophe structure.

### Combined Operating Ratio (COR)

The Group generated an underwriting profit of €44.9m (2024: €66.6m) which translates to a Combined Operating Ratio (COR) of 90.8% (2024: 84.9%). The undiscounted Combined Operating Ratio (COR) was 92.9% (2024: 86.7%). The increase in COR is primarily due to the January 2025 weather losses.

### Other Provision Charges

Other provision charges of €7.2m included in the Income Statement (2024: €6.7m), is made up of Motor Insurers' Bureau of Ireland (MIBI) levy, net of small reductions in previous provisions. Since 1 January 2025 there has

been no requirement to further contribute to the Motor Insurers Insolvency Compensation Fund (MIICF).

### Investment Return

FBD's total investment return for 2025 is 2.8% (2024: 4.0%). The investment return recognised in the Income Statement is 2.1% (2024: 2.3%) and in the Statement of Other Comprehensive Income (OCI) is 0.7% (2024: 1.7%).

Income Statement returns from the bond portfolios increased in 2025 as maturities continue to be reinvested at higher interest rates. Some realised losses were incurred on bonds sold to enhance longer-term income, with the additional income outweighing the realised losses over the full year. Cash returns have moderated as the European Central Bank (ECB) cut interest rates four times in 2025. These rate cuts have expedited the pull-to-par effect, which, along with tightening credit spreads, offset a rise in portfolio interest rates in the second half of the year, and resulted in an overall positive OCI return. Risk assets contributed €8.0m to the overall Income Statement return, a decrease on prior year due to a combination of a lower allocation and a lower percentage return. There was a positive performance across all risk asset funds, with equity outperformance being a major contributor, and private markets funds continuing to generate strong returns.

### Financial Services and Other Group Activities

The Group's financial services operation recorded commission income of €2.6m (2024: €3.7m). Expenses relating to financial services and other group activities of €8.5m are €2.6m lower compared to 2024, the reduction partly due to higher one-off costs associated with the 2024 implementation of CSRD reporting.

## STATEMENT OF FINANCIAL POSITION

### IFRS Capital Position

Ordinary shareholders' funds at 31 December 2025 amounted to €474.4m (31 December 2024: €483.2m). The decrease in shareholders' funds is driven by the following:

- payment of the ordinary and preference dividends of €36.5m related to the 2024 financial year, and special dividend payment of €27.2m, totalling €63.7m;
- repurchase of own shares of €4.0m;

Offset by:

- Profit after tax for the year of €47.2m;
- OCI profit after tax for the year of €4.7m made up of:
  - mark to market gains on Bond portfolios of €7.9m;

offset by:

- insurance finance expense for insurance and reinsurance contracts issued €2.4m;
- a decrease in retirement benefit surplus (net of tax) of €0.1m;
- income tax charge through OCI of €0.7m;
- unclaimed dividends write back of €1.9m; and
- share-based payment reserve increase of €5.1m.

Net asset value per share is 1,320 cent, compared to 1,346 cent per share at 31 December 2024.

## Investment Allocation

FBD has a conservative investment strategy across its portfolio, of circa €1.2 billion of assets, with its insurance contract liabilities backed with fixed interest assets of similar currency and duration. Cash allocations increased, with €20m divested from the bond portfolios to fund dividends and strengthen liquidity. A further €35m was divested from the risk asset portfolio in line with our Strategic Asset Allocation (SAA). The average credit quality of the corporate bond portfolio has remained at A- while the allocation to BBB rated bonds remains stable at 36%. The duration of the corporate bond portfolio remains unchanged at 3.4 years (2024: 3.4 years) and the government bond portfolio duration increased to 3.2 years (2024: 2.8 years).

## Solvency II

The SCR Ratio at 31 December 2025 is 201% (unaudited) which has increased from 197% at 31 December 2024. The SCR Ratio allows for the proposed ordinary dividend and €4m share repurchase and remains well in excess of our target risk appetite range of 150% - 170%. The Group is committed to maintaining a strong solvency position.

## Industry Environment

The Action Plan for Insurance Reform 2025 - 2029 was released in July 2025 outlining a number of priority actions across six key themes, Transparency and Affordability, Competitiveness and Availability, Legal Reform, Fraud, Climate Protection and Innovation and Skills. FBD has engaged in the consultation process on the Transparency Code and expect finalisation by the Department of Finance in Q1 2026. FBD will continue to be supportive of the work of the Government to help deliver progress on these key priorities.

The General Scheme of the Civil Reform Bill 2025 published in January 2026 introduces substantial changes to Ireland's court system by increasing the value limits for cases heard in the District and Circuit Courts. This has the potential to alter where personal injury claims are litigated, reduce reliance on the High Court, and reshape legal cost structures.

Following the recommendation from the Judicial Council to apply an increase of 16.7% to Personal Injuries Guidelines, the resolution to approve the proposed increase was not brought to the Oireachtas. The General Scheme of the Judicial Council (Amendment) Bill 2026 proposes further changes to how Personal Injuries Guidelines are reviewed, developed and approved.

## Risks and Uncertainties

The principal risks and uncertainties faced by the Group are outlined on pages 18 to 27.

## OUTLOOK

The Irish economy has shown strong resilience amid persistent geopolitical uncertainty. While the Irish economy is forecast to achieve more moderate growth in 2026<sup>1</sup>, it remains above the EU average. While some challenges may exist for our core customer base of farmers, businesses and retail customers, the outlook in the medium term remains positive. Although general inflation levels remain relatively stable, we continue to observe excess inflation on Motor Damage and Property claims albeit at lower levels than recent years. We also note an increase in average injury settlement costs over 2025. We will continue to support the Government in helping to deliver on the key priorities for the Action Plan for Insurance Reform, and remain engaged with all stakeholders to help deliver progress here.

The Income Statement return from our bond portfolios, which comprises the majority of the investment portfolio, is projected to continue to increase in the years ahead due to the impact of higher reinvestment rates as bonds mature.

At FBD, we believe that our customer-centric strategy continues to create value for all our stakeholders. We remain focused on our goal of being a digitally enabled, data enriched organisation that provides an excellent experience for both our customers and employees. Our commitment to building strong, lasting customer relationships is delivering results - we are doing more business with our customers today than ever before.

FBD remains a strong and resilient business, reflected in the sustained growth of our robust franchise and the continued strength of our capital ratio. We are committed to continuous improvement, striving to be better tomorrow than we are today.

We reiterate our confidence in our underlying profitability, our solid capital position, our future growth prospects and continue our focus on consistently delivering value for both our customers and our shareholders.



## TOMÁS Ó MIDHEACH

Group Chief Executive Officer

5 March 2026

<sup>1</sup> CBI Quarterly Bulletin No.4 2025

# FBD / STORM ÉOWYN

Storm Éowyn alongside the heavy snowfall in January led to a significant surge in claims activity. It is during these times that our customers rely on us the most.

On 24th January 2025 Storm Éowyn hit our shores, one of the most powerful and widespread wind events to hit Ireland with record-breaking wind gusts of 184km/h recorded, causing significant damage and leaving 750,000+ electricity customers without power.

We worked tirelessly to put things right, dealing with over 9,000 claims directly related to the severe weather.

FBD's gross costs from these events are expected to be €100m, mitigating the financial impact of severe weather.

The majority of claims were settled by June, bringing resolution and peace of mind.

**SUPPORT.**

**IT'S WHAT WE DO.**

# FBD / STORM ÉOWYN

## Kieran's Claim Experience

**"Storm Éowyn damaged our air conditioning units in the shop, but unfortunately the damage went unnoticed for several months until we needed to use them. I really worried that the delay in submitting a claim would mean it wouldn't be covered."**

As soon as I spoke to my local FBD branch manager, Michael in Tralee, he immediately put me at ease and straight away set the ball rolling with the claims process.

The process itself was quick, efficient and hassle-free.

FBD worked through a checklist with me and once they confirmed the claim was valid, things moved very quickly. I even received a settlement offer the same day I submitted my documentation. From start to finish, the claim only took a few weeks to resolve.

On a scale of 1 to 10 - with 10 being very happy - I'd say I'm a 10. The whole experience was honestly better than I expected. I didn't think it would be handled as quickly or efficiently as it was.

What really stood out to me wasn't just the process, but the personable way FBD dealt with me. I was very stressed about the damage, and they genuinely helped reduce that worry. They made an unpleasant situation as comfortable and manageable as possible.

I've known and dealt with my local branch manager, Michael for several years now, and having a real person I trusted at the end of the phone made all the difference.

You're not just a number - you can put a face to the voice. I was kept informed at every stage of the claim, and FBD did exactly what they said they would do,

which I really value because not everyone in business does that. We're a local business ourselves, built on local people and local knowledge, and I would always stay with someone I know and trust and that's FBD.



*My relationship with FBD goes back generations. My father dealt with Michael's father, and it feels like that excellent relationship has been passed on to Michael and me. My father was with FBD for over 50 years, and now we've had our shop and petrol station insured with them for 25 years. And we've never felt the need to move - they've always delivered what we've needed, and we find them very competitive.*

**Kieran O' Shea** - O' Shea's Service Station.  
22/01/26



# FBD / STORM ÉOWYN

## Tony's Claim Experience

**"When storm Éowyn hit, it damaged the roof of my shed beyond repair and blew down the door. I went down the next morning and couldn't believe the damage. I rang the office in Athenry straight away and asked what I should do. They told me to take photographs and send them in, and said they'd arrange for a loss adjuster to handle it."**

To be fair, it all moved very quickly. I was contacted in a short time by a loss adjuster who said she'd look after everything. I even offered for them to come out and inspect it, but she said there was no need once they had the photographs, they were satisfied with what I'd sent. That gave me great reassurance. I was then asked to get a quote from a builder, which I did, and once I sent it in, it was accepted and the claim went ahead.

Before I made the claim, my biggest worry was how long it would all take and how quickly I'd get paid so I could put the roof back on. But it was handled much faster than I expected. The whole process was easier, more streamlined and quicker than I thought it would be.

The FBD team were very helpful throughout. I've a great rapport with the staff in Athenry. I have 11 policies with FBD and they know me well. There's never a problem, and that relationship makes a difference. I felt informed at every stage and it has always been clear what I needed to do next.

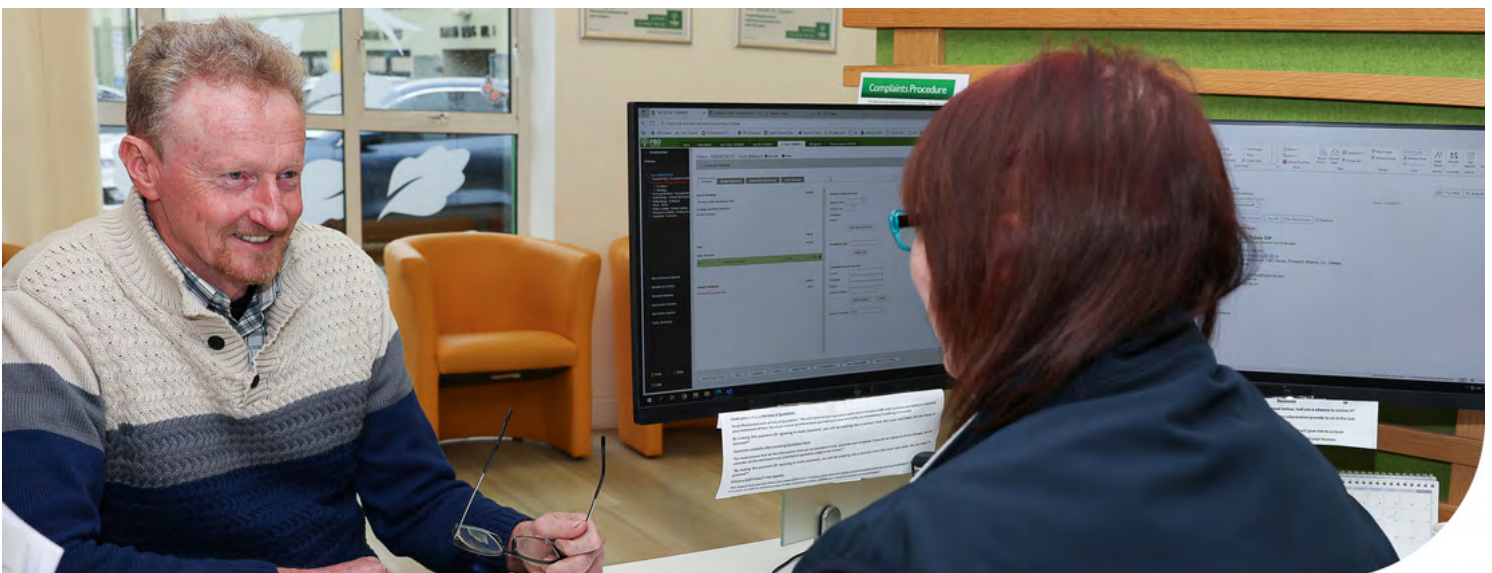
When the builder's quote came in, it was actually more than I'd expected myself,

but once you factor in scaffolding, clearing away debris and all the bits you don't think about, it adds up quickly. But FBD covered it, and the job turned out very well.



*I would absolutely recommend FBD, and I already have, for their helpfulness, accountability, thoroughness and speed.*

**Tony Slevin** – FBD Farm Customer  
11/02/26



# Key Highlights

FARMER  
**51%**

Our Farm customers represent 51% of our premium



BUSINESS  
**29%**

Our Business customers represent 29% of our premium

RETAIL  
**20%**

Our Retail customers represent 20% of our premium



At FBD Insurance we have over **50 years** of experience dealing with your insurance needs. Support extends to all aspects of our business from our claims advice, safety initiatives and customer proposition to community programs and sponsorships.

**SUPPORT.**

**IT'S WHAT WE DO.**

# Our Business Model<sup>1</sup>

Delivering for all our Stakeholders

## INPUTS<sup>2</sup>

FBD is a leading general insurer serving the needs of farmers, business and retail customers throughout Ireland.<sup>3</sup> Our Business Model is focused on creating value for all our stakeholders.

### OUR PEOPLE

The expertise, experience and local knowledge of our 1,000+ employees provides our customers with a proposition they value based on an in-depth knowledge of their requirements. Our culture defines the values and behaviours that we will champion and promote as a Group.

### SOCIAL

FBD is a responsible member of local communities throughout Ireland, providing significant support to farm, business and community groups.

### RELATIONSHIPS

Founded by farmers for farmers, FBD has an unrivalled knowledge of farm enterprises through over 50 years of protection and close relationships with our farming organisations. Today FBD serves farmer, business and retail customers.

### SUPPLIERS & PARTNERS

FBD operates with a wide range of suppliers and partners to support the delivery of a valued proposition to our customers.

### FINANCIAL

FBD seeks to deliver measured profitable growth while maintaining a resilient and stable balance sheet.

### ENVIRONMENT

FBD seeks to do business in a sustainable way evidenced through investment choices and operational activities. Our reinsurance programme respects of extreme weather events, supporting the protection we offer to our customers.

### DATA & TECHNOLOGY

FBD leverages data and technology to understand our customers better and to enhance our customer and employee experience.

## CREATE VALUE

FBD creates value through our customer focus, our broad distribution network and our expertise in three main customer segments; Farmer, Business and Retail.

### CUSTOMER FOCUS

With 34 offices located across the country and a multichannel distribution strategy, we are never far away and always ready to support our customers.

### MANAGE CLAIMS

FBD maintains its customer focus throughout the claims process. We are focused on paying honest claims quickly and efficiently.

### CAPITAL MANAGEMENT

Deployment of capital is prudent and return focused. Maintaining a strong capital position is paramount.

### UNDERWRITING RISK SELECTION

At FBD we understand the Irish farm, business and retail customer. We measure and model risk effectively which enables us to price accurately, competitively and fairly.

### INVESTMENT POLICY

FBD follows a structured investment policy. We manage our assets and liabilities to ensure we meet our obligations to our customers.

## CUSTOMER OUTPUTS<sup>4</sup>

Our customers are at the heart of what we do. We invest in understanding them, in having a complete picture of them and delivering a proposition they value.

### OUR PROPOSITION

Our proposition encompasses an excellent customer experience at all points in their journey with us and protecting our customers through our range of farm, business and retail products.

### OUR DISTRIBUTION

We meet the customer where they choose to shop. FBD offers great service through our 34 branches, on the phone, online and through our broker and our partner network.

### FINANCIAL ADVISORY SERVICES

FBD Life & Pensions provides advice to personal and corporate customers, through our team of financial planning advisors.

## OTHER STAKEHOLDER OUTCOMES<sup>5</sup>

Position FBD for the future, deliver for our customers and all stakeholders:

### OUR INVESTORS

We focus on delivering measured profitable growth which increases the value of the business and delivers strong and sustainable returns for our shareholders.

### OUR REGULATOR

We deliver on our commitments to the regulator and endeavour to meet their evolving expectations to the highest standards.

### OUR PEOPLE

We promote diversity and inclusion in our workforce. We invest in our people, helping them to grow. We provide market competitive rewards and benefits linked to individual and Group performance. We foster individual and organisational effectiveness.

### WIDER SOCIETY & ESG

FBD is recognised as the Irish insurer supporting local communities. We deliver on our sustainability commitments and support our customers in theirs.

SUPPORT.

IT'S WHAT WE DO.

FBD, a digitally enabled, data enriched organisation which delivers excellent customer and employee experience.

Subject to limited assurance:

1 ESRS 2 SBM-1 42, ESRS 2 SBM-1 42c

2 ESRS 2 SBM-1 42a

3 ESRS 2 SBM-1 40 a, ii

4 ESRS 2 SBM-1 40 a, i

5 ESRS 2 SBM-1 42b



# Our Strategy

FBD's purpose is to support Ireland's people, families, farmers and businesses, enabling our customers to grow and thrive.



TEAMS &  
COLLABORATION

OUR  
CUSTOMERS  
are at the heart  
of what we do

DATA &  
TECHNOLOGY

Delivering for all  
our Stakeholders



Our Customers



Our People



Our Investors



Wider society & ESG



Our Regulator

## STRATEGIC AMBITION

### OUR CUSTOMERS

We have a complete picture of them, understand them and deliver a proposition they value.

### WIDER SOCIETY & ESG

We are recognised as the Irish insurer supporting local communities. Delivering on our sustainability commitments and supporting our customers in theirs.

### OUR PEOPLE

Foster individual and organisational effectiveness.

### DELIVERING MEASURED PROFITABLE GROWTH

Through a sharp focus on value, growth and capital management.

### CONTINUOUS IMPROVEMENT

Be better tomorrow than we are today. Create capacity while enhancing our customer and employee experience.

## PILLARS DELIVERING OUR STRATEGY

Customer Proposition

Data

Continuous Improvement

Value

People

Technology

Claims

ESG

SUPPORT.  
IT'S WHAT WE DO.

FBD, a digitally enabled, data enriched organisation which delivers excellent customer and employee experience.



# Risks & Uncertainties Report

## A) OVERVIEW

Risk taking is inherent in the provision of financial services and FBD assumes a variety of risks in undertaking its business activities. FBD defines risk as any event that could impact the core earnings capacity of the Group; increase earnings or cash-flow volatility; reduce capital; threaten business reputation or viability; and/or breach regulatory or legal obligations.

The Group has adopted an Enterprise Risk Management approach to identifying, assessing and managing risks. This approach is incorporated in the Risk Management Framework which is approved by the Board and subject to annual update and review. The key components of the Risk Management Framework include Risk Appetite; Risk Governance; Risk Process and People.

## B) RISK MANAGEMENT FRAMEWORK<sup>1</sup>

### Risk Appetite

Risk appetite is a measure of the amount and type of risks the Group is willing to accept or not accept over a defined period of time in pursuit of its objectives. The Group's risk appetite seeks to encourage measured and appropriate risk-taking to ensure that risks are aligned to business strategy and objectives.

The risk appetite in the Group's underwriting subsidiary is driven by an over-arching desire to protect its solvency at all times. Through the proactive management of risk, it ensures that it does not take on an individual risk or combination of risks that could threaten its solvency. This ensures that it has and will have in the future sufficient capital to pay its policyholders and all other creditors in full as liabilities fall due.

## RISK MANAGEMENT FRAMEWORK

- Governance
- Process
- People



<sup>1</sup> ESRS 2 GOV-5 36a Description of scope, main features and components of risk management and internal control processes and systems in relation to sustainability reporting - subject to limited assurance

## Risk Governance

The Board sets the business strategy and has ultimate responsibility for the governance of all risk taking activity in FBD. Risk is governed through business standards, risk policies and Oversight Committees with clear roles, responsibilities and delegated authorities.

The Group uses a 'three lines of defence' framework in the delineation of accountabilities for risk governance:

- Primary responsibility for risk management lies with line management.
- Line management is supported by the second line Risk, Actuarial and Compliance functions who provide objective challenge and oversight of first line management of risks.
- The third and final line of defence is the Internal Audit function, which provides independent assurance to the Audit Committee of the Board on risk-taking activities.

## Risk Process<sup>1</sup>

### *Identify and Measure*

Risk, including emerging risk, is identified and assessed through a combination of top-down and bottom-up risk assessment processes. Top-down processes focus on broad risk types and common risk drivers rather than specific individual risk events, and adopt a forward-looking view of perceived threats over the strategic horizon. Bottom-up risk assessment processes are more granular, focusing on risk events that have been identified through specific qualitative or quantitative measurement tools. Top-down and bottom-up views of risk come together through a process of upward reporting of, and management response to, identified and emerging risks. This ensures that the view of risk remains sensitive to emerging trends and common themes. The Group measures risk on the basis of financial impact and other bases (where appropriate) to determine materiality, potential impact and appropriate management. Risks are recorded on the Group Risk Register.

### *Monitor and Report*

We regularly monitor our risk exposures against risk appetite, risk tolerances and risk limits and monitor the effectiveness of controls in place to manage risk. Reporting to the Executive and Board Risk Committees is dynamic and includes material risks, emerging risks, risk appetite monitoring, risk metrics, changes in risk profile, risk mitigation programmes, reportable errors, breaches of risk policies (if any) and results of independent assessments performed by the Risk function.

## People

Risk Management is embedded in the Group through leadership, governance, decision making and competency. The Risk Management Framework establishes the roles and responsibilities of risk resources. A risk training programme is in place to ensure all risk resources have the knowledge and competency to perform their roles effectively.

In accordance with Group policy, business unit management has primary responsibility for the effective identification, management, monitoring and reporting of risks. There is an annual review by the Executive Risk Committee of all major risks and emerging risks, to ensure all risks are identified and evaluated. Each risk is assessed by considering the potential impact and the probability of the event occurring. Impact assessments are made against financial, operational, regulatory, reputational and customer impact criteria.

## Key Risks and Mitigants<sup>2</sup>

All individual risks recorded on the Group Risk Register are assigned to key risk categories which are reviewed regularly by the Executive and Board Risk Committees. The Group's key risk categories and mitigants are provided in the tables on pages 20 to 26. Escalation parameters for key risks that are outside of tolerance / appetite and a 'three lines of defence' system, complemented with external reviews are in place. The Board is satisfied that FBD maintains a robust and effective risk management framework.

<sup>1</sup> ESRS 2 GOV-5 36b Description of risk assessment approach followed - subject to limited assurance

<sup>2</sup> ESRS 2 GOV 5 36c Description of main risks identified and their mitigation strategies - subject to limited assurance

## Capital Management Risk

The risk that the Group fails to maintain an adequate regulatory solvency position resulting in an inability to pay policyholder and third party claims.

### Key Mitigants

- The Group has an Investment Committee, a Pricing & Underwriting Committee, a Capital Management Forum, an Audit Committee, a Reserving Committee and Board and Executive Risk Committees, all of which assist the Board in the identification and management of exposures and capital.
- The annual Own Risk and Solvency Assessment 'ORSA' provides a comprehensive view and understanding of the risks to which the Group is exposed or could face in the future and how they translate into capital needs or alternatively require mitigation actions. Such risks include assessing the capital impact of a number of physical, transitional and liability related scenarios connected to Climate Change.
- An experienced Actuarial team is in place with policies and procedures to ensure that Technical Provisions are calculated in an appropriate manner and represent a best estimate.
- Technical Provisions are internally peer reviewed every quarter and subject to external peer review every two years.
- An approved Reinsurance Programme is in place.
- The Group ensures that the capital position is considered as part of the strategic planning process. The capital position is also considered in the strategic decision making process.
- On at least an annual basis, the thresholds for SCR Ratio, developed as part of the ORSA/Own Solvency Needs Assessment process, are approved by the Board as part of the Risk Appetite Statements in the Risk Appetite Framework.
- The Group also devotes considerable resources to managing its relationships with the providers of capital within the capital markets, for example, existing and potential shareholders, financial institutions, stockbrokers and corporate finance houses.

## Underwriting Risk

This is the risk that underwritten business is less profitable than planned due to insufficient pricing and setting of claims case reserves as a result of higher than expected claims frequency, higher average cost per claim and catastrophic claims.

### Key Mitigants

The Group manages this risk through its underwriting strategy, claims reserving and its reinsurance arrangements.

### Underwriting Strategy

- The Group's underwriting strategy is incorporated in the overall corporate strategy which is approved by the Board of Directors and includes the employment of appropriately qualified underwriting personnel; the targeting of certain types of business that conform with the Group's risk appetite and reinsurance treaties; ongoing review of the Group's Pricing Policy using up-to-date statistical analysis and claims experience; and the surveying of risks carried out by experienced personnel. All risks underwritten are within the Group's underwriting policies.
- The Group has developed its insurance underwriting strategy to diversify the type of insurance risks written and, within each of the types of cover, to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. The principal insurance cover provided by the Group includes Motor, Employers' and Public Liability and Property.
- The Group seeks to identify opportunities to promote a transition to a low carbon environment and take into consideration climate change and ESG considerations in the product development process.
- While all of the Group's underwriting business is conducted in Ireland, with a significant focus on the farm sector, it is spread over a wide geographical area with no concentration in any one county or region.

### Reserving

- The Group uses statistical and actuarial methods to calculate the quantum of claims provisions and uses independent actuaries to review its liabilities to ensure that the carrying amount of the liabilities is adequate. An uncertainty analysis is carried out which inputs into the setting of the risk adjustment under IFRS17. The Reserving Committee assists the Board in its review of the adequacy of the Group's claims provisions.
- Claims case reserve estimates are subject to robust controls including system controls preventing claim handlers from increasing reserves above their reserve limits without supervisor approval and secondary review and challenge of case reserve estimates.

## Market Risk

The risk that the value of the Group's investments may fluctuate as a result of changes in market prices, changes in market interest rates or changes in the foreign exchange rates of the currency in which the investments are denominated.

### Key Mitigants

- The extent of the exposure to market risk is managed by the formulation of, and adherence to, an Investment Policy incorporating clearly defined investment limits and rules, as approved annually by the Board of Directors and employment of appropriately qualified and experienced employees and external investment management specialists to manage the Group's investment portfolio. The overriding philosophy of the Investment Policy is to protect and safeguard the Group's assets and to ensure its capacity to underwrite is not put at risk.
- The Group will only invest in assets the risks of which can be properly identified, measured, monitored, managed and controlled in line with the Prudent Person Principle under Solvency II.
- The Group has an Asset Liability Matching Policy whereby its liabilities are backed by fixed interest assets of similar currency and duration.
- The Group monitors its allocation to the various asset classes and has a long term Strategic Asset Allocation target.

## Credit & Concentration Risk

This is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations and/or over allocation to a single entity that may default or fall in value resulting in adverse financial impact.

### Key Mitigants

- Credit and concentration risk for investments is managed by the formulation of, and adherence to, an Investment Policy that is approved annually by the Board of Directors. The Investment Policy incorporates clearly defined investment limits and rules and ensures that there is an optimum spread and duration of investments.
- All of the Group's fixed term deposits are with financial institutions which have a minimum A- rating.

## Liquidity Risk

This is the risk of insufficient liquidity to pay claims and other liabilities due to inappropriate monitoring and management of liquidity levels or inadequate Asset Liability Management.

### Key Mitigants

- The Group manages liquidity risk by monitoring forecast and actual cash flows and ensuring that the maturity profile of its financial assets is well matched to the maturity profile of its liabilities and maintaining a minimum amount available on term deposit at all times.

## Strategy Risk

The risk that the strategy adopted by the Board is incorrect or not implemented appropriately resulting in sub-optimal performance and impact on profitability.

### Key Mitigants

- The Group has a strategic planning cycle which commences with a fundamental review of strategy at least every 5 years, the next fundamental review is scheduled for 2026. Further supporting this is an annual review of the strategy by the Board to determine the continuing relevance. To ensure the strategy is implemented effectively, the Group engages in a robust business planning and review process that results in an annual plan including key initiatives and budget.
- A Strategic Risk Policy is in place.
- The Group's corporate strategy notes the importance of a clear ESG strategy, as well as having defined metrics and targets to ensure the Group is making a meaningful impact on wider ESG considerations.

## Reputational Risk

The risk of reputational or brand damage arising from inadequate or failed processes and systems or badly executed strategy/poorly executed communication.

### Key Mitigants

- The Group's Board and senior management set the ethical and behavioural tone for the Group. In support of this a number of Group policies are utilised which influence employee behaviour, including a Reputational Risk Policy, Fitness & Probity Policy, an Anti-Fraud Policy, Code of Conduct Policy, Conflicts of Interest Policy and a Speak Up Policy.
- The Group has established a Corporate Governance Framework which is in compliance with the requirements of the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015 and the Irish Corporate Governance Code 2024.
- Reputation, integrity and character of persons are key considerations in establishing business arrangements and throughout the life of the relationship.
- Independent customer satisfaction research is undertaken and customer complaints are dealt with efficiently to ensure the quality of products and services offered to customers.
- The Group's claims philosophy is to be "Fair to the customer and fair to FBD". This philosophy guides the Claims function in its handling of all customer claims.
- The Group has aligned its ESG initiatives to having a meaningful impact by supporting our customers and businesses as they become more climate resilient.
- The Group has a Sustainability Committee that reports into the Board through the Group Chief Executive Officer (CEO) and the Group has a company wide ESG strategy which they will implement over the coming years. The UN Principles for Sustainable Insurance will continue to guide our sustainability related goals, delivered by the business through the clearly defined pillars of our ESG strategy.

## Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. FBD's material operational risks include people risk, business process risk, change management risk, information technology risk, legal and regulatory risk and business continuity risk and outsourcing.

### Key Mitigants

#### Risk Management Framework

- Operational risk is governed through business standards covering key processes. This is complemented by our Risk Management Framework that defines the structure in place to identify, measure, manage, monitor and report on operational risks and mitigating controls with defined risk tolerances and Key Risk Indicators (KRIs).
- There is a 'three lines of defence' system in place, with line management being primarily responsible for risk management, with extensive second and third line challenge over the operational control environment.
- The ORSA provides a scenario based approach to determine the appropriate level of capital to be held in respect of operational risks.

#### Information Technology Controls

- Sound information technology controls are in place across the Group, including a dedicated IT security team with overall responsibility for managing information technology security standards, which together with on-going employee training and regular cyber-risk reviews are used to mitigate information technology risks.

#### Business Continuity Plans

- The Group has taken significant steps to minimise the impact of Business Interruption that could result from a major external event. Formal Business Continuity and Disaster Recovery plans are in place for both workspace recovery and retrieval of communications, IT systems and data. If a major event occurs, these plans will enable the Group to either move the affected operations amongst its various sites or invoke remote working from home. The Group carries out two minor and one major Business Continuity/Disaster Recovery exercises per year.
- An Operational Resilience Framework has been developed incorporating important business services.

#### Employees

- The success of the Group depends upon its ability to retain, attract, motivate and develop talent. The Group are committed to providing employees at all levels with appropriate training, development and education relevant to their role. Training needs are identified through performance management and operational planning. A Talent Management and Succession Plan is in place and reviewed regularly. This ensures that the Group develops and retains key talent and is best placed to replace key roles in a seamless manner should the need arise.

## Reinsurance Risk

**The risk that the Reinsurance Programme will not be effective in restricting loss from claims due to an inappropriate structure being put in place caused by failed decision-making processes or from events occurring outside of standard modelling processes resulting in a material impact on the solvency of the Group or failure to assist the Group in reducing fluctuations in financial results.**

### Key Mitigants

- The Group purchases Reinsurance protection to limit its exposure to single claims and the aggregation of claims from catastrophic events. The Group's Reinsurance Programme is approved by the Board on an annual basis. FBD has purchased a Reinsurance Programme which has been developed to meet the local domestic risk profile and tailored to FBD's risk appetite. The Programme protects Motor, Liability, Property and other classes against both individual large losses and events.
- The Group only places reinsurance with companies that it believes are strong financially and operationally. Credit exposures to these companies are closely monitored by senior management. All of the Group's current reinsurers have either a credit rating of A- or better from a rating organisation such as Standard and Poor's or AM Best. The reinsurance programme structure ensures that there is no significant concentration of risk.

## Consumer Risk

**The risk that the Group does not treat consumers fairly resulting in unsatisfactory consumer outcomes.**

### Key Mitigants

- The Consumer Risk Framework is in place to identify, assess, monitor, manage and report consumer risk. The objective of the Consumer Risk Framework is to provide a systematic, effective and efficient way for managing consumer risk in the Group and to ensure it is consistent with the overall business strategy and the risk appetite of the Group.
- The Group has a Consumer and Culture Committee that facilitates review and challenge on consumer and culture risk information received from the business areas. This includes but is not limited to consumer risks, consumer risk appetite, monitoring key consumer risk metrics and trends.
- During 2025 the Group established five Customer Principles to support the delivery of the Group's strategy, values, and the Consumer Risk Framework. The purpose of the five principles are to act as a "north star" in driving the delivery of fair consumer outcomes. The five customer principles are:
  - Informing Effectively;
  - Providing Fair Value;
  - Customer Focused Business Practices;
  - Products that meet Customer Needs; and
  - Understanding our Customer Environment.
- The Group has a Strategy in place which notes that it is the Group's ambition to be a customer-led organisation, delivering quality products and levels of service to our customers.
- In support of this Strategy a number of Group policies are utilised which mitigates consumer risk, including a Product Oversight and Governance Policy, Code of Conduct Policy, Vulnerable Customer Policy and Data Protection Policy.

## Climate Risk

**The risk of detriment to the Group due to climate change conditions (physical), disruption from adjustment to low carbon economy (transitional) and new potential liabilities arising from not considering or inappropriately responding to climate change (liability) resulting in adverse financial, regulatory or reputational impact.**

### Key Mitigants

- The management of climate risk is strategically important to FBD, from both a commercial and stakeholder perspective. It is an area of focus for the Group and under active consideration, particularly, physical risks to property and person from variable weather patterns and long-term climate change and transition risks from the process of adjustment to a low carbon economy.
- The Group selected the Central Banks and Supervisors Network for Greening the Financial System (NGFS) framework as the most appropriate framework from which to choose a baseline scenario. Following due consideration of each scenario under the NGFS scenario framework, the current climate change path and progress made, and the climate change outlook, the Group selected the Nationally Determined Contributions (NDC) scenario as its baseline scenario.
- In addition to the NDC scenario, analysis has been performed on two additional scenarios (Net Zero 2050 and Delayed Transition) and implications between scenarios have been considered. The appropriateness of the baseline scenario will be reviewed annually.
- A Double Materiality Assessment (DMA) has been performed and has identified key climate-related risks and opportunities (ROs). These ROs have been qualitatively assessed in the context of the selected climate change scenarios (i.e., NDC, Net Zero 2050, Delayed Transition) and over the Group's defined time horizons.
- The Group will perform periodic assessments to assess the materiality of climate change exposures at a Group level.
- Climate risk has been considered as part of capital planning during the ORSA process.
- The appropriateness of the risks and controls related to Climate Risk, including the potential risks, time horizon and double materiality impact are assessed on a quarterly basis via the Risk and Control Self-Assessment (RCSA) process.
- The Group has a Sustainability Committee that reports to the Board through the Group CEO and the Group has agreed a company wide ESG strategy which they will implement over the coming years.
- The Group has followed the guidance issued by the Central Bank of Ireland (CBI) "Guidance for (Re)Insurance Undertakings on Climate Change Risk".

## C. Inflation and Geopolitical Risk

The global inflation shock has continued to moderate, despite some renewed upward pressure from services across some advanced economies. Consensus forecasts of ECB inflation expect it to remain close to the 2% medium-term target over the next few years. The ECB cut interest rates four times in 2025 but the base rate has stayed constant at 2% since June and is expected to stay reasonably close to this level over the next 12 months. Irish domestic inflation pressures are expected to remain structurally higher than in the pre-pandemic period due to capacity constraints and robust wage growth. Nonetheless, headline inflation is expected to average 2% over 2026–2028, broadly aligned with euro area projections. The Group is exposed to interest rate fluctuations through the bond portfolios although the impact of any unexpected rises may be offset by the continued unwind of the remaining accumulated losses from the 2022 shock as these bonds approach maturity and would also lead to higher reinvestment rates for maturing bonds.

High levels of inflation have a resultant impact on reserving for future claims and pricing of written business. The Group's actuarial team is continually monitoring the rate of inflation for the purposes of reserving and pricing. The Group's claims team are closely monitoring the effects of inflation on all claims with reporting and analysis in monthly business review meetings and regular reporting to senior management, Reserving Committee and Board.

The Irish economy and global investment markets remain vulnerable to multiple intensifying geopolitical risks. The past year has seen a rise in geoeconomic confrontation, escalating tariff measures, and a deteriorating global security environment. The disruption of longstanding international trade and security norms has resulted in several bouts of market volatility and increased risks for the longer-term outlook for the Irish and Eurozone economies. The vulnerability of Europe to external reliance on energy, technology and security has emerged as an immediate risk. Ireland as a small open economy is particularly exposed to the change in the geoeconomic environment as the US is the largest single bi-lateral trading partner and largest source of foreign direct investment. The concentration of Irish exports in a relatively small number of goods and services increases the risk of a negative development for a particular sector or large firm on employment, public finances and investment. An escalation in these risks may impact the Group in the form of market, economic and inflation risk.

## D. Emerging Risks

An emerging risk is a risk which may or may not develop, is difficult to quantify, may have a high loss potential and is marked by a high degree of uncertainty. We have a defined process in place for the identification of and

response to emerging risks, which is informed through the use of subject matter experts, workshops, Risk and Control Self-Assessments and consulting a range of external resources.

Key emerging risks are monitored regularly by the Board and Risk Committees to assess whether they might become significant for the business and require specified action to be taken.

### Key Emerging Risks include:

- An increased frequency of cyber attacks, and the impact that these factors may have on society's future insurance needs and claims types and frequencies.
- Accelerated adoption and advances in the use and misuse of artificial intelligence.
- Restricted data sharing due to retention of driver analytics by manufacturers enabling them to offer insurance as part of the vehicle price.
- There is a risk of mass disease which may cross species resulting in a negative impact on the economy and FBD's agricultural customers.
- Technological advances changing the shape of the insurance industry and competitive environment.
- Changes to motor vehicle ownership where there is a significant increase in fleet owners/shared ownership in urban areas.
- Global deterioration in economic conditions and particularly in Ireland may lead to a reduction in revenue and profits.
- Global socio-political uncertainty that may cause an adverse impact on profitability.
- Evolving regulatory and legislative landscape. We continuously monitor developments at both a local and EU level to ensure continued compliance with legislative and regulatory requirements.
- Impact on agricultural customers due to legislation changes.

## Governance

# Board of Directors

Biographical details of the Directors in office on the date of this Report are as follows:

## JIM BERGIN

**Group Chair**

**Date of Appointment:**

19 November 2024

**Nationality:**

Irish

**Committee Membership:**

- Nomination and Governance Committee (Chair)
- Remuneration Committee
- Risk Committee

**Skills and experience:**

Jim Bergin, Group Chair, was formerly the Chief Executive Officer and Executive Director of Tirlán Co-operative Society Limited (until July 2024). Mr Bergin spent a considerable part of his career in Glanbia plc in a number of senior management positions. Mr Bergin was former Chair of the Irish Dairy Industry Association and is currently Chair of the Teagasc 'Better Farming for Water' stakeholder Steering Committee. Mr Bergin is also Vice Chair of the governing body of South East Technological University, and Vice Chair of Kilkenny GAA Infrastructure and Funding Group.

**External Directorships:**

- Dairy Industry Ireland Limited
- Buttercup Consulting Limited



## TOMÁS Ó MIDHEACH

**Group Chief Executive Officer**

**Date of Appointment:**

4 January 2021

**Nationality:**

Irish

**Committee Membership:**

- None

**Skills and experience:**

Tomás Ó Midheach has over 30 years experience in the financial services industry spanning many diverse areas including finance, data, customer analytics, direct channels and digital. He spent 11 years with Citibank in the UK, Spain and Dublin, where he held several senior positions in Finance, ultimately assuming the position of Chief Financial Officer at Citibank Ireland.

Mr Ó Midheach joined AIB in June 2006 and held a number of senior executive positions including Head of Direct Channels and Analytics, Chief Digital Officer, and Chief Operating Officer. Prior to joining FBD, Mr Ó Midheach held the position of Deputy CEO and was an Executive Board Member of AIB.

**External Directorships:**

- Insurance Ireland (Member Association) Company Limited by Guarantee



## KATE TOBIN

**Group Chief Financial  
Officer**

**Date of Appointment:**

1 January 2024

**Nationality:**

Irish

**Committee Membership:**

- None

**Skills and experience:**

Kate Tobin is a Fellow of the Society of Actuaries in Ireland, holds a Masters in Business Administration from UCD Michael Smurfit Graduate School of Business and is an experienced insurance executive. She joined FBD in 2018 from Zurich Insurance where she worked between 2007 and 2017, holding various roles at both local and Group levels, including Chief Underwriting Officer for the Irish General Insurance business. Prior to her appointment as Group Chief Financial Officer in 2024, Ms Tobin held the position of Chief Underwriting Officer of FBD.

**External Directorships:**

- Johnstown Sportsfield Company Limited By Guarantee



## SYLVIA CRONIN

**Senior Independent  
Non-Executive Director**

**Date of Appointment:**

28 November 2019

**Nationality:**

Irish

**Committee Membership:**

- Risk Committee (Chair)
- Nomination and Governance Committee
- Remuneration Committee

**Skills and experience:**

Sylvia Cronin was the Director of Insurance Supervision in the Central Bank of Ireland until October 2019 and was a Member of the European Insurance and Occupational Pensions Authority ("EIOPA") Board of Supervisors. Before joining the Central Bank of Ireland, Ms Cronin spent the majority of her career working in the insurance industry, most recently as Chief Executive of Augura Life Ireland Ltd. Previously, Ms Cronin was the Chief Executive of MGM International Assurance Ltd. and spent several years with the AXA Group where she was Head of Business Development, Services and Marketing in Ireland. Ms Cronin started her insurance career with the Fortis Group where her focus was on IT Management. Ms Cronin holds a Masters in Business Administration, was admitted as a Chartered Director to the Institute of Directors in London, and is a CEDR Certified Mediator. Ms Cronin is a Chair and an Independent Non-Executive Director on a number of Financial Services company boards including Mercer, Canada Life Europe and AIB Life.

**External Directorships:**

- Canada Life Group:
  - Canada Life Assurance Europe plc
  - Canada Life International Assurance (Ireland) DAC
  - Canada Life UK Holdings Limited
  - Canada Life Limited
  - Canada Life Irish Holding Company Limited
  - Saol Assurance DAC (trading as AIB Life)
  - Saol Assurance Holdings Limited
- Mercer Global Investments Europe Limited



## OLIVE GAUGHAN

**Independent Non-Executive Director**

**Date of Appointment:**  
22 May 2024

**Nationality:**  
Irish

**Committee Membership:**

- Audit Committee
- Risk Committee

**Skills and experience:**

Olive Gaughan is a Fellow of the Society of Actuaries in Ireland. She is a highly experienced Actuary. Ms Gaughan has held several roles in the commercial sector with over 30 years experience, most recently as Director of Actuarial Services at Mazars in Ireland. Prior to that, she was Appointed Actuary and Head of Actuarial Function at Prudential International Assurance. Ms Gaughan is a member of the Pensions Council and is a Non-Executive Director at Canada Life Reinsurance Ireland, Scottish Friendly Assurance Society Limited, and Scottish Friendly Asset Managers Limited. She also serves on the Board of Arts and Health Ireland Company Limited by Guarantee, a Waterford-based charity focused on arts and health.

**External Directorships:**

- Scottish Friendly Assurance Society Limited
- Scottish Friendly Asset Managers Limited
- Canada Life Re Ireland Designated Activity Company
- Arts And Health Ireland Company Limited By Guarantee



## FRANCIE GORMAN

**Independent Non-Executive Director**

**Date of Appointment:**  
9 September 2024

**Nationality:**  
Irish

**Committee Membership:**

- None

**Skills and experience:**

Francie Gorman is a beef and sheep farmer from Ballinakill in Co Laois. He is the 17th President of the Irish Farmers' Association (IFA) and commenced his four-year term in January 2024. Mr Gorman previously served as IFA Regional Chair for South Leinster, Chair of IFA Laois and represented IFA Laois on the IFA National Farm Business Committee.

Mr Gorman is a Non-Executive Director of Bord Bia which is an Irish semi state Agency whose remit is to market and promote Ireland's food, drink and horticulture industry in Ireland and abroad.

Mr Gorman is a Vice President of COPA (Committee of Professional Agricultural Organisations) and represents Irish farmers at EU level on COPA, which is the official umbrella representative body for European farmers.

**External Directorships:**

- IFA Telecom Limited
- Feirmeoiri Aontuithe Na H-Eireann Iontaobaithe Cuideachta Faoi Theorainn Ráthaíochta
- The Agricultural Trust
- Bord Bia (Irish Semi-State Agency)



## COLM MCGRATTAN

**Independent Non-Executive Director**

**Date of Appointment:**  
8 September 2025

**Nationality:**  
Irish

**Committee Membership:**

- Audit Committee
- Remuneration Committee

### Skills and experience:

Colm McGrattan is an experienced insurance executive with two decades of Board level leadership in both insurer and broker organisations. He was an Executive Director and Board member of AXA Insurance DAC until 2017 where he was responsible for commercial operations across direct, broker and partnership channels. Since 2017 Mr McGrattan has worked as an Independent Non-Executive Director and consultant advising major insurance brokers.

Mr McGrattan has a background in HR in both the public and private sectors. He was Assistant Chief Executive of the Local Government Management Agency prior to taking up the role of HR Director with AXA Insurance DAC.

Mr McGrattan is a Chartered Director and a Certified Insurance Director. He is a Fellow of the Chartered Institute of Personnel and Development, and he holds a Masters of Business Studies (HRM). He is a Certified Mediator with MII and holds an Advanced Diploma in Executive Coaching.

### External Directorships:

- None



## SILVIA MILIÁN BON

**Independent Non-Executive Director**

**Date of Appointment:**  
23 December 2025

**Nationality:**  
Spanish

**Committee Membership:**

- None

### Skills and experience:

Silvia Milián Bon has over 25 years experience in the insurance industry across multiple areas including strategy and technology. She has worked with insurance companies throughout the world, helping organisations achieve their business objectives through digital transformation initiatives enabled by new technologies and ecosystem collaboration. Ms Milián Bon has led complex digital transformation projects covering digital channels, core insurance systems (software packages and custom developed), underpinned by AI/Data capabilities, both on premise and cloud based. Former Accenture Managing Director, Ms Milián Bon held several senior international positions with Profit and Loss accountability. Currently, she holds senior advisor positions at financial services organisations, consulting firms and technology companies.

### External Directorships:

- None



## PATRICK MURPHY

**Non-Executive Director**

**Date of Appointment:**

1 September 2023

**Nationality:**

Irish

**Committee Membership:**

- None

**Skills and experience:**

Patrick Murphy is from Kilkenny where he owns and has been managing Smithstown Dairy Farm, Kilkenny for the past forty-eight years. Mr Murphy has extensive knowledge of the global food and beverage industry and has vast experience in the governance and strategic management of global and Irish businesses.

Mr Murphy is a highly experienced Non-Executive Director and currently holds the position of Chair of Farmer Business Developments plc. Mr Murphy previously served on the Board of Irish Farm Accounts Co-operative Society Limited (IFAC) and was Non-Executive Director of Glanbia plc, Vice Chair of Tirlán Co-operative Society Limited and was Vice President of Macra Na Feirme.

**External Directorships:**

- Farmnom Limited
- Farmer Business Developments plc
- Farmer Business Developments Assets Limited
- Farmer Business Developments Investments Limited
- Bulberry Properties Limited
- Bulberry Holdings Limited
- Hawridge Properties Limited
- PLL Property & Leisure Limited
- Pat and Sarah Murphy Limited
- Macra Na Feirme Iontaobaithe Cuideachta Faoi Theorainn Ráthaíochta



## RICHARD PIKE

**Independent Non-Executive Director**

**Date of Appointment:**

18 September 2019

**Nationality:**

Irish

**Committee Membership:**

- Remuneration Committee (Chair)
- Risk Committee
- Nomination and Governance Committee

**Skills and experience:**

Richard Pike has extensive experience working with financial institutions throughout the world, assisting companies in managing strategic and enterprise risk more efficiently while addressing local regulatory guidelines and standards. Mr Pike is currently Chair of Citadel Securities (Ireland) Ltd, Citadel Securities (Europe) Ltd and Tuath Housing Association CLG, and is an Independent Non-Executive Director of The Cumberland Building Society and Monzo Bank Europe DAC.

Prior to this, Mr Pike worked in various senior banking, insurance, IT, credit and market risk roles at Wolters Kluwer Financial Services, ABN AMRO, Bain, JP Morgan and Permanent TSB Bank. Mr Pike founded, managed and subsequently sold three IT companies focused on fintech.

Mr Pike lectures on Risk Management and Governance at the Institute of Banking and at UCD Michael Smurfit Graduate School of Business, and was a contributing author to two books on risk management. Mr Pike has also received the designation of 'Certified Bank Director' by the Institute of Banking.

**External Directorships:**

- Citadel Securities GCS (Ireland) Limited
- Citadel Securities GCS (Europe) Limited
- Tuath Housing Association CLG
- The Cumberland Building Society
- Monzo Bank Europe Designated Activity Company



## JEAN SHARP

**Independent Non-Executive Director**

**Date of Appointment:**

16 August 2021

**Nationality:**

Irish

**Committee Membership:**

- Audit Committee (Chair)
- Nomination and Governance Committee
- Risk Committee

**Skills and experience:**

Jean Sharp has 20 years experience in Professional Services, having worked in three of the Big Four Accounting Firms in Ireland, the UK and internationally, culminating in partnership in EY in the UK. She has also over twenty years experience in Financial Services where she worked latterly as Chief Taxation Officer for Aviva plc. While fulfilling this role, Ms Sharp represented the Insurance Industry as Chair of the Association of British Insurers Taxation Committee, and the first female Chair of the European Insurance Tax Director Forum.

Ms Sharp has considerable experience as a Non-Executive Director (including in Pension Trustee companies and UK FTSE 250 listed plcs), and is currently an Independent Non-Executive Director and Chair of the Audit and Compliance Committee of Flood Re Limited. Ms Sharp holds a Bachelor of Commerce degree from UCD, where she was subsequently awarded a Masters in Accounting. Ms Sharp is a Fellow of the Institute of Chartered Accountants Ireland.

**External Directorships:**

- Flood Re Limited



## PAUL STANLEY

**Independent Non-Executive Director**

**Date of Appointment:**

19 September 2025

**Nationality:**

Irish

**Committee Membership:**

- Audit Committee

**Skills and experience:**

Paul Stanley has over 40 years experience in the Financial Services Industry with experience in retail banking, treasury and finance both domestically and internationally, where he has worked for AIB and Ulster Bank at Executive and Board level. He was a member of AIB's leadership team from 2011 where he was acting Chief Financial Officer prior to moving to Ulster Bank in 2013 where he held the position of Chief Financial Officer and Deputy CEO. In addition, Mr Stanley was a Board member of the Banking Payments Federation of Ireland until 2024. He holds a Bachelor of Commerce degree, is a Fellow of the Association of Chartered Accountants and is a Chartered Director. Mr Stanley is an Independent Non-Executive Director on a number of Financial Services company Boards and chairs the Audit and Risk committees of DePaul Ireland and DePaul Northern Ireland. He also chairs the Audit Committee of U.S. Bank Europe DAC, and is Chair of Ulydien Trust Company Limited.

**External Directorships:**

- Depaul Ireland
- Depaul Northern Ireland
- U.S. Bank Europe Designated Activity Company
- Ulydien Trust Company Limited



# Corporate Information

## Registered Office and Head Office

FBD House  
Bluebell  
Dublin 12  
D12 YOHE  
Ireland

## Bankers

Allied Irish Banks plc  
Barclays Bank plc  
Deutsche Bank AG  
KBC Bank NV

## Stockbrokers

Davy Stockbrokers  
49 Dawson Street  
Dublin 2  
D02 PY05  
Ireland

## Solicitors

Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
D02 XK09  
Ireland

## Independent Auditors

PricewaterhouseCoopers (PwC)  
Chartered Accountants and Statutory Audit Firm  
One Spencer Dock  
North Wall Quay  
Dublin 1  
D01 X9R7  
Ireland

## Registrar

Computershare Investor Services (Ireland) Limited  
3100 Lake Drive  
Citywest Business Campus  
Dublin 24  
D24 AK82  
Ireland

PICTURED BELOW: FBD Board of Directors at FBD House



# Report of the Directors

The Directors present their report and the audited financial statements for the financial year 2025.

## Principal Activities

FBD is one of Ireland's largest property and casualty insurers, looking after the insurance needs of farmers, private individuals and business owners through its principal subsidiary, FBD Insurance plc. The Group also has a regulated intermediary offering general insurance, life insurance, investments and pensions. The Company is a holding company incorporated in Ireland.

FBD Holdings plc is subject to the Irish Corporate Governance Code 2024 and is reporting under this for the first time for year ended 31 December 2025. FBD Insurance plc is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015 and is required to comply with the additional requirements for High Impact Designated Insurance Undertakings.

FBD Holdings plc is listed on the Main Market of Euronext Dublin.

## Business Review

The review of the performance of the Group, including an analysis of financial information and the outlook for its future development, is contained in the Chair's Statement on pages 6 to 8 and in the Group Chief Executive Officer's Review of Operations on pages 9 to 11. Information in respect of events since the financial year end and a review of the key performance indicators are also included in these sections. The key performance indicators include insurance revenue, profit before tax, earnings per share as well as alternative performance measures (see pages 295 to 301) that include loss ratio, undiscounted loss ratio, expense ratio, combined operating ratio, undiscounted combined operating ratio, actual investment return ratio, net asset value per share, return on equity, underwriting result and gross written premium.

## Results

The results for the year are shown in the Consolidated Income Statement on page 209, the Consolidated Statement of Comprehensive Income on page 210, and the Consolidated Statement of Financial Position on page 211.

## Financial Instruments

The Group makes routine use of financial instruments in its activities. The use of financial instruments is material to an assessment of the financial statements. Detail on the Group's financial risk management objectives and policies are included in the Risks and Uncertainties Report on pages 18 to 27. The Group's exposure to liquidity, market, foreign currency, credit, concentration and insurance risk are included in note 37 of the financial statements.

## Dividends

Please refer to note 31 for further details.

## Subsequent Events

There have been no subsequent events that would have a material impact on the financial statements.

## Principal Risk and Uncertainties

A description of the principal risks and uncertainties facing the Group are set out in the Risks and Uncertainties Report on pages 18 to 27.

## Subsidiaries

The Company's principal subsidiaries, as at 31 December 2025, are listed in note 32.

## Directors

The present Directors of the Company, together with a biography on each, are set out on pages 28 to 33. The Board has decided that all Directors continuing in office will submit themselves for re-election at each Annual General Meeting (AGM).

The Directors who served at any time during 2025 were as follows:

Jim Bergin	Chair (Appointed Board Chair on 8 May 2025)
Tomás Ó Midheach	Executive Director and Group Chief Executive Officer
Kate Tobin	Executive Director and Group Chief Financial Officer
Liam Herlihy	Chair (Retired 8 May 2025)
Sylvia Cronin	Senior Independent Non-Executive Director
Mary Brennan	Independent Non-Executive Director (Retired 31 August 2025)
Olive Gaughan	Independent Non-Executive Director
Francie Gorman	Independent Non-Executive Director
Colm McGrattan	Independent Non-Executive Director (Appointed 8 September 2025)
Silvia Milián Bon	Independent Non-Executive Director (Appointed 23 December 2025)
Patrick Murphy	Non-Executive Director
Richard Pike	Independent Non-Executive Director
Jean Sharp	Independent Non-Executive Director
Paul Stanley	Independent Non-Executive Director (Appointed 19 September 2025)

## Annual General Meeting

The Annual General Meeting (AGM) is scheduled to be held on Thursday, 7 May 2026. The notice of the AGM of the Company will be sent to shareholders giving 21 clear days' notice.

## Articles of Association

The Company's Articles of Association may only be amended by way of a special resolution approved by the shareholders. They were last amended, effective as of 12 May 2021, by way of a special resolution passed at the Annual General Meeting held on that date.

## Directors' and Company Secretary's interests

The interests of the Directors and Company Secretary (together with their respective family interests) in the share capital of the Company, at 31 December 2025 (or date of departure, if earlier) and 1 January 2025 (or date of appointment, if later) were as follows:

Beneficial	Number of ordinary shares of €0.60 each	
	31 December 2025	1 January 2025
Liam Herlihy (Retired 8 May 2025)	8,000	8,000
Tomás Ó Midheach	105,999	62,900
Kate Tobin	47,103	33,658
Jim Bergin	—	—
Mary Brennan (Retired 31 August 2025)	—	—
Sylvia Cronin	—	—
Olive Gaughan	—	—
Francie Gorman	—	—
Colm McGrattan (Appointed 8 September 2025)	—	—
Silvia Milián Bon (Appointed 23 December 2025)	—	—
Patrick Murphy	—	—
Richard Pike	7,200	7,200
Jean Sharp	—	—
Paul Stanley (Appointed 19 September 2025)	—	—
<b>Company Secretary</b>		
Nadine Conlon	6,257	—

There has been no change in the interests of the Directors and Company Secretary (together with their respective family interests) in the share capital of the Company from 31 December 2025 up to the date of this report.

The interests of the Directors and the Company Secretary in conditional awards over the share capital of the Company under the shareholder approved Performance Share Plans are detailed in the Report on Directors' Remuneration on pages 80 to 102.

## European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006

For the purposes of Regulation 21 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, the information on the Board of Directors on pages 28 to 33, the Performance Share Plans in note 35 and the Report on Directors' Remuneration on pages 80 to 102 are deemed to be incorporated in this part of the Report of the Directors.

### Structure of the Company's share capital

At 5 March 2026, being the latest practicable date, the Company has an issued share capital (including treasury shares) of 36,386,309 ordinary shares of €0.60 each, 1,340,000 14% non-cumulative preference shares of €0.60 each, 3,532,292 8% non-cumulative preference shares of €0.60 each and 13,169,428 "A" ordinary shares of €0.01 each. The Company has an authorised share capital of 51,326,000 ordinary shares of €0.60 each, 1,340,000 14% non-cumulative preference shares of €0.60 each, 12,750,000 8% non-cumulative preference shares of €0.60 each and 120,000,000 "A" ordinary shares of €0.01 each.

On an annual basis the Directors seek shareholder approval for certain powers relating to the Company's shares. Pursuant to shareholder resolutions passed at the Annual General Meeting held on 8 May 2025, the Directors have the authority to allot shares up to an aggregate nominal value of

€7,107,642 representing approximately 33% of the issued ordinary share capital (excluding treasury shares) as at 31 March 2025.

The Directors have authority to issue shares for cash other than strictly pro-rata to existing shareholdings in certain circumstances as approved at the AGM held on 8 May 2025. This authority is limited to the allotment of equity securities in connection with (i) specific circumstances relating to rights issues; (ii) the allotment of equity securities up to but not exceeding an aggregate nominal amount of €1,076,916; and / or (iii) the allotment of equity securities pursuant to the Company's employee share schemes or share incentive plans of the Company for the time being in force.

In addition the Directors have the authority to allot equity securities for cash other than strictly pro-rata to existing shareholdings provided that this power shall be limited to the allotment of equity securities up to but not exceeding an aggregate nominal amount of €1,076,916 and be used only for the purpose of financing (or refinancing) an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights.

This authority expires on 8 August 2026 unless renewed and resolutions to that effect are being proposed at the AGM to be held on 7 May 2026.

The Directors also have authority to make market purchases of the Company's ordinary shares up to 10% of the aggregate nominal value of the Company's total issued share capital as at 8 May 2025. These authorities are due to expire on the earlier of the date of the next Annual General Meeting of the Company or 8 August 2026. Renewal of these authorities are sought annually at the AGM.

The holders of the ordinary shares and both classes of preference shares are entitled to receive notice of and to attend, speak and vote in person or by proxy, at general meetings on a show of hands, one vote, and, on a poll, one vote for each ordinary share and preference share held.

Voting at any general meeting is by show of hands or by poll. On a show of hands every shareholder who is present in person or by proxy has one vote regardless of the number of ordinary shares or preference shares held by them. On a poll, every shareholder who is present in person or by proxy has one vote for each ordinary share and preference share held by them. Procedures and deadlines for entitlement to exercise, and exercise of, voting rights are specified in the notice convening the general meeting in question.

The 14% preference shares and 8% preference shares are entitled to a non-cumulative annual dividend (if declared) of 14% and 8% respectively. The entitlement of the preference shares to dividends is in priority to any dividend in respect of the ordinary shares (with the 14% preference shares ranking ahead of the 8% preference shares).

Further details of rights and restrictions attaching to each of the classes of shares, and a breakdown of percentage voting rights, are set out on pages 39 and 40.

The Company has no securities in issue conferring special rights with regard to control of the Company.

Treasury shares represent 1.1% of issued share capital with voting rights at 5 March 2026. Further details can be found in Note 27 to the financial statements.

## Shareholder rights

### *Right to table draft resolutions and to put items on the agenda*

A shareholder or a group of shareholders holding 3% of the issued share capital, representing at least 3% of the total voting rights of all shareholders who have a right to vote at the meeting, have a right to table a draft resolution for an item on the agenda of the meeting subject to any contrary provisions in company law. In the case of the 2026 Annual General Meeting, the latest date for submission of such requests is 26 March 2026 (being 42 days prior to the date of the meeting).

The request:

- may be in hard copy form or in electronic form;
- must set out in writing details of the draft resolution in full or, if supporting a draft resolution sent by another shareholder, clearly identify the draft resolution which is being supported;

- must be authenticated by the person or persons making it (by identifying the shareholder or shareholders meeting the qualification criteria and, if in hard copy, by being signed by the shareholder or shareholders); and
- must be received by the Company not later than 42 days before the meeting to which the request relates.

#### Right to ask questions

Shareholders have a right to ask questions related to items on the AGM agenda and to have such questions answered by the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders unless:

- answering the question would interfere unduly with the preparation for the AGM or the confidentiality and business interests of the Company;
- the answer has already been given on a website in a question and answer format; or
- it appears to the Chair of the AGM that it is undesirable in the interests of good order of the meeting that the question be answered.

## Substantial Shareholdings

As at 31 December 2025 the Company has been notified of the following interests of 3% or more in the voting rights:

### Ordinary Share Capital

Ordinary shares of €0.60 each	No.	% of Class	% of Total Voting Rights
Farmer Business Developments plc	8,531,948	23.74%	20.90%
FBD Trust CLG ('FBD Trust')	5,258,730	14.63%	12.88%
Sretaw Private Equity Unlimited Company <sup>1</sup>	4,099,671	11.41%	11.39%
M & G Investment Management Ltd.	1,548,339	4.31%	3.79%

### Preference Share Capital

14% Non-cumulative preference shares of €0.60 each	No.	% of Class	% of Total Voting Rights
Farmer Business Developments plc	1,340,000	100%	3.28%

8% Non-cumulative preference shares of €0.60 each	No.	% of Class	% of Total Voting Rights
FBD Trust	2,062,000	58.38%	5.05%
Farmer Business Developments plc	1,470,292	41.62%	3.61%

As at 2 March 2026, FBD has been notified of the following change(s) in substantial shareholdings: FBD Trust increased their total number of shares across all classes from 7,320,730 to 7,445,930.

<sup>1</sup> Sretaw Private Equity Unlimited Company % of total voting rights includes Contracts for Difference (CFDs) of 550,000

## Share Capital

The Group had four classes of shares in issue at the end of the year. Outlined in the table below are the voting classes and the percentage of the total issued share capital with voting rights represented by each are as follows:

Voting shares	Number in issue	% of Total
Ordinary shares of €0.60 each <sup>1</sup>	35,943,862	88.06%
14% Non-cumulative preference shares of €0.60 each	1,340,000	3.28%
8% Non-cumulative preference shares of €0.60 each	3,532,292	8.66%
<b>Total Voting shares</b>	<b>40,816,154</b>	<b>100.0%</b>

<sup>1</sup>excluding 442,447 shares held in treasury

The Company's ordinary shares of €0.60 each are listed on the Main Securities Market of Euronext Dublin. Neither class of preference share is traded on a regulated market.

Each of the above classes of shares enjoys the same rights to receive notice of, attend and vote at meetings of the Company.

Non-voting shares	Number in issue
'A' ordinary shares of €0.01 each	13,169,428

The rights attaching to the 'A' ordinary shares are clearly set out in the Articles of Association of the Company. They are not transferable except only to the Company. Other than a right to a return of paid up capital of €0.01 per 'A' ordinary share in the event of a winding up, the 'A' ordinary shares have no right to participate in the capital or the profits of the Company.

## Non-Financial Statement

The Sustainability Statement in accordance with Part 28 of the Companies Act 2014 including the requirements of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended by Statutory Instrument No. 410 of 2018) is included on pages 104 to 188 and forms part of this report.

## Key Intangible Resources

The Group's intangible resources, which it depends on and are a source of value creation for the Group, are set out in note 18 Intangible Assets.

## Independent Auditors

PwC, Chartered Accountants and Statutory Audit Firm, were appointed by the Directors in 2016 to audit the financial statements for the financial year ended 31 December 2016 and subsequent financial periods. In accordance with Part 28 of the Companies Act 2014, the Sustainability Statement set out on pages 104 to 188 has been subject to limited assurance review by PwC.

The period of total uninterrupted engagement is ten years, covering the financial years ended 31 December 2016 to 31 December 2025.

Regarding disclosure of information to the Auditors, the Directors confirm that:

As far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware; and they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's statutory auditors are aware of that information.

Please see page 54 in relation to Auditor Transition.

## Accounting Records

The Directors have taken appropriate measures to ensure compliance with Sections 281 to 285 of the Companies Act, 2014 – the requirement to keep proper accounting records – through the employment of suitably qualified accountants and the maintenance of appropriate accounting systems. The accounting records are located at FBD House, Bluebell, Dublin 12, Ireland.

## Directors' Compliance Statement

The Directors of the Company acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in the Companies Act 2014 (the "2014 Act")) and, as required by Section 225 of the 2014 Act, the Directors confirm that:

- (i) a compliance policy statement setting out the Company's policies with regard to complying with the relevant obligations under the 2014 Act has been prepared;
- (ii) arrangements and structures have been put in place that they consider sufficient to secure material compliance with the Company's relevant obligations; and
- (iii) a review of arrangements and structures has been conducted during the financial year to which the Directors' report relates.

## Corporate Governance

The Corporate Governance Report on pages 44 to 49 forms part of this report. In the Corporate Governance Report, the Board has set out how it has applied the principles set out in the Irish Corporate Governance Code 2024, and the Central Bank of Ireland Corporate Governance Code requirements for Insurance Undertakings 2015.

## Board Committees

The Board has established Committees to assist it in the execution of its responsibilities. These are:

- the Audit Committee;
- the Risk Committee;
- the Nomination and Governance Committee; and
- the Remuneration Committee.

A Standing Committee is in place to assist the Board in fulfilling its oversight responsibility relating to the administrative actions and matters which are conducive or incidental to the attainment of the Company's objects or necessary or desirable in connection with the general management of the Company.

## Political Donations

The Group did not make any political donations during 2025.

## Viability Statement

The Directors have assessed the prospects of the Group and its ability to meet its liabilities as they fall due in the medium term. The Directors selected a five-year timeframe which they consider appropriate as this corresponds with the Board's strategic planning process. The objectives of the strategic planning process are to consider the key strategic choices facing the Group and to incorporate these into a financial model with various scenarios. This assessment has been made with reference to the Group's current position and prospects, the Group's strategy, the Board's risk appetite and the principal risks and uncertainties facing the Group, as outlined in the Risks and Uncertainties Report on pages 18 to 27.

In 2025, the Board carried out an in-depth strategic review and focus had been given to the macro-economic outlook, and other factors potentially impacting FBD's trading environment over the strategic horizon. Strategic risk is considered within the Board's Risk Management Framework. As part of the strategy review, the Board were presented with a risk opinion on the Strategy Evolution 2026 to 2030. The Board was satisfied that the Strategy Evolution is aligned to the Risk Appetite Framework and does not introduce or promote excessive levels of risk taking. The Group has a strategic planning cycle which commences with a fundamental review of strategy at least every five years, the next fundamental review is scheduled for 2026. Additionally, an annual strategy review ensures continued relevance. The Board reviewed and approved the Group's five-year strategy 2026 to 2030 in October 2025.

The Group performs an Own Risk and Solvency Assessment ('ORSA') annually which subjects FBD's solvency capital levels to a number of extreme stress scenarios. Climate Change Risk had been considered as part of the ORSA which was approved in December 2025. The main purpose of the ORSA process is to assess, in a continuous and prospective way, the overall solvency needs related to the specific risk profile of the insurance company. The outputs from the ORSA assist the Board by outlining the implications that strategic decisions have on the risk profile, regulatory capital and overall solvency needs of the Company. As part of the 2025 ORSA process, work was carried out to consider the financial assumptions underpinning the Strategy. Based on the results of these tests, the Directors confirm that they have performed a robust assessment of the principal risks facing the Group, including those that would threaten its business model, its future performance and solvency and that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of the assessment.

## Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Chair's Statement and the Review of Operations, as is the financial position of the Group. In addition, the Risks and Uncertainties Report on pages 18 to 27 and note 37 of the financial statements include the Group's policies and processes for financial risk management.

The Directors report that they have satisfied themselves and consider it appropriate that the Group and the Company is a going concern, and have not identified any material uncertainties that cast a significant doubt on the Group's and the Company's ability to continue as a going concern over a period of at least 12 months from the date of approval of the financial statements.

In making this assessment the Directors considered up to date solvency, liquidity and profitability projections for the Group. The basis of this assessment was the Budget 2026 and projections for 2027 which reflect the latest assumptions used by the business. The economic environment may impact on premiums including potential reductions in exposures, new business and retention levels. Expense assumptions can change depending on the level of premiums as discretionary spend and resources are adjusted. There were a number of scenario projections run as part of the ORSA process as well as a number of more extreme stress events and in all scenarios the Group's capital ratio remained in excess of the Solvency Capital Requirement and in compliance with liquidity policies.

On the basis of the projections for the Group, the Directors are satisfied that there are no material uncertainties which cast significant doubt on the ability of the Group or Company to continue as a going concern over the period of assessment being not less than 12 months from the date of this report. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

## Approval of Financial Statements

The financial statements were approved by the Board on 5 March 2026

Signed on behalf of the Board



**Jim Bergin**  
Chair



**Tomás Ó Midheach**  
Group Chief Executive Officer

5 March 2026

# Corporate Governance<sup>1</sup>

The Board of Directors is committed to the highest standards of corporate governance. Good governance stems from a positive culture and well embedded values. FBD's core values of respect, belief, continuous improvement, community, accountability and engagement are central to how the Board conducts its business and discharges its responsibilities. Equally, these values are relevant to every employee working throughout the Group in their interactions with each other, and with our customers, shareholders and other stakeholders.

## Irish Corporate Governance Code

Euronext Dublin published its first Irish Corporate Governance Code (the "Code") in 2024, and this Code applies to Irish-incorporated companies listed on the regulated market of Euronext Dublin for accounting years commencing on or after 1 January 2025. FBD Holdings plc is reporting under this Code for year ended 31 December 2025 and for future years.

Throughout 2025 and to the date of this report, FBD applied the principles of the Code and complied with the provisions of the Code.

This section of the Annual Report sets out the governance arrangements in place in FBD Holdings plc.

## The Board of Directors and its Role

The Group is managed by the Board of Directors.

The primary role of the Board is to provide leadership and strategic direction while maintaining effective control over the activities of the Group.

The Board has approved a Corporate Governance Framework (the "Framework") setting out its role and responsibilities. This is reviewed annually as part of the Board's evaluation of its performance and governance arrangements. The Framework includes a formal schedule of matters reserved to the Board for its consideration and decision, which includes but is not limited to:

- reviewing performance in light of the Group's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken;
- approving of the Group's long term objectives and commercial strategy and any material changes;
- approving of the annual operating and capital expenditure budgets and any material changes;
- overseeing FBD Group Operations;
- approving the risk appetite and the Risk Management Framework;
- approving changes to the Group capital structure, capital projects and approval of the Dividend Policy;
- approving financial statements and any significant change in accounting policies or practices;
- ensuring maintenance of a sound system of internal control and risk management;
- approving the resolutions and corresponding documentation to be put forward to shareholders at a general meeting;
- ensuring effective engagement with shareholders and the Group's stakeholders, including its workforce;
- appointing Directors and the Company Secretary;
- reviewing the Group's overall corporate governance arrangements; and
- ensuring adequate succession planning for its Board, Executive Directors, the Company Secretary and Executive Management Team.

<sup>1</sup> ESRS G1 GOV-1 5a Role of the administrative, management and supervisory bodies related to business conduct - subject to limited assurance

This schedule ensures that the skills, expertise and experience of the Directors are harnessed to best effect and ensures that any major opportunities or challenges for the Group come before the Board for consideration and decision. The schedule was last reviewed in September 2025.

Other specific responsibilities of the Board are delegated to Board appointed Committees, details of which are given later in this report.

## Board Composition and Independence

At 31 December 2025 the Board comprised two Executive Directors<sup>1</sup> and ten Non-Executive Directors<sup>2</sup>, including the Chair. This structure was deemed appropriate by the Board.

The Board deem it appropriate that it should have between eight and twelve members and that this size is appropriate, being of sufficient breadth and diversity to ensure that there is healthy debate and input. There are no anticipated changes to the Board size or structure.

Eight of the Non-Executive Directors in office at the end of 2025 were considered to meet all of the criteria indicating independence set out in the Code. This is representative of 67%<sup>3</sup> (2024: 64%) of the overall Board of Directors.

	Date first elected by shareholders	Years from first election to 2026 AGM	Considered to be independent
Jim Bergin	8 May 2025	1 year 0 months	Yes on appointment
Sylvia Cronin	31 July 2020	5 years 9 months	Yes
Olive Gaughan	8 May 2025	1 year 0 months	Yes
Francie Gorman	8 May 2025	1 year 0 months	Yes
Colm McGrattan	Awaiting election		Yes
Silvia Milián Bon	Awaiting election		Yes
Patrick Murphy	9 May 2024	2 years 0 months	No
Richard Pike	31 July 2020	5 years 9 months	Yes
Jean Sharp	12 May 2022	4 years 0 months	Yes
Paul Stanley	Awaiting election		Yes

Jim Bergin was independent on appointment as Chair of FBD Holdings plc in accordance with Provision 9 of the Code. Patrick Murphy is Chair of the Group's largest shareholder, Farmer Business Developments plc, and is not considered to be independent.

The Board is cognisant of the independence requirements of the Code with respect to its Non-Executive Directors. In that regard, the Board has reviewed its current composition and determined that Sylvia Cronin, Olive Gaughan, Francie Gorman, Colm McGrattan, Silvia Milián Bon, Richard Pike, Jean Sharp, and Paul Stanley are independent and free of any relationship which could materially interfere with the exercise of their independent judgment. The Board has found that each Non-Executive Director continues to demonstrate independence of thought and expertise in meetings, and to support the senior management in an objective manner and offer appropriate levels of challenge.

In reaching that determination, the Board took into account the principles relating to independence contained in the Code and in particular, whether any Non-Executive Director:

- is or has been an employee of the Company or the Group within the last three years;
- has, or has had within the last three years, a material business relationship with the Company either directly or indirectly;
- has received or receives additional remuneration from the Company apart from a Director's fee, participates in the Group's share plans, or is a member of the Group's pension scheme;
- has close family ties with any of the Company's advisers, Directors or senior employees;

<sup>1</sup> ESRS GOV-1 21a Number of executive members - subject to limited assurance

<sup>2</sup> ESRS GOV-1 21a Number of non-executive members - subject to limited assurance

<sup>3</sup> ESRS GOV-1 21e Percentage of independent board members - subject to limited assurance

- holds cross-directorships or has significant links with other Directors through involvement in other companies or bodies;
- represents a significant shareholder; or
- has served on the Board for more than nine years from the date of their first appointment.

The Board is satisfied that the independence of the Non-Executive Directors has not been compromised by these or any other factors.

## Key Roles and Responsibilities

### Chair

The role of the Chair is set out in the Corporate Governance Framework. The Chair is responsible, inter alia, for:

- setting the Board's agendas and ensuring that they cover the key strategic issues confronting the business;
- leading the Board, encouraging discussions, challenging the Board's mindsets and facilitating the appropriate level of debate, promoting a culture of openness and debate at Board meetings and ensuring that the Directors apply sufficient challenge to management proposals;
- nurturing relationships founded on mutual respect and open communication inside and outside the Boardroom, between the Non-Executive Directors and Senior Executives;
- facilitating the effective contribution of Non-Executive Directors in particular and ensuring constructive relations between Executive and Non-Executive Directors are maintained;
- ensuring that the Directors receive accurate, timely and clear information so that they can make a knowledgeable and informed contribution to Board discussions;
- ensuring the Board receive adequate training about the operations and performance of the Company to ensure Non-Executive Directors make informed decisions;
- ensuring that the performance of individual Directors and the Board as a whole and its Committees is evaluated on an annual basis;
- leading the Board appointment process in line with the Board Recruitment, Succession and Diversity Policy;
- chairing the Annual General Meeting and dealing with questions from shareholders;
- ensuring that there is effective communication with shareholders;
- remaining apprised of matters relating to the Board and its individual Committees and taking steps to facilitate this, including having regular discussions with the Chairs of Board Committees;
- helping to ensure that the Board and its members receive appropriate training and other professional development to enable them to carry out their roles, including induction upon joining the Board; and
- overseeing the performance of the Board generally and, in conjunction with the Nominations Committee, overseeing the Board and its Committees in their annual self-evaluation and the annual review of the Board's performance.

### Group Chief Executive Officer

The role of the Group Chief Executive Officer is set out in the Corporate Governance Framework. They are responsible, inter alia, for:

- overseeing the management of the day to day running of the Group's business;
- formulating the strategic plans for the approval of the Board;

- communicating the standards of performance, strategy and goals of the Group to meet the objectives approved by the Board;
- overseeing and leading the implementation of strategy and the agreed programme of priority development initiatives;
- reviewing and communicating progress against the goals, providing direction to the Group's employees, removing barriers to achieving the goals and allocating the Group's resources to the areas of greatest importance;
- advising the Board on all matters concerning organisational strategy and performance;
- implementing and promoting a robust risk and governance culture;
- implementing and promoting a diverse and inclusive culture;
- providing career development and succession throughout the organisation, particularly at executive management level; and
- representing FBD externally with shareholders, customers, regulators, media, providers and the public.

## Senior Independent Director

The Senior Independent Director is responsible for:

- being available to shareholders if they have any concerns which contact through the normal channels of Chair, Group Chief Executive Officer or other Executive Directors has failed to resolve or for which such contact is inappropriate;
- leading the annual appraisal of the performance of the Chair;
- acting as a sounding board for the Chair; and
- serving as an intermediary for the other Non-Executive Directors where necessary.

## Company Secretary

The Company Secretary acts as Secretary to the Board and to its Committees. In so doing, they are responsible for:

- advising the Board, through the Chair, on all governance matters;
- ensuring good information flows within the Board and its Committees and between senior management and Non-Executive Directors;
- facilitating induction and assisting with professional development as required;
- having responsibility for ensuring that Board procedures are complied with; and
- regularly reviewing the Board governance processes with a view to ensuring they are fit for purpose.

## Board effectiveness and performance evaluation

Board effectiveness is reviewed annually as part of the Board's performance evaluation process. The Chair is responsible for ensuring that each Director receives an induction on joining the Board and that they receive any additional training they require. The induction itself is organised and delivered by the Company Secretary, other members of the Executive Management Team and by external providers where appropriate. More information on Induction and Board Training can be found on page 73.

## Board Evaluation

Every year the Board evaluates its performance and that of its Committees. Directors are expected to take responsibility for identifying their own training needs and to take steps to ensure that they are adequately informed about the Group and about their responsibilities as a Director. The Board is

confident that all of its members have the requisite knowledge and experience and support from within the Group to perform their role as a Director of the Group.

Board Excellence was engaged to perform the most recent external Board Evaluation which was carried out over quarter four, 2025 and quarter one, 2026 in respect of the year ended 31 December 2025. The output of this external review found that FBD has a high performing, experienced and resilient Board that is focused on FBD's customers and other stakeholders. The Board operates with respect and integrity and relationships with the Executive Management Team are based on high levels of trust and confidence. The Board is fully committed to achieving the highest standards of corporate governance, engagement with shareholders and stakeholders, and ethics. Recommendations from this external review will be progressed and implemented over the course of 2026. The next external assessment will take place for the year ending 31 December 2028.

FBD remains committed to ensuring that it has a high-performing Board, which is equipped to anticipate, meet and overcome future challenges and risks and to ensure alignment with the Group's long-term strategy.

Further details of the 2025 Board Effectiveness and Performance Evaluation are set out in the Nomination and Governance Report on pages 73 to 79.

### Re-election of Directors

The Board has, since 2011, adopted the practice that all Directors will submit themselves for re-election at each AGM regardless of length of service or the provisions of the Company's Articles of Association.

### Access to advice

All members of the Board have access to the advice and the services of the Company Secretary who is responsible for ensuring that Board procedures are followed and that applicable rules, regulations and other obligations are complied with.

In addition, members of the Board may take independent professional advice at the Group's expense if deemed necessary in the furtherance of their duties.

### Attendance at Board and Board Committee Meetings during 2025

	Board	Audit	Nomination and Governance	Remuneration	Risk
J Bergin	13 of 13		9 of 9 <sup>1</sup>	5 of 5	3 of 3 <sup>2</sup>
T Ó Midheach	13 of 13				
K Tobin	13 of 13				
S Cronin	13 of 13		10 of 10	5 of 5	5 of 5
M Brennan <sup>3</sup>	9 of 9	6 of 6			3 of 3
O Gaughan	13 of 13	8 of 8			5 of 5
F Gorman	12 of 13				
L Herlihy <sup>4</sup>	5 of 5		4 of 4	3 of 3	2 of 2
C McGrattan <sup>5</sup>	4 of 4	2 of 2		2 of 2	
S Milián Bon <sup>6</sup>	0 of 0				
P Murphy	13 of 13				
R Pike	13 of 13		10 of 10	5 of 5	5 of 5
J Sharp	13 of 13	8 of 8	10 of 10		2 of 2
P Stanley <sup>7</sup>	3 of 3	2 of 2			

<sup>1</sup> Jim Bergin was appointed to the Nomination and Governance Committee on 4 February 2025

<sup>2</sup> Jim Bergin was appointed to the Risk Committee on 8 May 2025

<sup>3</sup> Mary Brennan retired on 31 August 2025

<sup>4</sup> Liam Herlihy retired on 8 May 2025

<sup>5</sup> Colm McGrattan was appointed on 8 September 2025

<sup>6</sup> Silvia Milián Bon was appointed on 23 December 2025

<sup>7</sup> Paul Stanley was appointed on 19 September 2025

If a Director is unable for any reason to attend a Board or Committee meeting, he or she will receive Board/Committee papers in advance of the meeting and is given an opportunity to communicate any views on, or input into the business to come before the Board/Committee to the Board/Committee Chair.

Each of the Committees have written Terms of Reference which are approved by the Board and set out the Committees' powers, responsibilities and obligations. The Terms of Reference are reviewed at least annually by the Board. These are available on the Group's website [www.fbdgroup.com](http://www.fbdgroup.com).

The Company Secretary acts as Secretary to the Committees. Minutes of all of the Committees' meetings are available to the Board.

Each of these Committees have provided a report in the sections following.

# Report of the Audit Committee

## JEAN SHARP

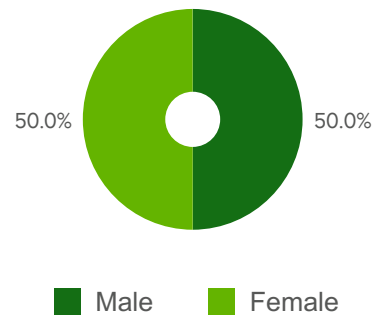
Committee Chair



### Membership 1 January 2025 to 5 March 2026

Length of time served on Committee as at 5 March 2026		
J Sharp	Committee Chair, Independent Non-Executive Director	4 years 4 months
O Gaughan	Independent Non-Executive Director	1 year 9 months
C McGrattan	Independent Non-Executive Director	0 years 6 months
P Stanley	Independent Non-Executive Director	0 years 6 months
M Brennan <sup>1</sup>	Independent Non-Executive Director	9 years 0 months

Committee Composition as at 5 March 2026



### Committee Membership and Experience

The Committee Members have been selected to ensure that the Committee has available to it the range of skills and experience necessary to discharge its responsibilities. In accordance with the Code, the Board should satisfy itself that at least one Member has competence in accounting or auditing. The Board is satisfied that two members have relevant qualifications in accounting or auditing.

In accordance with the Code, all Members of the Committee are Independent Non-Executive Directors.

Ms Sharp is a Fellow of the Institute of Chartered Accountants Ireland and is a former partner in EY Accounting firm. She also holds another position of Chair of the Audit and Compliance Committee in her portfolio of directorships. Ms Sharp has significant experience of the Irish and UK markets and internationally having worked in Papua New Guinea.

Ms Gaughan is a Fellow of the Society of Actuaries in Ireland with significant experience in financial reporting and reserving within the insurance sector in Ireland. She is a former Director of Actuarial Services in Mazars Ireland where she was actuarial lead and signing actuary on the audits of a number of insurance companies. She is a member of the Audit Committee of a (re)insurance company in her directorship portfolio.

Mr Stanley is a Fellow of the Association of Chartered Accountants and is Chartered Director. He has over 40 years' experience in the Financial Services Industry. Mr Stanley is an Independent Non-Executive Director on a number of Financial Services company boards, and chairs the Audit committees of DePaul Ireland, DePaul Northern Ireland and U.S. Bank Europe DAC. Mr Stanley is the Chair of the Audit Committee in FBD Insurance plc.

Mr McGrattan holds a Masters of Business Studies. He is an experienced insurance executive with two decades of board-level leadership in both insurer and broker organisations. He was an Executive

<sup>1</sup> Mary Brennan retired on 31 August 2025

Director and Board member of AXA Insurance DAC until 2017 where he was responsible for commercial operations across direct, broker and partnership channels.

The Board recognises the benefits of cross membership among its Board Committees. In accordance with the Framework, the Audit Committee and the Risk Committee shall have at least one shared Member. Ms Sharp is a member of the Audit, Nomination and Governance and Risk Committees. Ms Gaughan is a member of both the Audit and Risk Committees. Mr McGrattan is a member of both the Audit and Remuneration Committees.

In accordance with the Code, the Committee as a whole shall have competence relevant to the sector in which the Group operates. The Board is satisfied that the Committee as a whole has the competence relevant to the General Insurance sector.

### Objective of the Committee

The Audit Committee assists the Board of the Group in fulfilling its oversight responsibilities for such matters as financial reporting, the system of internal control and management of financial risks, the audit process and the Group's process for monitoring compliance with laws and regulations.

### Key responsibilities delegated to the Committee include:

- reviewing the Group's financial results announcements and financial statements;
- reviewing on an annual basis the Audit Committee Terms of Reference and recommending any change to the Board for approval;
- reviewing and monitoring the effectiveness and adequacy of the Group's internal financial controls, and risk management systems;
- considering any significant fraud, illegal acts, and deficiencies in internal control or similar issues, and how these issues were addressed;
- monitoring the corporate reporting process for preparing the Annual Report, and the integrity of the financial statements and reviewing any formal announcements relating to the Company's financial performance and reviewing significant financial reporting judgements;
- overseeing the relationship with the external auditors including reviewing and approving their terms of engagement and remuneration in respect of audit and non-audit services;
- reviewing and monitoring the independence and objectivity of the Statutory Auditor and the effectiveness of the audit process;
- reviewing the findings of the audit with the Statutory Auditor;
- monitoring and reviewing the activities and concluding on the impact and effectiveness of the Group's Internal Audit Function;
- approving the Internal Audit Annual Work Plan;
- reviewing the independence and scope of the Internal Audit Function;
- reviewing and approving the Internal Audit Strategy on an annual basis, and the Internal Audit Charter periodically;
- reviewing and approving the Internal Audit Independence Policy on an annual basis;
- meeting separately with the Chief Internal Audit Officer and the Statutory Auditor at least annually to discuss any matters that the Committee or the Chief Internal Audit Officer consider should be dealt with privately;
- reviewing and determining satisfaction as to whether the Internal Audit Function has the appropriate resources;
- monitoring the quality and integrity of sustainability disclosures within the Annual Report, including the effectiveness of internal control and risk management systems;

- monitoring the CSRD reporting process, overseeing assurance of CSRD reporting, reviewing and making recommendations to the Board on the approval of the annual Sustainability Statement that form part of the Annual Report;
- performing detailed reviews of specific areas of financial reporting as required by the Board or the Committee; and
- reporting to the Board on how the Committee has discharged its responsibilities.

### Internal Audit Code of Practice

The Internal Audit Function provides independent assurance on the effectiveness of the organisation's risk management, governance, and internal control processes, and operates under a charter approved by the Audit Committee, ensuring unrestricted access to all functions, records, and personnel.

Each year, the Internal Audit Function develops a risk-based Internal Audit Plan (the 'Plan') that provides coverage of key risk areas within the Audit Universe and is sufficiently flexible to allow Internal Audit to prioritise coverage of emerging risks and unplanned events. The 2025 Plan was approved by the Audit Committee in December 2024, and the 2026 Plan was presented and approved in December 2025. The approved planning document included details of the planning approach and coverage, required skills, resources, and budget.

Following approval of the annual Plan, the Committee receives updates on a regular basis regarding audit plan delivery, and any revisions to the Plan, which are considered with due regard for the overall risk profile of the Group and subject to approval by the Committee. Significant findings of the Internal Audit reports and Management's responses were discussed at meetings of the Committee throughout the year. Any overdue actions were reviewed and challenged by the Committee. These updates also provided Internal Audit core metrics and the status of management actions to resolve issues identified.

The Committee remained satisfied that Internal Audit was operating effectively, was sufficiently resourced, and that the risk to their independence and objectivity was low.

### Meetings

The Committee met on eight occasions during 2025. Attendance at the scheduled meetings held during 2025 is outlined on page 48. Meetings are attended by Committee Members. The Group Chief Financial Officer and the Group Chief Internal Audit Officer are regular attendees at meetings. The Statutory Auditor is also invited to attend meetings on a regular basis. Additionally, the Head of Actuarial Function and the Group Chief Risk Officer are invited to attend all scheduled meetings at the request of the Committee. The Chair of the Board and the Group Chief Executive Officer are not members of the Committee and do not attend meetings of the Committee unless invited. The Chair of the Board and the Group Chief Executive Officer did not attend any Committee meetings in 2025. The Committee regularly meets separately with the Statutory Auditor and with the Chief Internal Audit Officer without members of management present.

The minutes of Committee meetings are available to the Board. The Committee Chair also provides a verbal report to the Board after each Committee meeting. The Committee reports formally to the Board annually on the overall work undertaken and the degree to which it discharged the responsibilities delegated to it.

### Activities of the Committee during 2025

The principal activities undertaken by the Committee during 2025 include:

- reviewing and approving Committee Minutes;
- considering and reviewing the Key Methodologies, Judgements and Uncertainties (including the valuation of liability for incurred claims), Actuarial Reserve Analysis; and Going Concern Assessment;
- reviewing drafts of the Annual Report, including the Sustainability Statement, Preliminary Results Announcement, and recommending the Annual Report, interim and annual financial statements to the Board for approval;

- reviewing Letters of Representation prior to their consideration by the Board for approval and signing;
- reviewing all aspects of the relationship with the External Auditor, including the annual External Audit Performance Evaluation, the statutory Audit Plan, audit findings and recommendations and consideration of the independence of the external auditors and the arrangement in place to safeguard this, including partner rotation, auditor independence, and reviewing and approving of External Audit fees for 2025 financial year;
- reviewing the External Audit IT General Control Report;
- reviewing and recommending to the Board for approval the Solvency and Financial Condition Report, Regular Supervisory Report, Quantitative Reporting Templates and Solvency II Reporting Policy, Director Accuracy Statement and Key Judgements;
- appraising the Internal Audit Function, its independence, Annual Plan, Internal Audit Strategy, Internal Audit Charter, approving the Internal Audit Budget, reports and issues arising and monitoring the scope and effectiveness of the Function;
- reviewing the adequacy and effectiveness of controls over financial reporting, and non-financial reporting;
- reviewing the Internal Control Framework;
- reviewing the Annual Risk Management Report;
- receiving regular updates on CSRD, relevant Omnibus legislative developments, and recommending approval to the Board of the ESG Due Diligence Framework;
- approving the Double Materiality Assessment ('DMA') refresh;
- considering Management's review of the annual Irish Auditing and Accounting Supervisory Authority ('IAASA') publication on "*Observations on Selected Corporate Reporting Issues*";
- receiving an update on Whistleblowing;
- reviewing and recommending the Half Yearly Report (RNS) to the Board for approval;
- recommending the approval of policies including the Internal Control Policy, Anti-Fraud Policy, Internal Audit Independence Policy, Non-Audit Services Policy, Non-Financial Reporting Policy and Speak Up Policy;
- reviewing the Committee Terms of Reference and recommending to the Board for approval; and
- reporting regularly to the Board on its activities through verbal updates, and through an annual report to the Board outlining how the Committee has discharged its responsibilities.

## Auditor Independence

In 2025 the Committee considered the independence of the Auditors and acknowledged the independence and quality control safeguards operated within PwC. On an annual basis, Auditor independence, objectivity and professional scepticism is considered by the Committee within the review of the External Audit Performance Evaluation. Annually, the Committee reviews and approves a Non-Audit Services Policy which is in place to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of other assurance services. The Policy ensures there is prior approval of non-audit services, taking into account the relevant regulations and ethical guidance in this regard. The Policy is in line with the IAASA Ethical Standards for Auditors (Ireland) 2020, with specific requirements for Public Interest Entities (PIEs), and EU regulation No 537/2014 on specific requirements regarding statutory audit of PIEs.

The review and approval of the Policy was last carried out in July 2025. No other assurance services were provided by PwC other than the audit of those elements of the Solvency and Financial Condition Report that PwC are required to audit, the limited assurance review engagement on the Sustainability Statement forming part of this Annual Report, the provision of certificates of premium amounts to the Motor Insurers Bureau of Ireland, and the interim review.

The Committee reviewed and approved the Auditor fees and agreed that these were reasonable in light of the current inflationary environment.

In considering the independence and effectiveness of the external audit process, the Committee reviewed the External Audit Plan, the audit approach and objectives and audit findings and were satisfied with the independence, quality and performance of PwC in respect of the year ended 31 December 2025.

PwC was re-appointed as Statutory Auditor in respect of financial year ended 31 December 2025. The period of total uninterrupted engagement is ten years, covering the years ended 31 December 2016 to 31 December 2025.

### Auditor Transition

As a Public Interest Entity (PIE), FBD, under IAASA standards must change its Statutory Auditor every ten years. As detailed in the 2024 Annual Report, in 2024, the Audit Committee oversaw a competitive tender process to select a new Statutory Auditor for the financial year commencing 1 January 2026. The Board resolved to approve, at the recommendation of the Audit Committee following the external process, the appointment of Deloitte to replace PwC as Statutory Auditor of the Group. In line with the terms of the Board approval, the shareholders are requested to consider and approve this appointment by shareholder resolution at the 2026 AGM. PwC remained as Statutory Auditor for the year ending 31 December 2025.

### Independence and the Provision of non-Audit Services

There are no identified independence issues preventing Deloitte from being appointed as FBD's Auditor for the 2026 financial year.

Deloitte could not engage in non-audit services that would compromise its independence. As a result, Deloitte has not provided any non-audit services that compromises their independence in the preceding twelve months.

### Key Audit Issues and Critical Judgements

The significant issues, critical judgements and estimates used in the formulation of the financial statements are set out in note 3 on pages 235 to 237. All are considered by the Committee, with particular focus on the following:

Key Issue	Committee conclusion
Valuation of the liability for incurred claims	The Committee reviewed the best estimate of the ultimate cost of claims incurred, the adjustment to best estimate for future cash flows to reflect the time value of money and the financial risks related to those cash flows, the risk adjustment for non-financial risk, as well as the actuarial methodologies and key assumptions. The Committee was satisfied with the measurement and valuation of the liability for incurred claims.
Going concern	The Committee reviewed management's documentation of the going concern assessment. The Committee was satisfied that there were no material uncertainties which cast significant doubt on the ability of the Group or Company to continue as a going concern over the period of assessment being not less than 12 months from the date of this report.

### Fair, balanced and understandable

The Committee formally advises the Board on whether the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable, in accordance with Provision 26 of the Code. The Committee must ensure that the Annual Report and financial statements also provide the information necessary for shareholders to assess the performance of the Group, along with its business model and strategy. The Committee is satisfied that the above requirements have been met.

## Evaluation

The Committee has reviewed the activities which it performed and its overall effectiveness and has concluded that it has operated effectively in providing the Board with the assurances needed to discharge its responsibilities.

## Jean Sharp

On behalf of the Audit Committee

5 March 2026

# Report of the Risk Committee

## Sylvia Cronin

Committee Chair

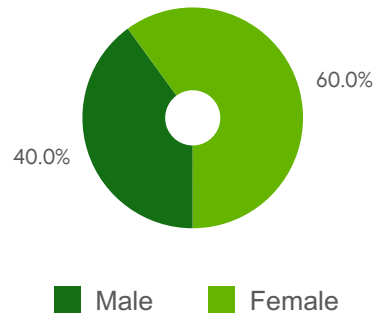


### Membership 1 January 2025 to 5 March 2026

Committee Composition  
as at 5 March 2026

#### Length of time served on Committee as at 5 March 2026

S Cronin	Committee Chair, Senior Independent Non-Executive Director	6 years 0 months
R Pike	Independent Non-Executive Director	6 years 1 month
O Gaughan	Independent Non-Executive Director	1 years 9 months
J Bergin	Board Chair	0 years 9 months
J Sharp	Independent Non-Executive Director	0 years 4 months
L Herlihy <sup>1</sup>	Board Chair	8 years 0 months
M Brennan <sup>2</sup>	Independent Non-Executive Director	3 years 10 months



### Committee Membership and Experience

The Committee Members have been selected to ensure that the Committee has the relevant risk experience and the range of skills and experience necessary to discharge its responsibilities. The Board is satisfied that all Members are considered to have recent and relevant experience.

In accordance with the Terms of Reference, the Committee shall be made up of at least three members, all of which shall be Independent Non-Executive Directors. The Board is satisfied that all the Members are Independent Non-Executive Directors.

Prior to joining the Board, Ms Cronin was previously the Director of Insurance Supervision at the Central Bank of Ireland. She has gained key European experience through her membership of the European Insurance and Occupational Pensions Authority (EIOPA) Board of supervisors from 2014 to 2019. Ms Cronin also has experience of the UK market through her portfolio of directorships.

Mr Pike's expertise is in the areas of Strategy, Technology, Finance, Innovation and Risk Management. Mr Pike also lectures on Risk Management and Governance. Mr Pike has regulated board experience in Ireland and the UK and extensive experience working across Europe and the US in the areas of Information Technology and Financial Services. Mr Pike previously held the position of Chair of the Risk Committee in FBD Insurance plc.

Ms Gaughan has significant experience in risk management within the insurance sector, notably in relation to the Risk Management Frameworks, ORSA, Model Risk, Reinsurance and Solvency II. As Head of Actuarial Function for a number of insurers during her executive career, she has opined on ORSA processes and contributed to Capital and Risk Management for many years. She also brings expertise in relation to Climate Risk and Sustainability and Artificial Intelligence. Ms Gaughan has extensive Risk

<sup>1</sup> Liam Herlihy retired on 8 May 2025

<sup>2</sup> Mary Brennan retired on 31 August 2025

Committee experience and sits on the Risk Committee of a (re)insurance company in her directorship portfolio.

Mr Bergin has extensive experience at Risk Committee level in his prior executive career and has the knowledge and skills necessary to effectively discharge the role of Committee Member. Prior to joining the Committee, Mr Bergin attended Committee meetings as an observer.

Ms Sharp brings extensive committee experience in risk and has the knowledge and skills necessary to effectively discharge the role of Committee Member. Ms Sharp regularly attended Committee meetings throughout the year as an observer. Ms Sharp is the Chair of the Risk Committee in FBD Insurance plc.

The Board recognises the benefits of cross membership among its Board Committees. In accordance with the Framework, the Risk Committee and the Audit Committee shall have at least one shared Member. Ms Sharp and Ms Gaughan are members of both the Risk Committee and Audit Committee. Further, the Risk Committee and the Remuneration Committee shall have at least one shared Member. Ms Cronin, Mr Bergin and Mr Pike are members of the Risk Committee, Remuneration Committee and the Nomination and Governance Committee.

### Objective of the Committee

The Risk Committee is the forum for risk governance within FBD. In accordance with the Framework, it is responsible for providing oversight and advice to the Board in relation to current and potential future risk exposures of the Group and future risk strategy. This advice includes recommending a Risk Management Framework, incorporating strategies, policies, risk appetites and risk indicators to the Board for approval. The Risk Committee oversees the Risk Function, which is managed on a day to day basis by the Group Chief Risk Officer.

### Key responsibilities delegated to the Committee include:

- promoting a risk awareness culture within the Group;
- ensuring that the material risks facing the Group have been identified and that appropriate arrangements are in place to manage and mitigate those risks effectively;
- advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, the amounts, types and distribution of capital adequate to cover the risks of the Group;
- reviewing and recommending the Annual Compliance Plan and Compliance Framework to the Board for approval;
- reviewing and recommending the Risk Management Framework to the Board for approval;
- reviewing and challenging risk information received by the Group Chief Risk Officer from the business departments to ensure that the Group is not exceeding the risk limits set by the Board;
- presenting a profile of the Group's key risks, Risk Management Framework, risk appetite and tolerance and Risk policies at least annually together with a summary of the Committee's business to the Board;
- meeting separately with the Head of Compliance, Group Chief Risk Officer, and the Group Chief Internal Audit Officer at least annually to discuss any matters that the Committee or the Group Chief Risk Officer consider should be dealt with privately;
- reviewing Emerging Risks and ensuring that appropriate arrangements are in place to manage and mitigate those risks as necessary;
- reviewing and ensuring that an appropriate risk culture is embedded throughout the Group;
- reviewing and recommending the Annual Data Protection Plan and the Annual Risk Function Plan to the Board for approval; and
- reporting to the Board on how the Committee has discharged its responsibilities.

## Meetings

The Committee met on five occasions during 2025. Meetings are attended by Committee Members. The Group Chief Risk Officer is an attendee at all Committee meetings. The Group Chief Executive Officer, the Group Chief Financial Officer and the Chief Underwriting Officer are regular attendees at Committee meetings.

The minutes of Committee meetings are available to the Board. The Committee Chair also provides a verbal report to the Board after each Committee meeting. The Committee reports formally to the Board annually on the overall work undertaken and the degree to which it discharged the responsibilities delegated to it.

## Activities of the Committee during 2025

The principal activities undertaken by the Committee during 2025 include:

- reviewing and approving Committee Minutes;
- assisting the Board in the review, update and approval of Risk policies, including frameworks, risk appetite, risk indicators, risk tolerance and emerging risks;
- recommending the Risk Function Annual Plan, Compliance Framework and Compliance Plan for 2026 to be presented to the Board for approval;
- reviewing the Solvency Capital Requirement throughout the year;
- recommending the Medium-Term Capital Management Plan to the Board for approval;
- reviewing the ORSA Update including reviewing the ORSA Plan, proposed ORSA scenarios for 2025, and approval of the ORSA Policy;
- recommending the Climate Risk: Selection of Baseline Scenario and the Climate Change Risk Assessment to the Board for approval;
- reviewing the Privacy and Maturity Assessment and the Data Protection Officer Half Yearly Report, reviewing the AI Update, and recommending the Data Protection Policy and Plan 2026 to the Board for approval;
- reviewing the internal peer review, and reviewing and approving the Internal Reserve Peer Review Process;
- reviewing the Head of Actuarial Function Report;
- reviewing the Deep Dives undertaken in respect of Operational Risk, Market Operational Risk, Geopolitical Risk, and Outsourcing Risk;
- reviewing the Report of the CRO, and the Report of the Head of Compliance;
- receiving an update on CSRD;
- receiving regular updates on Risk Culture and Climate Risk;
- receiving regular updates from the Group Chief Technology and Operations Officer on IT related risks, Operational Resilience; and the Digital Operational Resilience Act;
- reviewing and recommending the Operational Resilience Framework and the Operational Resilience Self-Assessment to the Board for approval;
- receiving an update on the Investment Market;
- receiving an update on Consumer Risk, including an update on the Consumer Protection Risk Management Project;
- receiving an update on Concentration Risk and Innovation;
- receiving an update on the Capital Recovery Plan;
- receiving an update on Natural Catastrophe Exposure;
- receiving an annual update on Subsidiary Governance;

- reviewing and recommending the 2026 Reinsurance Programme for Placement to the Board for approval;
- reviewing the update on Investor Relations and RNS Announcements;
- reviewing and discussing CBI correspondence and shareholder communications and considerations received throughout the year;
- reviewing the Internal Audit Update;
- reviewing and approving the Executive Risk Committee Terms of Reference and reviewing the Committee Terms of Reference and recommending to the Board for approval;
- reviewing and recommending a number of risk related policies to the Board, including the AI Governance Policy, IT Disaster Recovery Policy, Business Continuity Policy, Capital Management Policy, Underwriting Policy, Consumer Framework and Consumer Protection Policy, Reserving Policy, Anti Money Laundering Policy and Annual Risk Assessment, Reputational Risk Policy, Investment Policy, Operational Risk Policy, Reinsurance Policy, Asset Liability Management Policy, Strategic Risk Policy, Liquidity Policy, Product Oversight and Governance Policy, Important Business Services; Overall Solvency Needs Assessment, and Services Company Risk Assessment;
- reviewing and approving the Intra Group Transactions Policy;
- reviewing and recommending approval of the Risk Management Framework and Risk Appetite Framework to the Board; and
- reporting regularly to the Board on its activities through verbal updates, and through an annual report to the Board outlining how the Committee has discharged its responsibilities.

## Evaluation

The Committee has reviewed the activities which it performed and its overall effectiveness and has concluded that it has operated effectively in providing the Board with the assurances needed to discharge its responsibilities.

## Sylvia Cronin

On behalf of the Risk Committee

5 March 2026

# Report of the Nomination and Governance Committee

## JIM BERGIN

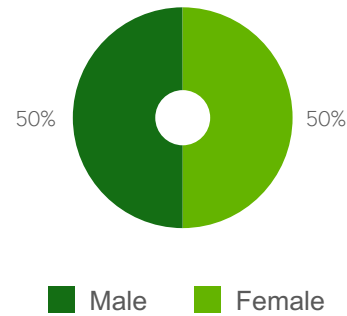
Committee Chair



### Membership 1 January 2025 to 5 March 2026

Length of time served on Committee as at 5 March 2026		
J Bergin	Committee Chair, Board Chair	1 year 1 month
S Cronin	Senior Independent Non-Executive Director	6 years 0 months
R Pike	Independent Non-Executive Director	1 year 8 months
J Sharp	Independent Non-Executive Director	3 years 8 months
L Herlihy <sup>1</sup>	Committee Chair, Board Chair	8 years 11 months

Committee Composition as at 5 March 2026



### Committee Membership and Experience

The Committee members have been selected to ensure that the Committee has available to it the range of skills and experience necessary to discharge its responsibilities. The Board is satisfied that all members are considered to have recent and relevant experience.

In accordance with the Terms of Reference the Committee shall be made up of at least three members, the majority of whom should be Independent Non-Executive Directors. The Board is satisfied that all Members are Independent Non-Executive Directors.

In May 2025, Mr Bergin was appointed as Chair of the Committee. Mr Bergin is the former Chief Executive Officer and Executive Director of Tirlán Co-operative Society Limited and he spent a considerable part of his career in Glanbia plc in a number of senior management positions. Mr Bergin is the Chair of the Board and has considerable experience working with Nomination and Governance Committees in his previous executive and non-executive roles.

Prior to joining the Board of FBD, Ms Cronin was previously the Director of Insurance Supervision at the Central Bank of Ireland and currently holds the role of Chair of a Risk Committee within her portfolio of directorships. She has gained key European experience through her membership of the European Insurance and Occupational Pensions Authority (EIOPA) Board of supervisors from 2014 to 2019. Ms Cronin also has experience of the UK market through her portfolio of directorships.

Ms Sharp has experience as a member of a Nomination Committee in her portfolio of directorships. Ms Sharp has significant experience of the Irish and UK markets and internationally having worked in Papua New Guinea.

Mr Pike has a strong background in financial services, technology and operational risk. Mr Pike's areas of expertise include digital technologies, governance, risk, compliance, business management and strategy. Mr Pike lectures on Risk Management and Governance at the Institute of Banking and the

<sup>1</sup> Liam Herlihy retired on 8 May 2025

UCD Michael Smurfit Graduate School of Business. Mr Pike is the Chair of the Nomination and Governance Committee of FBD Insurance plc.

The Board recognises the benefits of cross membership among its Board Committees. Mr Bergin, Ms Cronin and Mr Pike are members of the Nomination and Governance Committee, the Remuneration Committee and the Risk Committee. Ms Sharp is a member of the Nomination and Governance Committee, Chair of the Audit Committee and member of the Risk Committee.

## Objective of Committee

To ensure that the Board and its Committees are made up of individuals with the necessary skills, knowledge and experience to ensure that the Board is effective in discharging its responsibilities.

### Key responsibilities delegated to the Committee include:

- reviewing the structure, size and composition of the Board and making recommendations to the Board for any appointments or other changes;
- recommending changes to the membership of the Board's Committees and the Board;
- keeping under review the leadership needs of the Group and recommending the appointment of Directors, Executive Management and the Company Secretary to the Board;
- advising the Board in relation to succession planning both for the Board and the Senior Executives in the Group;
- monitoring the Group's compliance with corporate governance best practice with applicable legal, regulatory and listing requirements and recommending to the Board such changes as deemed appropriate;
- reviewing and monitoring compliance with the implementation and embedding of the Group's culture, conduct and values;
- overseeing, in conjunction with the Board Chair, the conduct of the annual evaluation of the Board, Board Committees, Chair and individual Director Performance; and
- reporting to the Board on how the Committee has discharged its responsibilities.

## Meetings

The Committee met ten times during 2025. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate.

The minutes of Committee meetings are available to the Board. The Committee Chair also provides a verbal report to the Board after each Committee meeting. The Committee reports formally to the Board annually on the overall work undertaken and the degree to which it discharged the responsibilities delegated to it.

## Activities of the Committee during 2025

The principal activities undertaken by the Committee during 2025 include:

- reviewing and approving Committee Minutes;
- reviewing and recommending to the Board for approval the Succession Plan for the Board and Board Composition and Diversity;
- reviewing and recommending to the Board for approval the Succession Plan for the Executive Management;
- reviewing the Talent Management Strategy;
- reviewing and recommending to the Board for approval the appointment of Independent Non-Executive Directors;

- reviewing and recommending to the Board for approval the appointment of the Senior Independent Director;
- reviewing and recommending to the Board for approval the appointment of Board Committee members;
- reviewing and recommending to the Board for approval the appointment of the Director of Engagement with the Workforce;
- reviewing and recommending to the Board for approval additional directorships for Non-Executive Directors;
- reviewing and recommending to the Board for approval market announcements in relation to a change in director responsibilities;
- reviewing updates from the Group Chief Human Resources (HR) Officer on employee engagement, Diversity, Equality and Inclusion, Culture and Values;
- reviewing updates on Board Succession;
- reviewing and recommending the Terms of Reference to the Board for approval;
- reviewing the Annual Report on Corporate Governance;
- reviewing and approving the Corporate Governance Section contained in the 2024 Annual Report;
- reviewing and recommending to the Board for approval the re-election of the Directors;
- reviewing updates on the Induction Training Programme for new Directors;
- reviewing the Board Skills matrix, the independence, conflicts of interests, tenure and time commitment of the Non-Executive Directors;
- reviewing the results of the 2024 Board and Board Committee Evaluation and progress of the actions arising out of the Evaluation;
- reviewing and recommending to the Board the approval of the appointment of the Chair of the Nomination and Governance Committee;
- reviewing and recommending to the Board the approval of the appointment of the Chair of the Risk Committee;
- reviewing and recommending to the Board for approval of the Management Responsibility Map;
- reviewing and recommending to the Board for approval of the Board Statement of Responsibilities and Reasonable Steps Guidance;
- reviewing the Fitness and Probity Compliance Report;
- reviewing and recommending to the Board the approval of the Corporate Governance Framework;
- reviewing Director tenure and recommending to the Board the re-appointment of Independent Non-Executive Directors for a further three year term;
- reviewing updates on Corporate Governance developments including Board Gender Balance Reporting;
- reviewing and recommending to the Board for approval the Diversity and Inclusion Strategy;
- reviewing the External Board Evaluation Process for 2025;
- reviewing and recommending to the Board the approval of a number of policies including the Talent Management Policy, Fitness and Probity Policy, Conflicts of Interest Policy, Minimum Competency Code Policy, Code of Conduct Policy, Disciplinary Policy, Equal Opportunities, Diversity and Inclusion Policy, Board Recruitment, Succession and Diversity Policy, Minute Taking Policy, Stakeholder Framework, Individual Accountability Policy and Conduct Standards Policy; and
- reporting regularly to the Board on its activities through verbal updates, and through an annual report to the Board outlining how the Committee has discharged its responsibilities.

The Board has delegated responsibility to the Nomination and Governance Committee to review and monitor compliance with the implementation and embedding of the Group's culture, conduct and values. The Committee regularly receives updates from the Group Chief HR Officer on people development and talent, employee engagement, diversity and inclusion, employees health and wellbeing and reward and career supports and how these support and are aligned to the delivery of the strategy. Further information on our Corporate Culture can be found in the Sustainability Statement on pages 104 to 188.

### Time Commitment

During 2025 the Nomination and Governance Committee reviewed the time commitment of each Director. Following this review the Committee is satisfied that each Director has sufficient time available to fulfil their role as Director.

Further details of the activities of the Committee are laid out in the Nomination and Governance report on pages 73 to 79.

### Evaluation

The Committee has reviewed the activities which it performed and its overall effectiveness and has concluded that it has operated effectively in providing the Board with the assurances needed to discharge its responsibilities.

### Jim Bergin

On behalf of the Nomination and Governance Committee

5 March 2026

# Report of the Remuneration Committee

## Richard Pike

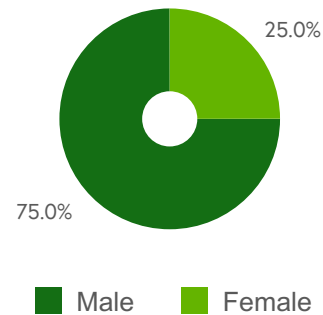
Committee Chair



### Membership 1 January 2025 to 5 March 2026

Length of time served on Committee as at 5 March 2026		
R Pike	Committee Chair, Independent Non-Executive Director	1 year and 8 months
J Bergin	Board Chair	1 year 1 month
S Cronin	Senior Independent Non-Executive Director	6 years 0 months
C McGrattan	Independent Non-Executive Director	0 years 6 months
L Herlihy <sup>1</sup>	Board Chair	3 years 4 months

Committee Composition as at 5 March 2026



### Committee Membership and Experience

The Committee Members have been selected to ensure that the Committee has available to it the range of skills and experience necessary to discharge its responsibilities. The Board is satisfied that all Members are considered to have recent and relevant experience.

In accordance with the Terms of Reference the Committee shall be made up of at least two members, who should be Independent Non-Executive Directors. The Board is satisfied that all Members are Independent Non-Executive Directors.

Mr Pike was appointed as Chair of the Remuneration Committee in July 2024. In line with the Code, before his appointment as Chair of the Remuneration Committee of FBD Holdings plc, Mr Pike had served on a remuneration committee in his portfolio of directorships for at least twelve months.

Mr Bergin is Chair of the Board and in line with the Code he was independent on appointment. He is the former Chief Executive Officer and Executive Director of Tirlán Co-operative Society Limited and he spent a considerable part of his career in Glanbia plc in a number of senior management positions. Mr Bergin has considerable experience working with Remuneration Committees in his prior executive career and he is the Chair of the Remuneration Committee of FBD Insurance plc.

Ms Cronin was previously the Chief Executive Officer of both MGM International and Augura Life Ireland Limited and has remuneration experience in these roles. She has been a member of the Remuneration Committee since 2020 and currently holds the role of Chair of the Remuneration Committee within her portfolio of directorships. Ms Cronin has gained key European experience through her membership of the European Insurance and Occupational Pensions Authority (EIOPA) Board of supervisors from 2014 to 2019. Ms Cronin also has experience of the UK market through her portfolio of directorships.

<sup>1</sup> Liam Herlihy retired on 8 May 2025

Mr McGrattan joined the Committee in September 2025. Mr McGrattan has a background in HR in both the public and private sectors. He was Assistant Chief Executive of the Local Government Management Agency prior to taking up the role of HR Director with AXA Insurance DAC. Mr McGrattan holds a Masters of Business Studies (HRM) and an Advanced Diploma in Executive Coaching. He is a Fellow of the Chartered Institute of Personnel and Development, and he is a Certified Mediator with the Mediators Institute of Ireland.

The Board recognises the benefits of cross membership among its Board Committees. Mr Bergin, Mr Pike and Ms Cronin are members of the Remuneration Committee, the Risk Committee and the Nomination and Governance Committee. Mr McGrattan is a member of the Remuneration Committee and the Audit Committee.

## Objective of Committee

The Remuneration Committee is responsible for ensuring that the overall reward strategy is consistent with achievement of the Group's strategic objectives.

## Key responsibilities delegated to the Committee include:

- ensuring that the Group's overall reward strategy is consistent with achievement of the Group's strategic objectives;
- determining the broad policy for the remuneration of the Group's Executive Directors, Company Secretary and Executive Management;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy and Variable Pay Policy;
- determining the total remuneration packages for the foregoing individuals, including salaries, variable remuneration, pension and other benefit provision and any compensation on termination of office;
- ensuring that remuneration schemes promote long-term shareholdings by Executive Directors that support alignment with long-term shareholder interests;
- ensuring that the Group operates to recognised good governance standards in relation to remuneration;
- determining whether performance criteria has been met for the vesting of any share awards under the Group's approved share scheme;
- making awards of shares under the Group's approved share scheme;
- preparation of the detailed Report on Directors' Remuneration; and
- reporting to the Board on how the Committee has discharged its responsibilities.

## Meetings

The Committee met five times during 2025. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited or required to attend meetings at the discretion of the Committee or the Committee Chair.

The minutes of Committee meetings are available to the Board. The Committee Chair also provides a verbal report to the Board after each Committee meeting. The Committee reports formally to the Board annually on the overall work undertaken and the degree to which it discharged the responsibilities delegated to it.

## Activities of the Committee during 2025

The principal activities undertaken by the Committee during 2025 include:

- reviewing and approving Committee Minutes;
- reviewing and approving the grant and release of the Long Term Incentive Plan award;

- reviewing and approving the performance conditions on conditional awards made under the Long Term Incentive Plan award;
- reviewing and recommending the approval of the Remuneration Policy, the Directors Remuneration Policy and the Variable Pay Policy to the Board;
- approving the allotment of shares pursuant to the vesting of share awards;
- approving the application for admission of shares to Euronext;
- reviewing and approving Variable Remuneration for Executive Directors and other Senior Executives;
- receiving an update from the Group Chief Risk Officer on the proposed performance conditions;
- reviewing and approving the performance remuneration arrangements including performance conditions;
- reviewing and approving the annual Bonus Pool;
- receiving updates on Gender Pay and reviewing the Gender Pay Gap Report 2025;
- receiving an update on Auto-Enrolment;
- reviewing the Annual Report on Director Remuneration arrangements;
- reviewing the mechanism for the deferral of shares for Executive Directors;
- reviewing and recommending to the Board a change to the Rules of the Long Term Incentive Scheme Rules;
- reviewing the Committee's Terms of Reference, and recommending to Board for approval; and
- reporting regularly to the Board on its activities through verbal updates, and through an annual report to the Board outlining how the Committee has discharged its responsibilities.

Full details of Directors' Remuneration are set in the Report on Directors Remuneration on pages 80 to 102.

### Evaluation

The Committee has reviewed the activities which it performed and its overall effectiveness and has concluded that it has operated effectively in providing the Board with the assurances needed to discharge its responsibilities.

### Richard Pike

On behalf of the Remuneration Committee

5 March 2026

## Engagement with Stakeholders<sup>1</sup>

FBD has identified the following as its key stakeholders:

- Investors.
- Own Workforce.
- Customers.
- Regulators.
- Government and Industry Bodies.
- Wider Society and ESG.

The Board is committed to ensuring that excellent lines of communication exist and are fostered between the Group and its stakeholders. The Board has approved a Stakeholder Framework which outlines FBD's approach to communicating with and hearing its stakeholders. This Framework is reviewed on an annual basis to ensure that the approach to engagement with Stakeholders remains appropriate and effective.

The Board recognises that to succeed in a highly competitive environment, it is important to have strong focus on its key stakeholders.

The Board is regularly updated on stakeholder engagement and their views. The interests of all FBD's stakeholders are outlined and considered in Board decision making allowing the Board to have an understanding of the impacts of its decisions on stakeholders. The Board believe it is important to ensure that it receives the necessary information on issues affecting its key stakeholders.

Outlined below is an overview of the arrangements in place of how FBD engages with its stakeholders and gains an understanding of their views.

### Engagement with Investors

A planned programme of investor relations activities is undertaken throughout the year which includes:

- briefing meetings with major shareholders after the full year and half yearly results announcements;
- regular meetings between institutional investors and analysts with the Group Chief Executive Officer, Group Chief Financial Officer along with the Head of Corporate Strategy and Investor Relations to discuss business performance and strategy and to address any issues of concern; and
- responding to letters, requests and queries received directly from shareholders and from proxy adviser firms.

The Board receives reporting on shareholder engagement which includes details of meetings held, feedback received and issues either of interest or of concern raised. Any issues arising are addressed and discussed at Board meetings.

The Annual General Meeting is the main platform for shareholders to share their views with the Board and to ask questions. Further information on the Annual General Meeting can be found on page 70. The Board keep under review the votes of shareholders and should a significant proportion of votes be cast against a resolution at any general meeting, the Board will endeavour to identify the shareholders concerned and will initiate contact with them with the view to understanding the reasons for the adverse vote. In 2025, no resolution had 25% or more votes cast against it.

### Engagement with Own Workforce

FBD recognises the importance and value of engaging with its workforce. Throughout 2025 all employees were invited to attend regular interactive Town Halls where updates on a number of business areas and initiatives was provided. Through these Town Halls our employees have an opportunity to raise any questions they may have with senior management.

We also conducted our Annual Employee Listening Survey (MyVoice) designed to establish employee sentiment and feedback on important topics such as Culture, Engagement, Strategy, Reward, Career

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<sup>1</sup> ESRS 2 SBM-2 45d Description of how administrative, management and supervisory bodies are informed about views and interests of affected stakeholders with regard to sustainability-related impacts - subject to limited assurance

Development and Leadership. This year, FBD's results saw an average 5 percentage point increase in positive employee sentiment versus 2024 and between 2 and 7 percentage points above the Ireland norm in 7 out of 10 benchmarked categories. We have used the results to reflect on the effectiveness of existing initiatives, identify possible areas of improvement and feed into initiative development for 2026 and 2027.

We continue our regular engagement with employee representative bodies sharing relevant information and work together to address matters raised on behalf of their members, our colleagues.

The Nomination and Governance Committee receive regular updates from the Group Chief HR Officer including engagement with our representative bodies.

For more information on engagement with the Workforce please see page 155 in the Sustainability Statement.

### Director of Engagement with the Workforce<sup>1</sup>

Our Director of Engagement, Olive Gaughan, was appointed to the role in February 2025 and has continued to engage with our employees and gather valuable insights and understanding into the day to day lives of FBD's workforce.

As part of her work Olive visited several locations including FBD Head Office, our customer sales centre in Mullingar and several branch locations. Employees welcomed these listening sessions with our Director of Engagement with the Workforce through which they could provide valuable and insightful feedback of their experience working in FBD. Through these meetings Olive gained an understanding of the challenges facing the workforce and also on the positive initiatives at FBD that were welcomed and valued by employees. Olive provided updates to senior management and the Board ensuring that employee feedback informed key strategic decisions, and areas for enhancement in 2026.

In her role as Director of Engagement with the Workforce, Olive supports a diverse and inclusive culture at FBD. Over 2025, Olive met with the Group Chief HR Officer in relation to employee initiatives and engagements and she supported Pride Month in June 2025 walking alongside FBD employees in the Dublin Pride Parade.

The Board recognises the benefits of having these arrangements in place with the Workforce and through employee surveys and meetings with employees, the Board gain an understanding of employee sentiment and the environment within which employees work.

### Engagement with Customers

In 2025, Members of our Board and Executive Management Team took to the road for two customer site visits. By spending time with our customers, we understand their needs better and that allows us to offer market leading services and innovative products.

FBD truly values its customers and engages to support their needs through service excellence. 2025 saw further enhancement to support FBD's customer engagement. An enhanced Consumer Risk Management Framework was introduced which included a new Head of Customer role and the adoption of 5 customer principles, which act as a 'North Star' to achieve positive customer outcomes. In FBD, Customer retention rates are exceptionally strong, which is an indication of strong customer engagement, service and loyalty. As in our Marketing Campaign, 'Funding, Backing, Donating', FBD supported over 350 community events, in association with FBD Trust CLG. FBD's support of local communities through Funding, Backing and Donating was recognised as winner of 3 National awards:

- Winner of the CSR/Community/Green Loyalty Programme of the year at the prestigious Irish Loyalty & CX Awards.
- Winner of Best Societal Sponsorship at the Irish Sponsorship Awards.
- Winner of Best Grassroots Sponsorship at the Irish Sponsorship Awards.

Support ranges from small local show and community events to large national events and University sponsorships. Through presence and engagement at these events FBD has a close relationship and understanding of our customer ecosystem. FBD Board and the Executive Management Team undertook

<sup>1</sup> ESRS 2 GOV-1 21b Information about representation of employees and other workers - subject to limited assurance

a number of customer visits as part of a dedicated customer day in June, where Board members could speak directly to our customers at their place of business.

In January 2025, Storm Éowyn, a significant weather event impacted a large number of FBD customers. Following this event, the customer value of a national branch network, which supported FBD Claims teams to ensure high levels of customer engagement at a critical time, was a true differentiator in the marketplace with significant positive feedback post the event. FBD proactively engaged with customers to comply with Irish Motor Insurance Database (IMID), Driver Licence legislation through customer engagement in advance of renewals and dedicated outbound teams, emails, letters and digital updates to ensure customer awareness of their obligation to provide Insurance numbers at renewal.

Customer feedback is very important to FBD to ensure continued high customer service standards. 2025 saw improvements to our TrustPilot process, which enables customers to provide feedback on service, and saw strong positive responses on the quality of our documentation and customer communications. The Trustpilot score at year end was 4.8/5.0, with an 85% 5 star rating. For customers who require additional support, significant enhancements to both employee training and support offered are being rolled out in 2026. For customers requiring additional assistance, a prioritised phone number was introduced, providing additional support for accessibility services and decision making advice for our customers. FBD is proud to be an official partner of Age Friendly Ireland.

FBD's unique distribution model allows us to be close to our customers with the largest Insurance branch network in the country. Branches are situated on high street locations and are conveniently close to Agricultural Businesses, including Kilkenny and Athenry Marts. We have a strong web presence supported by an excellent customer sales centre in Mullingar, which is open on Saturdays. If our customers wish to engage through the Broker community, this can also be facilitated. The customer is at the heart of FBD's strategy.

### Engagement with Regulators

Through ongoing engagements and regular meetings with Board Members and senior management, the Group has an engaging relationship with the Central Bank of Ireland, its regulator.

### Engagement with Government and Industry Bodies

When requested, FBD attends Oireachtas and Minister meetings on insurance related matters. Through these meetings and engagement with the Department of Finance, FBD engages with Government bodies.

Tomás Ó Midheach is a member of the Board of Insurance Ireland. Insurance Ireland represents the Irish general insurance market and through this FBD engages with the wider insurance industry.

We welcome the publication of the Government's Action Plan for Insurance Reform 2025 - 2029. Building on our support for the first action plan, we remain committed to this next phase and will continue to work closely with all stakeholders to help deliver progress on key priorities.

### Engagement with Wider Society and ESG

In addition, FBD spokespeople on Insurance, Farm Safety and the Claims Environment participate in and contribute to societal debate on topical issues.

The success of FBD is a fundamental part of our Business Model and Strategy and success against our Strategy is continually reviewed and monitored by the Board and Executive Management. Details of how FBD promotes the success of the Company for the benefit of its stakeholders and initiatives undertaken in respect of the environment, the community and FBD's business relationships are outlined in the Strategy Section on pages 106 to 107, the Environmental Section on pages 134 to 153, the Social Section on pages 154 to 172 and the Governance section on pages 173 to 179 of our Sustainability Statement.

### Board discussions and decision making

The Board has a clear understanding of FBD's key stakeholders. The impact of decisions on key stakeholders is outlined to the Board and this assists our Board to challenge and question executive

management and ensure that decisions are made in the best interests of the Company and its stakeholders.

## Annual General Meeting (AGM)

The Company's AGM is held each year in Dublin. The 2026 meeting will be held on 7 May 2026.

### Who attends?

- Directors.
- Senior Group Executives.
- Shareholders.
- Company Advisers.
- Members of the media are also invited and permitted to attend.

### What business takes place at the meeting?

- The Group Chief Executive Officer and Group Chief Financial Officer make a presentation on the results and performance to the meeting prior to the Chair dealing with the formal business of the meeting itself; and
- All shareholders present, either in person or by proxy can question the Chair, the Committee Chairs and the rest of the Board during the meeting and afterwards.

All formal resolutions are dealt with on a show of hands. Once the vote is declared by the Chair, the votes lodged with the Company in advance of the meeting are displayed prominently in the venue for those present to see. Immediately after the meeting is concluded the results are published on the Group's website [www.fbdgroup.com](http://www.fbdgroup.com) and also via Euronext Dublin.

The notice of the AGM is issued to shareholders at least 21 clear days in advance of the meeting. Details will be available in due course in respect to the holding of the AGM.

## Internal Control

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness. The system which operates in FBD is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, that it has been in place for the year under review and up to the date of approval of the financial statements and that this process is regularly reviewed by the Board.

The key risk management and internal control procedures which cover all material controls include:

- skilled and experienced management and employees in line with fit and proper requirements;
- roles and responsibilities including reporting lines clearly defined with performance linked to Group objectives;
- an organisation structure with clearly defined lines of responsibility and authority;
- the maintenance of proper accounting records;
- a comprehensive system of financial control incorporating budgeting, periodic financial reporting and variance analysis;
- a Risk Committee of the Board and a Risk Management Framework comprising a Risk Function headed by a Group Chief Risk Officer, a clearly stated risk appetite and risk strategy supported by approved risk management policies and processes;
- an Executive Risk Committee comprising senior management whose main role includes reviewing and challenging key risk information and to assist the Board Risk Committee, described earlier, in the discharge of its duties between meetings;

- IT Risk and Operational Resilience Risk Committee that reports to the Executive Risk Committee. This Committee is comprised of executive and senior management with responsibility for the oversight of IT risks and Operational Resilience risk and the control environment in place to manage these risks;
- IT and Operations Management Committee reporting to the Executive Management Team;
- the Risk Strategy, Framework and Appetite are articulated in a suite of policies covering all risk types and supported by detailed procedural documents. Each of these documents is subject to annual review and approval by the Board;
- performance of an ORSA linking to risk management, strategy and capital management;
- a Group Internal Audit function;
- a Group Compliance function;
- a Data Protection Officer;
- a Board Audit Committee whose formal terms of reference include responsibility for reviewing the adequacy and effectiveness of controls operated by Management to mitigate regulatory, operational and financial risk;
- a Disaster Recovery Framework is in place and is regularly tested;
- a Business Continuity Framework is in place and is regularly tested;
- an IT Risk Management Framework; and
- a number of key Group policies in place include a Corporate Governance Framework, Management Responsibility Map, Fitness and Probity Policy, Speak Up Policy and Code of Conduct.

The Annual Budget, Half-Yearly Report and Annual Report are reviewed and approved by the Board. Financial results with comparisons against budget are reported to Executive Directors on a monthly basis and are reported to the Board quarterly.

The risk management, internal control, reporting and forecasting processes are important to the Board in the exercise of its Governance and Oversight role. The Board constantly strives to further improve their quality. The Group has established a Speak Up Policy for Workers\*, the purpose of which is to ensure that:

- Workers\* are aware of the arrangements and protection in place for raising concerns in respect of wrongdoing in the Group.
- Workers\* are aware that it is safe and appropriate for all employees to raise a concern.
- FBD takes appropriate measures to ensure concerns are appropriately investigated and to safeguard workers\* who:
  - raise genuine concerns; or
  - are the subject to an investigation; or
  - were the subject to an investigation and where no evidence of wrongdoing was discovered.

The Policy and supporting procedures are reviewed annually and were reviewed in December 2025. The Policy is available on the FBD Group website and all employees receive annual mandatory training.

\*Workers as defined by the Protected Disclosures (Amendment) Act 2022.

## Features of Internal Control in relation to the Financial Reporting Process

The main features of the Internal Control Framework which supports the preparation of the consolidated financial statements are as follows:

- A comprehensive set of accounting policies are in place relating to the preparation of the interim and annual financial statements in line with IFRS.
- A number of policies and controls are in place to support the delivery of the Annual Report and half yearly report including a Financial Reporting Policy and Internal Control Policy.
- An appropriately qualified and skilled Finance Function is in place operating under the supervision of experienced management who are compliant with fit and proper requirements.
- Appropriate financial and accounting software is in place.
- A control process is followed as part of the interim and annual financial statements preparation, involving the appropriate level of management review of the significant account line items, and where judgments and estimates are made, they are independently reviewed to ensure that they are reasonable and appropriate. This ensures that the consolidated financial information required for the interim and annual financial statements is presented fairly and disclosed appropriately.
- Preparation and review of key account reconciliations.
- The Board Audit Committee members attend a series of meetings in the lead up to the annual financial statements to consider and review the financial statements in detail and to have early sight of key methodologies, uncertainties and judgements.
- Detailed papers are prepared for review and approval by the Audit Committee covering all key methodologies, uncertainties and judgements and technical accounting issues together with any significant presentation and disclosure matters.
- The Audit Committee has a number of responsibilities delegated to it under its Terms of Reference. On an annual basis an assessment is carried out of the Committee's compliance with its Terms of Reference.

The Board confirms that it has reviewed the effectiveness of the Group's Systems of Internal Control for the year ended 31 December 2025. The 2025 internal control assessment provides reasonable assurance that the Group's controls are effective, and that where control weaknesses are identified, they are subject to management oversight and action plans.

# Nomination and Governance Report

Dear Shareholder,

On behalf of the Nomination and Governance Committee, I am pleased to outline a summary of activities during 2025.

## Board Succession

In 2025 the Committee and the Board reviewed the Board Succession Plan. The Committee, on behalf of the Board, regularly consider the Board composition and tenure, its diversity and that of its Committees along with the Board skills matrix to ensure that the Board has sufficient skills available to it to meet its strategic objectives. This assists the Committee in reviewing succession from a short, medium and long term perspective and in identifying any skills and diversity requirements that would be of benefit to the Board and the achievement of FBD's strategic ambition.

The Group extensively used an independent executive search firm, Odgers Berndtson, to assist it in the search for new Independent Non-Executive Directors in line with Board requirements.

Board succession is supported by the Board Recruitment, Succession and Diversity Policy and Board Conflicts of Interest Policy.

## Board Changes during 2025

A large focus of the Committee in 2025 was on succession. In May 2025, Mr Liam Herlihy retired as Independent Non-Executive Director and Chair of the Board. We thank Liam for his commitment and sound advice throughout his tenure and we wish him well in his next endeavours.

Mr Jim Bergin was appointed as Chair of the Board on 8 May 2025. Jim worked closely with Liam in relation to the succession of the role of Chair of the Board and has settled well into the role in leading the Board and ensuring it remains effective in directing the Company.

On 31 August 2025, Ms Mary Brennan stepped down as Independent Non-Executive Director. We thank Mary for her highly valued contribution throughout her time with FBD and we wish her well in her future pursuits.

Over 2025 we also welcomed a number of new Independent Non-Executive Directors to the Board. Mr Colm McGrattan joined the Board on 8 September 2025. Colm is an experienced insurance executive with two decades of board-level leadership in both insurer and broker organisations. Mr Paul Stanley joined the Board on 19 September 2025. Paul is a Fellow of the Association of Certified Chartered Accountants and has over forty years experience in the Financial Services Industry with experience in retail banking, treasury and finance both domestically and internationally. Both Colm and Paul bring a wealth of insurance knowledge and financial services industry experience further strengthening the capabilities of the Board.

On 23 December 2025 our newest independent Non-Executive Director joined the Board. Ms Silvia Milián Bon has over 25 years experience in the insurance industry spanning multiple areas including strategy, consulting, technology and digital transformation. These skills complement and enhance the current Board skill set and will support FBD in continuing to deliver on our strategic ambitions for our stakeholders.

The Nomination and Governance Committee will keep the needs and requirements of the Board under regular review, particularly as Directors reach their full term on the Board.

## Board Induction, Training and Development<sup>1</sup>

FBD recognises the importance and benefit of supporting the continued development of its employees. The Board is highly supportive of this and is committed to its own ongoing professional development. A detailed and comprehensive induction training programme is in place for newly appointed Directors.

<sup>1</sup> ESRS 2 GOV-1 23a Information about sustainability-related expertise that bodies either directly possess or can leverage - subject to limited assurance

Mr Colm McGrattan and Mr Paul Stanley have completed their induction training and Ms Silvia Milián Bon is in the process of undertaking her training.

During 2025 the Board regularly reviewed its programme of training which has been developed having given consideration to the business needs and requirements, current and emerging risks and forthcoming changes in law and regulation. The Board and/or its Committees may request training as they may deem appropriate.

Training was provided to the Board and/or its Committees on the following areas in 2025:

- data protection;
- conduct, marketing operational risk, geopolitical risk and outsourcing risk;
- diversity and inclusion;
- reinsurance;
- Anti-Money Laundering / Countering the Financing of Terrorism and Financial Sanctions;
- The Central Bank (Individual Accountability Framework) Act 2023 including Director duties under Conduct Standards and Reasonable Steps;
- competition law;
- consumer protection risk assessment;
- investments;
- macro-economic environment;
- agricultural market and policy;
- Market Abuse Regulations; and
- Environmental, Social and Governance.

Additionally the Risk Committee received deep dive briefings on a number of key risk areas.

## Board Diversity Report

### Board Recruitment and Diversity Policy

Board Diversity is supported by the Board Recruitment, Succession and Diversity Policy and reflects our continued commitment to promote a diverse and inclusive culture, valuing diversity of thought, skills, experience, knowledge and expertise including of educational and professional backgrounds, alongside diversity criteria such as gender, ethnicity and age. As set out in the Policy all Executive appointments and succession plans are made on merit and objective criteria, in the context of the skills and experience that are needed for the Board to be effective and to promote 'diverse thinking'. The objective of the Policy is to attract, recruit, and retain individuals with diverse backgrounds, skills, and competencies who individually and collectively enhance the service FBD provides to its customers and contribute to the successful delivery of FBD's strategy and objectives. The Board Recruitment, Succession and Diversity Policy is reviewed annually by the Nomination and Governance Committee and recommended to the Board for approval. This Policy is consulted and followed for each Board appointment.

### Board Diversity

The Board believe that diversity and inclusion are key to creating an environment that fosters innovation, employee engagement, creativity and the collaboration required to support and drive the Board agreed strategy 2026 to 2030.

The Board fully supports and encourages the leadership team in promoting an inclusive and equal employment work environment for our employees and the customers we serve. On behalf of the Board, the Committee regularly receive updates on diversity and inclusion including the work of our Diversity and Inclusion Committee. The Board welcomes FBD's achievement of the Gold accreditation for being Investors in Diversity through the Irish Centre for Diversity and we are committed to maintaining this accolade.

FBD is committed to having a diverse board, to achieving the target set in this regard and to ensuring an open and fair recruitment process. In 2025, the Board achieved its target 40% female membership by 31 December 2025.

The Board is mindful that diversity is not limited to gender. FBD recognises and supports the benefits of having a diverse Board of Directors which can provide the range of perspective for insight and challenge which enhances collective decision-making. For Board appointments, FBD works in partnership with external professional executive search consultancy firms who are aware of FBD's diversity ambitions. A selection of candidates is made on an unconscious bias basis and a shortlist of a diverse balanced pool of candidates is gathered within the ability of the executive search firm and the requirements of the Board at that time. Consideration will be given to age, ethnicity, and other demographics of FBD's customer and colleague base together with relevant composition benchmarking data to inform the design of the role profile while taking into account the specific needs of the Board at that time. FBD is an Irish insurer serving the Irish market. The Nomination and Governance Committee is aware of the 2022 Irish Census results for migration and diversity and notes that there is a limited diverse pool of ethnic minorities available to it in the Irish market in terms of succession targets and the necessary skills required by the Board at any one time.

The breakdown of Gender Diversity, Skills and Experience, both locally and internationally, of FBD's Board Committee can be found on page 50 for the Audit Committee, page 56 for the Risk Committee, page 60 for the Nomination and Governance Committee and page 64 for the Remuneration Committee.

The Board is committed to progressing its diversity and while all appointments to the Board and Executive Management will have due regard to diversity, they will be made on merit, ensuring that the skills, experience and traits noted by the Board as being of particular relevance at any time are present on the Board and included in any planned refreshment. The Board is mindful that it maintains the necessary skills and experience to deliver on the Board agreed strategy in the interests of the shareholders and FBD's wider stakeholders.

## Board Diversity, Experience and Skills<sup>1</sup>

The skills and experience identified by the Board as critical to its composition and that of its Committees at this time are outlined below. This was reviewed in December 2025 and the Nomination and Governance Committee deemed the listed diverse range of skills as of sufficient breadth for the Board to carry out its role in promoting the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society.

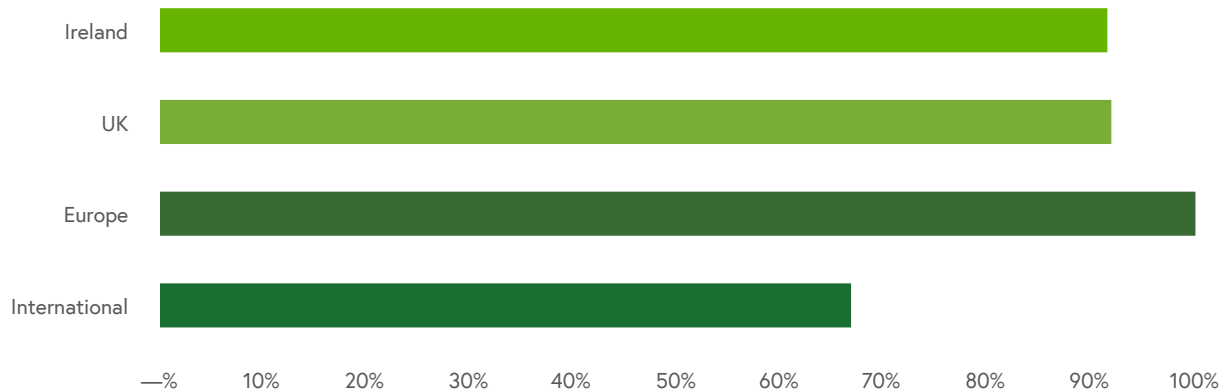
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<sup>1</sup> ESRS 2 GOV-1 21c Information about member's experience relevant to sectors, products and geographic locations of undertaking - subject to limited assurance  
ESRS 2 GOV-1 21d Percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity - subject to limited assurance  
ESRS 2 GOV-1 23a Information about sustainability-related expertise that bodies either directly possess or can leverage - subject to limited assurance  
ESRS G1 GOV-1 5b Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters - subject to limited assurance

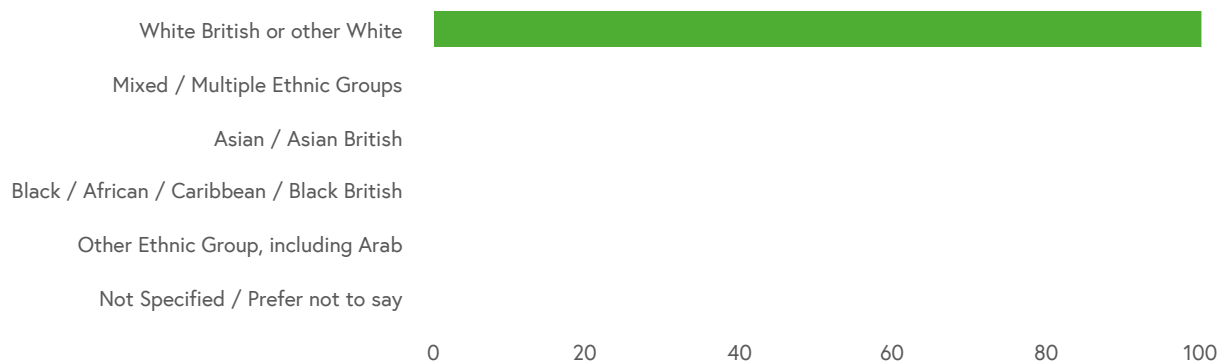
The percentage of the Board having the requisite skills and experience are as follows:

Accounting and Audit	42 %
General Insurance Industry Experience	58 %
Actuarial	17 %
Corporate Finance	42 %
Strategic Planning	75 %
Farming and Agri-Industry	25 %
Financial Services	67 %
Operations / Change Management	50 %
Distribution / Commercial	50 %
Governance, ESG, and Subsidiary Governance	75 %
Risk Management	58 %
Regulatory and Compliance	67 %
Information Technology	42 %

#### Diversity of Experience



#### Diversity of Ethnicity

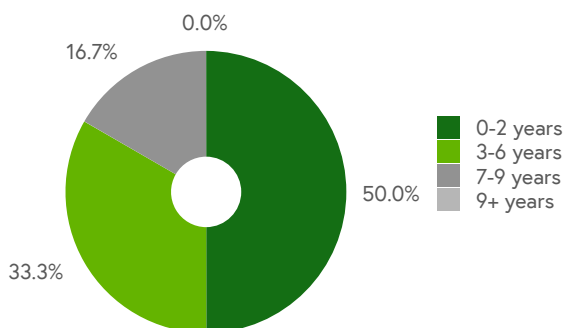


The Board values the major contribution which a mix of backgrounds, skills and experience brings to the Group and sees merit in increasing diversity at Board level in achieving the Group's strategic objectives. Differences in background, skills, experience and other qualities, including gender and ethnicity, are always considered and formally discussed at the Nomination and Governance Committee

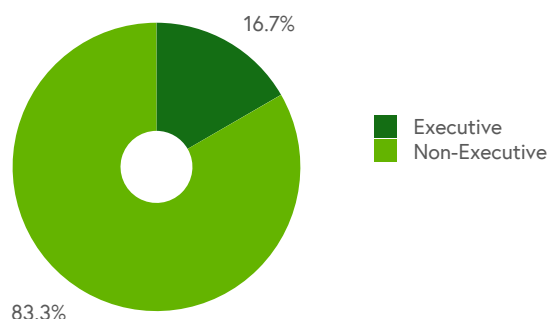
in determining the optimal composition of the Board, the principal aim being to achieve an appropriate balance between them.

The Board continues to comprise of a mix in backgrounds, experience and gender in line with the Policy. As at the date of this report, the Board was comprised as follows:

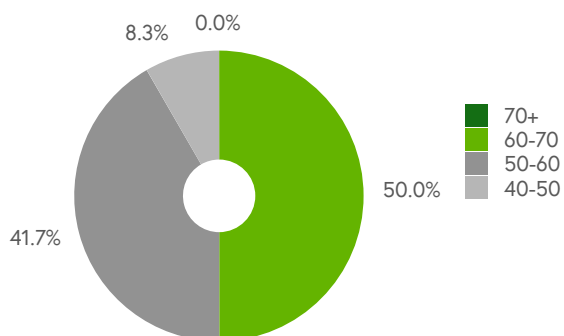
Tenure of Director



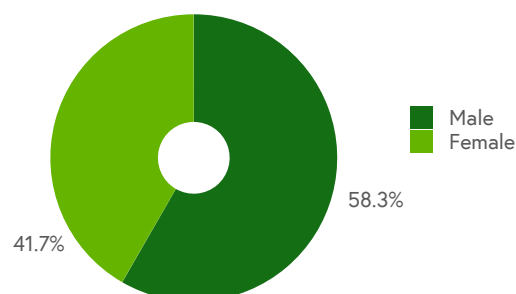
Executive / Non-Executive



Diversity of Age



Board Gender Balance



The gender balance of those in the senior management and their direct reports:

	Gender Female	Gender Male
Executive Management Team	36.40 %	63.60 %
Direct Reports	46.80 %	53.20 %

FBD has a continued partnership with Irish Management Institute's 30% Club Mentoring Programme, providing female leaders with external mentors and access to leadership events, an initiative that has contributed to promotions into advanced leadership roles over the past three years. As at 31 December 2025, 41.7% of the Board of Directors of FBD Holdings plc is female. 36.4% of Executive level and 46.9% of manager/specialists level in FBD are female. 61.2% of FBD's overall employees are female. The average female gender representation on the Board throughout 2025 was 43.9%<sup>1</sup> (2024: 42.7%).

In 2022, FBD signed up to the Women in Finance Charter and has an ambition to see more female representation at all levels.

<sup>1</sup> ESRS2 GOV-1 21d Board's gender diversity ratio - subject to limited assurance

## Board Evaluation

In line with the Code, on an annual basis, the Board evaluates its performance, the performance of its Committees, the Chair and individual Directors. The last external board evaluation took place for year ended 31 December 2022 and Board Excellence was engaged to carry out the external Board Evaluation for year ended 31 December 2025.

Board Excellence conducted an external board evaluation of the boards and committees over the period of November 2025 to January 2026. The external board evaluation process consisted of a comprehensive, independent and objective evaluation of the effectiveness, governance and performance of the FBD boards. The evaluation process reflected the provisions of:

- The Irish Corporate Governance Code 2024.
- The UK Corporate Governance code (2018).
- Irish Corporate Governance Code Annex.
- CBI Corporate Governance Code requirements for insurance Undertakings (2015).
- UK Financial Reporting Council (FRC) guidance on board and committee effectiveness (2018).
- Internationally recognised board best practices.

### Phases of the external evaluation process

- Confidential questionnaire completed by the Board Directors, Executive Team members and the Company Secretary.
- Review of the last twelve months of board and committee materials, governance materials, strategy, risk management, internal controls, cyber-security and AI, ESG, culture, HR, shareholder and stakeholder engagement materials.
- Observation of an FBD Board meeting.
- Confidential one-to-one interviews with the individuals noted above.
- Development of a draft report covering the assessment and recommendations of the board evaluation.
- Finalisation of the draft report and agreed action plan on implementing the recommendations.

### Output of the External Evaluation

The FBD Board was found to be a high-performing, very experienced, yet low-ego and resilient board which fulfils its performance and governance roles to all stakeholders in a highly professional and effective manner. The Board operates with respect and integrity and relationships with the Executive Team are based on high levels of trust and confidence. Constructive debate was observed in board meetings, with an appropriate focus on strategic over operational matters, and a good balance between performance and compliance-issues, underpinned by high-quality board papers and valuable executive insights. The customer is at the heart of decision-making, greatly assisted by the sector representation on the Board and the oversight of culture also works well, with a dedicated workforce engagement director. Governance standards, including risk management and compliance, are to a high standard, with a clear focus on transparency and "doing the right thing". Board meetings follow a clear agenda and are well-run, with an appropriate tempo and the Board benefits from first-class secretarial support, while board committees do a heavy lift and are well-chaired. Board policies and codes, induction, training and evaluation protocols are also excellent.

### Recommendations from the External Evaluation

A number of recommendations were made to build on this strong foundation and further enhance the Board's effectiveness. These included:

- ensuring the strong board culture is preserved, given the degree of recent board change and new appointments;

- reviewing the board work programme, with collective input to the design of a strategic board calendar with thematic deep dives and reworking the meeting agenda to prioritise substantive issues while using a consent agenda for routine agenda items; and
- continued focus on best governance practices including continued attention on AI as well as continuing to refine board and committee papers.

The Board is committed to its continual improvement and these recommendations will be addressed over the course of 2026. The next external Board evaluation will be carried out for the year ending 31 December 2028.

### Individual Director Evaluation

In addition to the External Board Evaluation process, an individual director evaluation process took place and this was led by the Board Chair with the support of the Company Secretary. The format of the evaluation included the following:

- each Director completed a Director Self-Evaluation Questionnaire;
- the Board Chair met individually with each Director to review and discuss performance and this was aided by the Director Self-Evaluation Questionnaire; and
- feedback was provided by the Chair to each Director.

### Board Chair Evaluation

- the Non-Executive Directors are responsible for the performance evaluation of the Board Chair. The evaluation of the performance of the Board Chair was led by the Senior Independent Director;
- the Senior Independent Director met with the Board Chair to discuss their performance and this was supported by a number of performance related questions;
- the Senior Independent Director reported to the Board in the absence of the Board Chair and the Board evaluated the overall performance of the Chair; and
- feedback was provided to the Chair through the Senior Independent Director.

Overall the 2025 Board evaluation assessment noted that the Board operates as a high performing Board with positive dynamics between the Board and the Executive Management. There remained good healthy debate amongst Board members and respectful challenge of management.

### Jim Bergin

On behalf of the Nomination and Governance Committee

5 March 2026

# Report on Directors' Remuneration

## Introductory Letter from the Remuneration Committee Chair

Dear Shareholder,

On behalf of the Remuneration Committee and the Board, I am pleased to present the Directors' Remuneration Committee Report for the year ended 31 December 2025. This report outlines the operation of the Directors' Remuneration Policy in 2025, emphasising our commitment to compliance with all relevant remuneration and legislative requirements.

Our focus on benchmarking with industry peers and maintaining alignment with our strategic goals has guided our decisions on salary, bonus, and FBD Performance Share Plan ("LTIP") outcomes. Our priorities include ensuring that executive compensation remains aligned with shareholders interests, business strategy, and broader stakeholder expectations. Moreover, we carefully considered the ongoing demands of integrating sustainable principles into our remuneration framework to reflect the Group's long-term objectives.

## Changes to Board

Effective 8 May 2025 Liam Herlihy resigned as Chair of the Board. Jim Bergin was appointed as the Chair with effect from 8 May 2025.

Mary Brennan resigned from the Board on 31 August 2025 at the end of her nine year tenure on the Board.

Colm McGrattan was appointed to the Board on 8 September 2025 and Paul Stanley was appointed on 19 September 2025. Silvia Milián Bon was also appointed to the Board on 23 December 2025.

These appointments reflect our ongoing commitment to enriching the Board with diverse expertise and leadership to support FBD's continued growth and success.

## Remuneration in Context

In making decisions in relation to Executive Directors' remuneration outcomes in 2025, the Committee took into account key measures of the Group's performance as well as the experience of wider stakeholders as outlined below.

## Strategic Priorities

In 2025, we continued to focus on delivering value for all our stakeholders and becoming a digitally enabled, data-enriched organisation that delivers an excellent experience for our customers and our people.

'Optimisation' was the central theme for the year, shaping our priorities and actions in capital efficiency, continuous improvement, and technology.

- Capital efficiency was advanced through disciplined, return-focused deployment of capital, and targeting optimisation of each component of the SCR Ratio.
- Continuous improvement focused on creating capacity while enhancing our customer and employee experience.
- Our investment in technology focused on evolving our digital architecture, strengthening our technology and people capabilities, enabling deeper customer insight and the delivery of a proposition that adds meaningful value.
- We continued to support local communities, delivering on our sustainability commitments, and supporting our customers in theirs.
- Delivering measured profitable growth, through a sharp focus on value and capital management.

## Financial Performance

- Profit before taxation of €54.2m in 2025.
- Gross Written Premium of €501.7m in 2025 representing a 9.0% increase in the year.
- Growth in Policy Count of 3.2% in 2025.
- Combined Operating Ratio of 90.8% in 2025.
- Total investment return of 2.8% in 2025.

We have reported a profit before tax of €54.2m (2024: €77.1m) reflecting a robust underwriting result following the poor weather experience in January 2025, with a net cost to FBD of €30.8m. Our focus has been on driving value for our stakeholders, and we have made positive progress in this regard. Our ongoing focus and commitment in meeting the needs of our customers and the provision of a personalised service continue to play a significant role in the performance of the business. For further information on the 2025 results please see the Review of Operations on pages 9 to 11.

## Our Employees

At FBD, we are committed to being a great place to work by delivering an improved employee experience through our People Strategy. We focus on all stages of the employee journey, enhancing workplace culture, development opportunities, benefits, and work-life balance. These efforts create a more engaging and fulfilling environment for our employees, also establishing FBD as an employer of choice for top talent recruitment.

"Empowering Our People" remained a cornerstone of our strategy in 2025, driving continuous improvement in Learning and Development, Career and Personal Development, and our Employee Value Proposition. During the year, we launched two flagship programmes, FBD Sales Academy and the newly launched FBD Academy, designed to accelerate talent into leadership roles and foster a culture of continuous learning. The Sales Academy, an established programme, focused on roles in Local Offices and the Mullingar Sales Centre, while the FBD Academy provided non-people managers with at least 12 months' experience, with the skills and confidence to progress in their careers.

Inclusion and diversity remain central to our culture. In 2025, we maintained our Gold Accreditation from Investors in Diversity (IiD) through the Irish Centre for Diversity, originally awarded in 2024. At the time we received it, FBD was one of only 20 organisations in Ireland to hold this status, and we are now one of 37 organisations to have achieved it at the time of this publication. This recognition reflects how deeply diversity and inclusion is embedded across our business. During the year, we further strengthened our commitments by signing the Employment Partnership Charter and formalising our partnership with AslAm, Ireland's national autism charity. We continue to engage with other accredited organisations to share best practices and strengthen our inclusive culture.

We are also proud to be a committed signatory of the Women in Finance Charter since 2022, reinforcing our pledge to improve gender balance across all levels. Our Group CEO and Executive Management Team (EMT) remain accountable for setting and reporting progress against stretch targets, ensuring transparency and measurable change. We promote equality through diverse recruitment shortlists, structured interview panels, and mentoring and sponsorship programmes, supported by family-friendly policies.

Flexibility remains a key part of our Employee Value Proposition. Our hybrid working model supports work-life balance across our operations and it is reviewed annually to ensure alignment with market expectations.

Employee wellbeing is another key priority. FBD maintains a comprehensive Health and Wellbeing strategy, offering an annual calendar of events and expert-led sessions on mental health, menopause, nutrition, and emotional wellbeing, alongside awareness campaigns.

At FBD, we remain dedicated to creating a workplace where everyone feels valued, respected, and empowered, rewarding contributions fairly and providing opportunities for growth.

To recognise our employees' contributions:

- A pay pot of 3.5% of base salary was awarded in April 2025, factoring in performance, current position on the salary range, and pay grade.

- A €1,000 voucher was also awarded in March 2025 to all employees to recognise their contribution to our achievements in 2024.
- We also awarded a €500 voucher to all employees in December 2025 in recognition of the sustained growth over multiple years that has taken us beyond €500 million in Gross Written Premium (GWP) for the first time.
- A bonus pot of 145% of 'target achievement bonus' was given to eligible employees in April 2025, reflecting individual performance and the company's successful delivery of business performance conditions for 2024.
- A bonus pot of 146% of 'target achievement bonus' was given in April 2025 in respect of Group CEO and Group Chief Financial Officer (CFO) and Executive Management Team reflecting performance and the company's successful delivery of business performance conditions and progress on strategic objectives in 2024.

## Paying for Performance

The Committee ensures that remuneration metrics are closely aligned with the Group's long-term interests, business model, and strategic objectives. This alignment is reinforced by setting appropriately ambitious performance targets that drive sustainability principles into our remuneration framework, ensuring that executive compensation reflects the Company's commitment to achieving its long-term ESG goals while delivering enduring value for all stakeholders.

The Remuneration Committee has reviewed performance against the 2025 Annual Bonus Plan targets and approved the 2025 bonus payments.

Following Undiscounted Combined Operating Ratio Performance of 92.9%, 3.4% growth in Farmer policy count, 2.8% growth in Business policy count, 2.0% growth in Retail policy count, 8.4% growth in Retail Partner policy count, as well as achieving goal to Lead Culture Change, this resulted in a 2025 bonus of €516,155 for the Group CEO and €144,755 for the Group CFO. 30% of the bonus will be deferred into FBD shares for three years.

We reviewed the LTIP award granted in 2023 against the applicable performance conditions and the vesting outcome was 100%.

## 2025 Remuneration Policy and Implementation

The Remuneration Policy was last approved by shareholders at the 2023 AGM and received 99.98% support for the votes cast. We will continue to operate under this Policy for 2026.

We have also reviewed and approved the 2026 Annual Bonus structure to ensure it is aligned to our strategy, our shareholder and all stakeholder requirements. We also reviewed and approved the metrics and targets for LTIP to be granted in 2026. Further detail on the implementation of the Policy for 2026 is set out later in this report.

In approving the Remuneration Framework and performance conditions for 2026 the Committee considered the following principles:

- motivate and reward executives to perform in the long-term interest of shareholders;
- attract and retain executives of the highest calibre;
- reflect the strategy of the Company for all our shareholders with a strong focus on culture, ESG and our people; and
- provide an appropriate blend of fixed and variable remuneration and short and long-term incentives.

## Shareholder Dialogue and Support

Section 1110N of Companies Act 2014 (EU Shareholder Rights Directive), requires a vote on the Report on Directors' Remuneration at the AGM on an advisory basis. At the 2025 AGM, this report received 99.4% support from shareholders.

The Committee requests shareholders to consider and approve the annual remuneration report set out on the following pages at the 2026 AGM.

Chair of the Remuneration Committee

5 March 2026

## Role of Remuneration Committee<sup>1</sup>

Responsibility for determining the levels of remuneration of the Executive Directors has been delegated by the Board to the Remuneration Committee whose membership is set out in the Corporate Governance Report.

In framing remuneration strategy, frameworks and policies, the Committee gives full consideration to the principles and provisions of the Central Bank of Ireland Corporate Governance Requirements for Insurance Undertakings 2015 and the Irish Corporate Governance Code 2024 as well as the update to the EU Shareholder Rights Directive in 2020. It also takes into account the long-term interests of shareholders, investors and other stakeholders of the Group.

The duties of the Remuneration Committee are to determine Directors' Remuneration Policy and practices by reviewing performance structures, performance metrics, target setting and application of discretion.

The Remuneration Committee also reviews overall workforce remuneration and related policies and alignment of incentives and rewards with culture and takes these factors into account when setting the policy for Executive Director Remuneration.

The Committee considers and reviews the Remuneration Policy and are in agreement that it is operating as intended in respect of the Group performance quantum.

In determining outcomes under the bonus and the LTIP, the Remuneration Committee considers performance achieved during the year and satisfies itself that the incentive outcomes were appropriately aligned with the extent to which the Group met its strategic goals and the shareholder experience.

## External Advice

Willis Towers Watson (WTW) were appointed as our Remuneration Advisors for 2025 and the total fees paid were €30,712. They have also been appointed to continue as our advisors for 2026. As our advisors WTW also provide support on an annual basis in respect of our Gender Pay Gap report as well as our annual benchmarking of employee salaries.

## Remuneration Policy<sup>2</sup>

The current Remuneration Policy was approved by shareholders at the 2023 AGM and received 99.98% support of the votes cast. This section sets out the main components of the Policy. The full Policy as approved by shareholders can be found in the 2023 Annual Report which is on the Company's website.

Remuneration arrangements are determined throughout the Group based on the same principle – the reward should be sufficient in order to attract, retain and motivate high performing individuals who are critical to the future development of the Group. The fair distribution of our Group's profits is an integral part of our corporate culture as we wish to reward our employees' contribution to the success of the Group.

The performance measures ensure everyone is focused on delivering the same business priorities and that employees share in the success if the business strategy is delivered.

It is the policy of the Group to provide all members of executive management, middle management and employees of the Group with appropriate remuneration and incentives that reward performance. The aim is to ensure reward aligns to Group objectives in terms of profitability built on good customer outcomes together with balanced and responsible assumption of risk. This is done by ensuring that the principles of sound and prudent risk management are fully reflected and that excessive risk taking is neither encouraged nor rewarded. The appropriateness is assessed with reference to internal and external sources.

The Committee has aimed to build simplicity and transparency into the design and delivery of our Remuneration Policy, which was approved by shareholders at the 2023 AGM. The remuneration structure is simple to understand for both participants and shareholders and is aligned to the strategic

<sup>1</sup> ESRs 2 GOV-3 29e Description of level in undertaking at which terms of incentive schemes are approved and updated - subject to limited assurance

<sup>2</sup> ESRs 2 GOV-3 29a Description of key characteristics of incentive schemes - subject to limited assurance

priorities of the business. We aim for our disclosures to clearly explain the design of our arrangements and the way that they have been operated so that they can be fully understood by all stakeholders.

When setting Executive Director remuneration, we consider several guiding principles. We focus on clarity so that arrangements are transparent and support effective engagement with shareholders and employees. We prioritise simplicity by designing structures that are straightforward and easy to understand. We take account of risk by ensuring that reputational and behavioural risks linked to excessive rewards are identified and mitigated. We consider predictability by clearly explaining the range of possible reward outcomes and any limits within the policy. Proportionality remains important, with a significant portion of reward linked to performance and aligned with shareholder value. We also ensure alignment with culture by using performance measures that reflect the Company's purpose, values and strategy.

The Committee has the discretion to override formulaic outcomes and enable recovery and withholding of bonuses where appropriate. The Committee will continue to monitor corporate governance developments and evolving best practice and take these into account in the Policy and its implementation.

The Policy includes a number of points in its design, the aim of which is to mitigate potential risk:

- defined limits on the maximum opportunity levels under incentive plans;
- provisions to allow malus and claw back to be applied by the Remuneration Committee where appropriate;
- performance targets calibrated at appropriately stretching but sustainable levels in line with our business strategy so that Executive Directors are incentivised to deliver performance but not at the expense of going beyond the Group's risk appetite;
- shareholding requirements ensure alignment of interests between Executive Directors and shareholders and encourage sustainable performance;
- a significant proportion of any Executive Director bonus will be deferred into FBD shares for a period of three years. This practice would allow the Committee to have flexibility to apply malus and claw back if circumstances warranted; and
- persons subject to the Remuneration Policy shall commit to not using any personal hedging strategies or remuneration and liability-related insurance which would undermine the risk alignment effects embedded in their remuneration arrangement.

We aim for our disclosure to be clear to allow shareholders to understand the range of potential values which may be earned under the remuneration arrangements. All incentive arrangements have defined and disclosed limits on pay out / award levels.

A significant proportion of Executive Director Remuneration arrangements is share-based and we also require significant holding of shares which ensures that remuneration outcomes are closely aligned to shareholder returns. For example, the Group Chief Executive Officer is required to build and maintain a shareholding equivalent to two times the annual salary.

It is also the policy of the Group to provide a remuneration framework that attracts, motivates and rewards Executives of the highest calibre who bring experience to the strategic direction and management of the Group and who will perform in the long-term interests of the Group and its shareholders.

As part of our annual remuneration cycle a comprehensive analysis is completed in respect of comparison of changes to salary, benefits and annual bonus for Executive Directors, senior management and all employees. A gender pay gap comparison and gap analysis is also completed in respect of both pay and bonus around total workforce remuneration.

We are committed to ongoing and constructive engagement with our employees and use a number of channels to support our engagement process in order to incorporate their views into our business activities.

## Reward Philosophy

At FBD, our reward philosophy is grounded in ensuring competitiveness while maintaining cost stability. We leverage up-to-date benchmarking data from WTW and PwC to align our reward offerings with the Market Median, ensuring our compensation packages remain attractive and competitive within the industry.

We are committed to creating pathways for individuals to grow their earnings through performance-based incentives and career advancement opportunities. In addition, we continually review our benefits portfolio, exploring cost-effective enhancements that demonstrably improve employee retention and performance. This approach ensures our rewards strategy remains both effective and sustainable.

## Addressing Key Stakeholders Needs

FBD is committed to maintaining openness and transparency in its remuneration arrangements for all employees. As part of this commitment, we present the Report on Directors' Remuneration at the AGM each year for an advisory vote, ensuring alignment with shareholder expectations. The LTIP, approved by shareholders at the AGM on 5 May 2018, reflects this ongoing dedication to transparency and stakeholder engagement.

As part of our regular interaction with investors we answer questions that they may have on remuneration arrangements and take into consideration views expressed in the formulation of policy and setting appropriate performance conditions. In addition, we engage with investor advisory services about any concerns they may have. We have listened to our investors and their feedback in respect of the importance of balance between growth and profitability. The Remuneration Committee has taken this feedback into account when setting appropriate performance conditions for 2026.

Among our key stakeholders is Farmers Business Development plc and as FBD's largest shareholder they have held and will continue to hold a seat on the Board which benefits the Group as they share knowledge in respect of our largest customer base.

To address key stakeholder needs and support ongoing engagement, FBD published the Gender Pay Gap Report in November 2025, for the fourth year in a row, highlighting progress and outlining strategies to close the gap as set out below in our key updates for 2025.

Our Director of Engagement with the workforce Olive Gaughan, continued to play an important role in strengthening the employee voice throughout the year. She engaged directly with colleagues across the business, visiting a number of Local Offices and hosting employee forums in Mullingar Sales Centre and at Head Office. The insights gathered through these conversations were shared with the Board and its Committees, enabling the Remuneration Committee to make more informed and balanced decisions in relation to employee remuneration.

FBD also has a programme of investor relations activities where we engage with shareholders in order to enhance bi-lateral communication by fostering objective orientated dialogue with shareholders.

The Committee considers remuneration for all employees and is satisfied that pay arrangements are appropriate.

## Key Updates in 2025

We have continued to strengthen the implementation of our Remuneration Policy by building on our communication initiatives, reinforcing transparency, and placing greater emphasis on sustainability-aligned performance measures. These enhancements ensure our remuneration framework remains closely aligned with the Group's evolving strategic objectives and the expectations of our stakeholders.

- To improve employee understanding of our reward structure and deepen transparency, we continued and expanded several engagement initiatives throughout the year. Reward Information Sessions continued to be delivered by HR, providing employees with clear insight into our reward philosophy, including how bonus structures, pay increments and pay bands operate.
- Our monthly reward clinics also remained in place, offering employees dedicated one-to-one time to discuss personal reward queries and receive tailored guidance.

- We further broadened our reach by expanding our programme of roadshows across departments. These interactive sessions offered updates on career development, reward frameworks, wellbeing initiatives, diversity and inclusion, and speak-up channels, ensuring employees across the business remained informed and supported at every stage of their journey with FBD.

The following table sets out the key elements of the Remuneration Policy for Executive Directors, their purpose, and how they link to the strategic rationale for 2025.

Element and link to strategy	Policy and operation 2025
<p><b>Base Salary (fixed remuneration)</b></p> <p>To help recruit and retain senior experienced Executives</p>	<p>Base salaries are reviewed annually with effect typically from 1 April taking the following factors into account:</p> <ul style="list-style-type: none"> <li>• the individual's role and experience;</li> <li>• Group performance;</li> <li>• personal performance; and</li> <li>• market practice and benchmarking.</li> </ul> <p>Although salaries are reviewed annually there is no automatic right of any Executive to receive a salary increase.</p>
<p><b>Benefits (fixed remuneration)</b></p> <p>To provide market competitive benefits</p>	<p>Benefits provided include motor allowance and an agreed percentage contribution to health and other insurance costs.</p>
<p><b>Pension Provision (fixed remuneration)</b></p> <p>To provide market competitive benefits and reward performance over a long period, enabling Executives to save for retirement</p>	<p>Since 2020, the Remuneration Policy ensures that all newly appointed Executive Directors receive defined contribution pension benefits (or equivalent cash in lieu), in line with existing scheme arrangements available to the wider workforce.</p> <p>All Executive Director's pensions are in line with the wider workforce.</p>

**Element and link to strategy**

**Policy and operation 2025**

**Annual Performance Bonuses (variable remuneration)**

Annual bonus is based on stretching performance conditions set by the Remuneration Committee at the start of the year. The maximum opportunity level under the Policy for the Group Chief Executive Officer is 120% of base salary and 100% of base salary for other Executive Directors. In a given year, the Committee may determine that a maximum opportunity level below the above Policy levels will be operated.

Annual bonus outcomes will be determined based on performance against Group financial targets and the achievement of defined individual strategic objectives. The Remuneration Committee will determine the performance measures, their weightings and the calibration of targets each year and will clearly disclose these in the Remuneration Report.

Financial targets will determine the majority of the bonus. Financial targets will be set in a manner which will encourage enhanced performance in the best interests of the Group and its shareholders and will be approved by the Remuneration Committee.

In addition, if annual Group profit before tax does not reach a minimum level, to be determined annually by the Remuneration Committee after the budget has been approved, then the bonus may be revised downwards potentially to zero, the ultimate discretion over which rests with the Remuneration Committee following consultation with the Group Chief Executive Officer.

Individual performance will be assessed against agreed performance objectives, which will include a risk objective to ensure that all employees identify, evaluate and mitigate and control risks as part of our overall objectives to meet the organisation's strategic goals.

The Remuneration Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so. Any such discretion would be fully disclosed in the relevant Annual Report.

Any bonus payments are subject to the potential for the Remuneration Committee to apply provisions to withhold, reduce or require the repayment of awards for up to two years after payment if there is found to have been (a) material misstatement of the Group's financial results or (b) gross misconduct on the part of the individual.

30% of any Executive Director bonus will be deferred into FBD shares for a period of three years. This practice will allow the Committee to have flexibility to apply clawback if circumstances warranted.

To reward achievement of Group targets, personal performance and contribution

**Element and link to strategy**

**Policy and operation**

**Long Term Incentives - the FBD Performance Share Plan (variable remuneration)**

The LTIP was approved by shareholders in 2018. Under the LTIP, the Remuneration Committee may, at its sole discretion, make conditional awards of shares to Executives.

Conditional awards of shares under the LTIP are limited to 10% in aggregate with any other employee share plan of the Company's issued ordinary shares of €0.60 each over a rolling 10 year period. The market value of shares which are the subject of a conditional award to an individual may not, in any financial year, normally exceed 150% of the participants base salary as at the date of the grant.

The Remuneration Committee set performance conditions each year, selecting appropriate metrics based on key strategic priorities. The period over which the performance conditions applying to a conditional award under the LTIP are measured may not be less than three years. The extent to which a conditional award may vest in the future will be determined by the Remuneration Committee by reference to the performance conditions set at the time of the reward.

To align the financial interests of Executives with those of shareholders

These conditions are designed to ensure alignment between the economic interest of the plan participants and those of shareholders. Different conditions, or the same conditions in different proportions, can be used by the Remuneration Committee in different years under the LTIP rules, provided that the Committee is satisfied that they are challenging targets and that they are aligned with the interest of the Group's shareholders.

Consistent with prior periods, the LTIP rules allow the Remuneration Committee (at its sole discretion) to make awards which may be subject to an additional post vesting holding period. Awards will vest after three years once applicable performance conditions have been achieved and the vested shares (net of tax) will be required to be held for a further two year period to provide continued alignment with shareholders. The Remuneration Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so and any such discretion will be fully disclosed in the relevant Annual Report.

The LTIP includes provisions that allow the Remuneration Committee to withhold, reduce or require the repayment of rewards for up to two years after vesting (i.e. up to five years after grant) if there is found to have been (a) material misstatements of the Group's financial results or (b) gross misconduct on the part of the award holder.

## Share Ownership Policy

The Group incentivises its Executive Directors and Senior and Middle Management with equity based awards under the Group's shareholder approved share schemes. Central to the philosophy underlying awards is the goal of aligning the economic interests of those individuals with those of shareholders.

Executives are expected to maintain a significant long-term equity interest in the Group. The requirement, which is set out in a policy document by the Remuneration Committee, approved and reviewed annually, is to build and retain a valuable shareholding relative to base salary, at a minimum, as noted hereunder.

Executive	Share ownership requirement
Group Chief Executive Officer	2 times annual salary
Other Executive Directors	1.5 times annual salary

Until such time as the requirement has been met, Executive Directors are precluded from disposing of any shares issued to them under the group share schemes.

Executive Directors have a post employment shareholding requirement for at least two years at a level equal to the lower of the shareholding requirement immediately prior to departure or the actual shareholding on departure.

## Recruitment Policy

When recruiting new Executive Directors, the policy is to pay what is necessary to attract individuals with the skills and experience appropriate to the role being filled, taking into account remuneration across the Group, including other Senior Executives as well as benchmarking against the financial services industry.

Base salary levels will be set in consideration of the skills, experience and expected contribution to the new role, the current salaries of other Executive Directors in the Group and current market levels for the role.

The Remuneration Committee has determined that the level of pension contribution for any newly appointed Executive Director will be set in line with levels in operation for the majority of the workforce, as is the case with all employees.

Other fixed benefits will be considered in light of relevant market practice for the role and the provisions in place for Executive Directors.

In exceptional circumstances or where the Remuneration Committee determines that it is necessary for the recruitment of key executives, the Remuneration Committee reserves the right to offer additional cash and/or share-based payments. Such payments may take into account remuneration relinquished when leaving the former employer and would reflect the nature, time horizons and performance requirements attached to the remuneration. The Remuneration Committee may also grant share awards on hiring an external candidate to buy out awards which will be forfeited on leaving a previous employer.

For an internal appointment, the Remuneration Committee reserves the right to offer additional cash and/or share-based payments on an internal promotion when it considers this to be in the best interests of the Group and its shareholders.

## Service Contracts

The service contract for the Group Chief Executive Officer and the Group Chief Financial Officer provide for the following periods of notice of termination of employment:

Executive	From Company	From CEO/CFO
Tomás Ó Midheach Group CEO	12 Months	6 Months
Kate Tobin Group CFO	6 Months	6 Months

## Termination Payments

Termination payments will be related to performance achieved over the whole period of activity and designed in a way that does not reward failure.

Bonus awards will generally be pro-rated to reflect the performance period, which was worked, and the performance outcomes achieved, although the Remuneration Committee retains discretion to dis-apply such pro-ration where it would be appropriate in the circumstances.

In the event of an Executive Director leaving before an LTIP award vests for reasons other than death, redundancy, injury, ill health or disability retirement with the agreement of the Remuneration Committee or any other reason approved by the Remuneration Committee, the awards of the Executive Directors will lapse, except that the Remuneration Committee may at any time prior to vesting, in its absolute discretion revoke any determination to permit awards to vest where an Executive Director breaches a protective covenant.

## Non-Executive Director Remuneration

The remuneration of the Non-Executive Directors is determined by the Board and reflects the time commitment and responsibilities of their role. In setting this level, the Board has regard to the fees payable to the Non-Executive Directors of the other Irish publicly listed companies and also to the developments and policy for the remuneration of the employees in the wider Group.

Non-Executive Directors receive a basic fee. Additional fees are paid for acting as Senior Independent Director, Director of Engagement with the Workforce, being a member of and/or chairing Committees.

Non-Executive Directors are not members of the Group's pension schemes and are not eligible for participation in the Group's long-term incentive schemes.

## Derogation from Remuneration Policy

The Remuneration Committee intends that remuneration arrangements will operate in accordance with the above Remuneration Policy for a four-year period or until an amended Remuneration Policy is put to shareholders for approval. The European Union (Shareholders' Rights) Regulations 2020 allow for the potential for a temporary derogation from the Remuneration Policy where doing so is necessary in exceptional circumstances, to serve the long-term interests and sustainability of the traded plc as a whole or to assure its viability.

By definition, it is not possible to fully list all such exceptional circumstances, but the Remuneration Committee would only use such ability to apply a derogation after careful consideration and where the Remuneration Committee considers the circumstances were truly exceptional and the consequences for the Group and shareholders of not doing so would be significantly detrimental. Where time allowed shareholders would be consulted prior to applying such a change, or at a minimum where this was not possible, the full details of the derogation would be communicated as soon as practical (e.g. by market announcement/on the Group's website) and disclosed in detail in the next Remuneration Report. Under the potential derogation, the Remuneration Committee would have the ability to vary the elements of the remuneration described in the above table, including levels of performance conditions applicable to incentive arrangements.

## Remuneration Report

The information on pages 80 to 102 of the Report on Directors' Remuneration identified as audited forms an integral part of the audited financial statements as described in note 7 to the financial statements on page 244. All other information in the report on Directors Remuneration is additional information and does not form part of the audited financial statements. The difference between fixed and variable pay (excluding granted LTIP) is shown in the table below.

## Executive and Non-Executive Directors' Remuneration details

The following table sets out in detail the remuneration payable by the Group in respect of any Director who held office for any part of the financial year:

### Executive Directors Remuneration for the year ended 31 December 2025 and 31 December 2024 (Audited)

Executive Directors:	Tomás Ó Midheach		Kate Tobin	
	2025	2024	2025	2024
	€000s	€000s	€000s	€000s
Salary <sup>1,2,3</sup>	575	555	322	311
Benefits <sup>4</sup>	40	40	19	16
Pension Contribution <sup>5</sup>	46	44	26	25
<b>Total fixed remuneration</b>	<b>661</b>	<b>639</b>	<b>367</b>	<b>352</b>
% Fixed versus Total	35 %	31 %	50 %	48 %
Other Payments <sup>6</sup>	516	656	145	184
Vested LTIP in year <sup>7</sup>	723	788	222	202
Total Variable remuneration	1,239	1,444	367	386
% Variable versus Total	65 %	69 %	50 %	52 %
<b>Total remuneration<sup>6</sup></b>	<b>1,900</b>	<b>2,083</b>	<b>734</b>	<b>738</b>

## Notes

- Salaries were paid to Executive Directors and the salary numbers in the table reflect what was actually paid in the financial year (Pay increases each year were effective from 1 April).
- 2024: A pay increase was awarded to Mr. Ó Midheach in line with the wider workforce. Ms. Tobin did not receive a pay increase following her appointment in 2024.
- 2025: A pay increase was awarded to Mr. Ó Midheach and Ms. Tobin in line with the wider workforce.
- Benefits relate to a motor allowance and contribution towards health insurance costs and car insurance costs as well as other contractual benefits.
- Pension contributions relate to contributions to a defined contribution pension scheme.
- 2025: Bonuses of €516,155 and €144,755 were awarded to Mr. Ó Midheach and Ms. Tobin under the bonus scheme in 2025. The bonuses were calculated in accordance with the Annual Performance Arrangements described earlier and both Mr. Ó Midheach and Ms. Tobin's bonuses were approved by the Remuneration Committee. 2024: Bonuses of €656,000 and €184,000 were awarded to Mr. Ó Midheach and Ms. Tobin under the bonus scheme in 2024. The bonuses were calculated in accordance with the Annual Performance Arrangements described earlier and both Mr. Ó Midheach's and Ms. Tobin's bonuses were approved by the Remuneration Committee.
- Vested LTIP in year relates to 2021-2023 LTIP vesting in 2024 and 2022-2024 LTIP vesting in 2025.
- The total remuneration for Executive Directors was €2,634,000 (2024: €2,821,000).

## Non Executive Directors Remuneration for the year ended 31 December 2025 (or date of departure, if earlier) and 31 December 2024 (Audited)

Non Executive Directors:	Fees <sup>1</sup> €000s		Number of ordinary shares of €0.60 each	
	2025	2024	31 December 2025	31 December 2024
Liam Herlihy (Chair to May 2025) <sup>8</sup>	65	183	8,000	8,000
Olive Gaughan <sup>2</sup>	94	54	—	—
Francie Gorman <sup>3</sup>	72	22	—	—
Patrick Murphy	72	72	—	—
Mary Brennan <sup>9</sup>	79	119	—	—
Sylvia Cronin	119	98	—	—
Richard Pike <sup>13</sup>	193	147	7,200	7,200
Jim Bergin <sup>4</sup> (Chair from May 2025)	153	8	—	—
David O'Connor <sup>5</sup>	—	89	—	1,500
John O'Dwyer <sup>6</sup>	—	89	—	—
Jean Sharp	108	103	—	—
Tim Cullinan <sup>7</sup>	—	54	—	—
Colm McGrattan <sup>10</sup>	26	—	—	—
Paul Stanley <sup>11</sup>	28	—	—	—
Silvia Milián Bon <sup>12</sup>	2	—	—	—
<b>Total</b>	<b>1,011</b>	<b>1,038</b>	<b>15,200</b>	<b>16,700</b>

### Notes

- Fees were paid to Non-Executive Directors.
- Olive Gaughan joined the FBD Board on 22 May 2024.
- Francie Gorman joined the FBD Board on 9 September 2024.
- Jim Bergin joined the FBD Board on 19 November 2024 and became Chair of the Board on 8 May 2025.
- David O'Connor sadly passed away on the 12 April 2024.
- John O'Dwyer sadly passed away on the 24 November 2024.
- Tim Cullinan retired from the Board on 9 September 2024.
- Liam Herlihy retired from the Board on 8 May 2025.
- Mary Brennan retired from the Board on 31 August 2025.
- Colm McGrattan was appointed to the Board on 8 September 2025.
- Paul Stanley was appointed to the Board on 19 September 2025. Payment in respect of Paul Stanley for 2025 includes €3,000 representing an underpayment that was paid in early 2026.
- Silvia Milián Bon was appointed to the Board on 23 December 2025.
- Payment in respect of Richard Pike for 2025 includes additional €5,000 representing an underpayment for 2024.

### Base Salary

The base salaries effective from 1 April 2025 were €581,256 for the Group CEO and €326,025 for the Group CFO. Further detail was provided in the 2024 Directors' Remuneration Report.

## Determination of Annual Performance Bonus for the year ended 31 December 2025<sup>1,2</sup>

As previously noted, the overall Annual Performance Bonus arrangements, the targets and their achievement are approved by the Remuneration Committee each year. Specifically, the Remuneration Committee approves the merit pay and bonus arrangements for the Executive Directors in line with FBD's Remuneration Policy.

In 2025 the Remuneration Committee included a profit threshold that had to be reached in order to qualify for bonus.

The Group's short and long-term remuneration philosophy is to ensure that remuneration is aligned to FBD's purpose and values, supports strategy and promotes long-term success of the Group.

Remuneration includes performance-related elements designed to align Directors' interests with those of shareholders and to promote long-term sustainable growth and performance in line with our strategy. Market-competitive total remuneration is structured to attract, motivate and retain individuals of the highest quality.

The following objectives were set for the Executive Directors for 2025:

Executive Director	Objective	Measure of Success	Result
Tomás Ó Midheach	Operational Excellence	Achieve our key operational metrics delivering retention and service and our day to day goals throughout the year.	Achieved
	Technology & Innovation	Continue to deliver transformational targets in terms of core replacement and digital delivery.	Achieved
	Strategy	Deliver key strategy in respect of our five key stakeholders, Our Investors, The Regulator, Our People, Wider Society and Our Customer. Meaningful progress made following the launch of FBD's purpose, strategy and values.	Achieved
	ESG	Continue to enhance ESG strategy and ensure key deliverables are aligned across the business with appropriate communication and engagement plan for investors, customers and employees.	Achieved
	People & Culture	Focus on key values continuous improvement, engagement and accountability to build a high performing engaged workforce. Progression of career development and succession plans for senior leaders.	Achieved
Kate Tobin	Financial Strategy	Strong balance sheet management and management of overall group profitability. Effectively and proactively manage investor relations.	Achieved
	ESG	Continue to enhance ESG strategy and key deliverables are aligned across the business with appropriate communication and engagement plan for investors, customers and employees.	Achieved
	People & Culture	Positive internal and external communications creating strong relationships with key stakeholders and regulatory bodies.	Achieved

The following bonus conditions were agreed by the Remuneration Committee for Executive Directors in respect of performance for 2025.

	Weighting
Undiscounted Combined Operating Ratio	60.0 %
Grow Farmer Policy Count	6.7 %
Grow Business Policy Count	6.7 %
Grow Retail Policy Count	3.3 %
Grow Retail Partner Policy Count	3.3 %
Lead Culture Change	20.0 %

<sup>1</sup> ESRS 2 GOV-3 29 Incentive schemes and remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies exist - subject to limited assurance

<sup>2</sup> ESRS 2 GOV-3 29c Disclosure of how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies - subject to limited assurance

In respect of Undiscounted Combined Operating Ratio, target 92.9% was achieved as well as achieving 3.4% growth in respect of Farmer Policy Count, 2.8% Business Policy Count, 2.0% Retail Policy Count and 8.4% Retail Partner Policy count. FBD has a very clearly defined culture strategy that is aligned to our business strategy and is actively considered and set by the Board and EMT. The Board and EMT take a leading role in communicating the desired culture to the organisation.

Metric	% of Target Available	0 %	25%-100%	On Target 100%	Out-performance 100%-150%	Result	% Achieved for Bonus
Undiscounted Combined Operating Ratio	60.0 %	>97.4%	97.4%-94.6%	94.6 %	94.6%-89.4%	92.9 %	116 %
Grow Policy Count in line with strategic plan Farmer	6.7 %	— %	0%-0.4%	0.4 %	0.4%-1.1%	3.4 %	150 %
Grow Policy Count in line with strategic plan Business	6.7 %	1.4 %	1.4%-3.2%	3.2 %	3.2%-5%	2.8 %	81 %
Grow Policy Count in line with strategic plan Retail	3.3 %	0.9 %	0.9%-1.6%	1.6 %	1.6%-2.5%	2.0 %	122 %
Grow Policy Count in line with Strategic plan Retail Partner	3.3 %	6.3 %	6.3%-10.5%	10.5 %	10.5%-16.8%	8.4 %	63 %
Lead Culture Change	20.0 %	Communicate and embed purpose and mission, Define behaviours. Communicate and ensure they are embedded.				20 %	100 %
<b>Total</b>							<b>111 %</b>

The Remuneration Committee have assessed the performance of the Group Chief Executive Officer and Group Chief Financial Officer in relation to leadership of culture change. Achievements in the year include<sup>1</sup>:

- Continued to deliver on FBD strategy and executed effectively exceeding in some key areas.
- Built on success of 2024 with a continued focus on our key stakeholders and delivery of the strategy.
- Maintained Gold award in D&I from the Irish Centre for Diversity and strengthened our commitments by signing the Employment Partnership Charter and formalising our partnership with AslAm, Ireland's national autism charity. Together, these achievements reflect the strong progress we are making towards the inclusive culture we aspire to at FBD.
- A strong governance structure is in place to supervise and manage risks and compliance within the organisation to reliably achieve business objectives.
- Engagement remained a key focus with Town Hall meetings, Branch Roadshows and engagement forums throughout the year with two-way communication and opportunities for employees to give feedback.
- The implementation of strategic initiatives focused on employee and customer experience.

Following the determination of actual performance against the targets, as set out above, the Group CEO was awarded a bonus of €516,155 and the Group CFO was awarded a bonus of €144,755 in line with our Policy, 30% will be deferred into FBD shares for three years.

The Remuneration Policy has operated as intended in terms of Group performance and quantum. The Remuneration Committee considered the above formulaic outcome to ensure that it was both fair and appropriate given wider stakeholder experience. The Committee did not adjust the outcome as it was comfortable that this was the case.

<sup>1</sup> ESRS 2 GOV-3 29b Description of specific sustainability-related targets and (or) impacts used to assess performance of members of administrative, management and supervisory bodies - subject to limited assurance

## Long Term Incentives

### Conditional Awards of Shares in 2025 - Audited

During 2025 one Conditional Award of shares was made under the LTIP. This was made in March 2025 to Executive Directors and Senior Management. The award represented 150% of salary for the Group Chief Executive Officer and 60% of salary for the Group Chief Financial Officer.

The conditions attached to the award, which reflect the Board's strategic plans, were based 10% on the Policies in force growth. Policy count growth was chosen to reflect the ambition of the Board to grow the business over the strategic time period. 70% was based on the Return on Targeted Equity and this was chosen as it is aligned with our strategic intent and takes in both business profitability and balance sheet management. Strategic Metrics is 20% and has a number of key deliverables to align to the strategy.

Vesting levels range between a threshold level of 25% to a maximum of 125% for stretch performance. The average return target for Return on Targeted Equity is up to low double-digit percentages and the CAGR target for policy count growth is up to mid-single digit percentages. The actual upper-level percentages are not disclosed due to commercial sensitivity and because to do so would also constitute forward looking guidance.

The Committee will publish details regarding targets and vesting levels at the end of the performance period (2027).

The Committee has decided not to include relative performance to market targets as there is no relevant comparator in the Irish market.

The maximum and threshold for vesting for the performance conditions are as follows:

Metric	Weighting	Threshold Level	Proportion Vesting	Upper Level	Proportion Vesting
Return on Targeted Equity (ROTE)*	70%	9.18 %	25 %	Low double digits	125 %
Policies in Force Growth	10%	1.20 %	25 %	Mid single digits	125 %
Strategic Metrics	20%				

### Outstanding Conditional Awards (2022-2024)

The Committee considered the extent to which the performance conditions underpinning this award were met in the three financial years 2022 to 2024 (the 'Performance Period'). The Committee concluded that 125% of ROTE condition was met as actual average ROTE over the years 2022 to 2024 was 21% compared to the upper performance threshold of 10.8%. The In-force Policy Count target was not met. Strategic metric outperformed at 125%. Therefore, in respect of the conditional awards granted in April, 2022 87.5% vested.

In considering whether to apply discretion, the Committee evaluated overall performance during the period, including progress across culture, governance and financial delivery. Having taken these factors into account, the Committee concluded that exercising discretion to increase the vesting level to 100% was appropriate. In reaching this decision, the Committee considered:

- Continued progress across cultural and strategic priorities, including maintaining our Gold Accreditation from the Irish Centre for Diversity and deepening our inclusion commitments through the Employment Partnership Charter and our partnership with AsIAm, Ireland's national autism charity. We have achieved success with a dynamic and strategic environment that drives organisational performance through high trust and inclusivity and shared values. Engagement is a key priority and our culture fosters innovation through continuous improvement with improved retention, employee recognition and continuous growth.

- A strong and robust governance framework is in place to supervise and manage risk and compliance within the organisation to reliably achieve and exceed business objectives that include; (1) Robust Strategic and capital planning (2) Alignment between risk appetite and strategy (3) Embedded processes to ensure the active and continuous identification, assessment, management, monitoring and reporting of risk. (4) Strong risk and internal control culture (5) Remuneration practices that remain aligned with business objectives and do not encourage excessive risk-taking.
- Delivery of our strategic growth ambition as detailed for all stakeholders achieved while strengthening of the robust franchise, delivering significant outperformance on the ROTE metric, maintaining strong customer retention and delivering growth in both policy count and premium over the performance period.

The table below shows the applicable targets for this award and the actual performance achieved.

	Threshold (25% vesting)	Upper Level (125% vesting)	Performance Achieved	Vesting Level
Policy Count	3.1 %	6.3 %	2.9 %	— %
ROTE	6.8 %	10.8 %	21.0 %	125 %
Strategic Metrics			Outperformance	125.0 %
				87.5 %
Adjustment following decision by REMCO				12.5 %
<b>Total Award following adjustment</b>				<b>100.0 %</b>

The Remuneration Committee considered the above formulaic outcome to ensure that it was both fair and appropriate given holistic performance achieved and the wider stakeholder experience and based on points outlined above adjusted the formulaic outcome to 100%.

## Directors' and Company Secretary's Conditional LTIP Awards - Audited

Details of the conditional share awards issued at nil cost to the Executive Directors who held office for any part of the financial year and to the Company Secretary made under the 2018 LTIP are given in the table below. In respect of the 2023, 2024 and 2025 awards the number of shares could increase to a maximum of 125% of the number of shares outlined below (which is 100%) if the performance conditions previously described are met at stretch target level.

### Individual Interest in LTIP (Audited)

	At 1 January 2025	Granted during year	Dividends	(Under)/Out Performance LTIP	Vested during year	Forfeited during year	At 31 December 2025	Performance Period	Earliest vesting date	Market price on award €
<b>Executive Directors</b>										
Tomás Ó Midheach	40,404	—	15,660	—	(56,064)	—	—	2022-2024	Mar-25	9.90
	29,347	—	—	—	—	—	29,347	2023-2025	Mar-26	13.63
	48,178	—	—	—	—	—	48,178	2024-2026	Mar-27	13.45
	—	65,151	—	—	—	—	65,151	2025-2027	Mar-28	12.93
<b>Total</b>	<b>117,929</b>	<b>65,151</b>	<b>15,660</b>	<b>—</b>	<b>(56,064)</b>	<b>—</b>	<b>142,676</b>			
Kate Tobin	12,424	—	4,816	—	(17,240)	—	—	2022-2024	Mar-25	9.90
	9,340	—	—	—	—	—	9,340	2023-2025	Mar-26	13.63
	14,052	—	—	—	—	—	14,052	2024-2026	Mar-27	13.45
	—	14,617	—	—	—	—	14,617	2025-2027	Mar-28	12.93
<b>Total</b>	<b>35,816</b>	<b>14,617</b>	<b>4,816</b>	<b>—</b>	<b>(17,240)</b>	<b>—</b>	<b>38,009</b>			
<b>Company Secretary</b>										
Nadine Conlon	9,394	—	3,641	—	(13,035)	—	—	2022-2024	Mar-25	9.90
	7,062	—	—	—	—	—	7,062	2023-2025	Mar-26	13.63
	7,479	—	—	—	—	—	7,479	2024-2026	Mar-27	13.45
	—	8,090	—	—	—	—	8,090	2025-2027	Mar-28	12.93
<b>Total</b>	<b>23,935</b>	<b>8,090</b>	<b>3,641</b>	<b>—</b>	<b>(13,035)</b>	<b>—</b>	<b>22,631</b>			

The total number of shares subject to conditional awards outstanding under the 2018 LTIP Scheme at 31 December 2025 amounts to 687,201 (2024: 653,985) being 1.9% (2024: 1.8%) of the Company's ordinary share capital (excluding treasury shares).

The 2007 and 2018 LTIP scheme rules do not permit the aggregate number of shares over which conditional awards are granted in the preceding 10 year period, to be more than 10% of the Company's issued ordinary share capital at the time the awards are granted. In the past 10 years there have been 10 conditional awards with an aggregate of 3,255,247 shares or 9.1% of the Company's issued ordinary share capital (excluding treasury shares).

### Non-Executive Director Remuneration

The remuneration of the Non-Executive Directors is determined by the Board and reflects the time commitment and responsibilities of their role. In setting this level, the Board has regard to the fees payable to the Non-Executive Directors of the other Irish publicly listed companies and also to the developments and policy for the remuneration of the employees in the wider Group.

The basic Non-Executive Director fee is €72,000 and this was reviewed in June 2023 following a benchmarking exercise carried out by Odgers Berndtson to ensure our non-executive remuneration was in line with the market rate. The previous review of Non-Executive Directors remuneration had taken place in 2020.

## Executive Director and Non-Executive Director Remuneration

European Union (Shareholders' Rights) Regulations 2020 came into force in Ireland on 30 March 2020 when they were transposed into Section 1110N of Companies Act 2014. The annual Executive Director and Non-Executive Director Remuneration over the last five years of those in office in 2025 is set out below:

		2021	2022	2023	2024	2025
		€000s	€000s	€000s	€000s	000s
<b>Executive Directors:</b>						
<b>Tomás Ó Midheach</b>	<b>Total Remuneration</b>	1,065	1,081	1,156	1,295	1,177
	<i>% change in year<sup>1</sup></i>	— %	1 %	7 %	12 %	(9)%
<b>Kate Tobin</b>	<b>Total Remuneration</b>	—	—	—	536	512
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	— %	(4)%
<b>Non Executive Directors:</b>						
Liam Herlihy (Chair)	Fees	149	149	166	183	65
	<i>% change in year<sup>1</sup></i>	11 %	— %	11 %	10 %	(64)%
Patrick Murphy	Fees	—	—	24	72	72
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	200 %	— %
Silvia Milián Bon	Fees	—	—	—	—	2
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	— %	— %
Sylvia Cronin	Fees	73	73	83	98	119
	<i>% change in year<sup>1</sup></i>	14 %	— %	14 %	18 %	21 %
Colm McGrattan	Fees	—	—	—	—	26
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	— %	— %
Paul Stanley	Fees	—	—	—	—	28
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	— %	— %
Mary Brennan	Fees	81	87	103	119	79
	<i>% change in year<sup>1</sup></i>	9%	7%	18%	16%	(34)%
Richard Pike	Fees	69	88	103	147	193
	<i>% change in year<sup>1</sup></i>	17 %	28 %	17 %	43 %	31 %
Olive Gaughan	Fees	—	—	—	54	94
	<i>% change in year<sup>1</sup></i>	— %	— %	— %	— %	74 %
Francie Gorman	Fees	—	—	—	22	72
	<i>% change in year</i>	— %	— %	— %	— %	227 %
Jim Bergin (Chair) <sup>1</sup>	Fees	—	—	—	8	153
	<i>% change in year</i>	— %	— %	— %	— %	— %
Jean Sharp	Fees	25	76	89	103	108
	<i>% change in year<sup>1</sup></i>	— %	204 %	17 %	16 %	5 %

<sup>1</sup> % change shows the increase or decrease in remuneration and does not include a percentage change if related to the first year in office, including Jim Bergin who joined the Board 19<sup>th</sup> November, 2024.

The previous Chair, Liam Herlihy received fees of €65,000 up until his resignation on the 8 May, 2025 (2024: €183,000) inclusive of the basic Non-Executive Director fee. The Chair Jim Bergin received fees of €153,000 which reflects his appointment as Chair from 8 May 2025 (2024: €8,000 partial payment start date 10 November 2024). Richard Pike received fees of €193,000 during the year (2024: €147,000 as he assumed David O'Connor's role following his sad passing in April 2024).

In respect of Colm McGrattan payments reflect a partial year as he joined the Board on 8 September 2025. Paul Stanley payments also reflect a partial years payment as he joined the Board on the 19 September 2025 and Silvia Milián Bon also a partial years payment as she joined the Board on the 23 December 2025. Mary Brennan payments reflect a partial year as she left the Board on 31 August 2025.

Non-Executive Directors are not members of the Group's pension schemes and are not eligible for participation in the Group's long-term incentive schemes.

## External appointments held by the Executive Directors

In recognition of the benefits to both the Group and to our Executive Directors serving as Non-Executive Directors of other companies, our Executive Directors are, subject to advance agreement in each case, permitted to take on an external non-executive appointment and to retain any related fees paid to them.

Details on Executive Directors external appointments are included on pages 28 to 33.

## Change in Directors' remuneration, employee remuneration and Group Performance

European Union (Shareholders' Rights) Regulations 2020 came into force in Ireland on 30 March 2020 when they were transposed into Section 1110N of Companies Act 2014.

The annual change over the last five years is set out below for Group Chief Executive Officer remuneration and remuneration of all other Group employees:

	2021	2022	2023	2024	2025
<b>Group Chief Executive Officer</b>					
Remuneration % change year on year	0%	1%	7%	12%	(9)%
<b>All Group Employees</b>					
Remuneration % change year on year	1%	6%	11%	12%	4%

The average cost per full-time equivalent for 2025, excluding Directors, was €86,000 (2024: €84,000). The table below details the average cost per full time equivalent over the last five years, including the annual change.

	2021	2022	2023	2024	2025
Average cost € per full-time equivalent	74,000	80,000	79,000	84,000	86,000
Average cost % change year on year	12 %	8 %	1 %	6 %	2 %

When making decisions on executive pay the Remuneration Committee takes into account pay in respect of all employees and is satisfied that pay arrangements are appropriate.

The Group Net Asset Value (NAV) per share and dividend paid per share for the last five years is set out below:

	2021	2022	2023	2024	2025
	cent	cent	cent	cent	cent
<b>Performance of the Group:</b>					
NAV per share (IFRS 4)	1,338	1,188	—	—	—
NAV per share (IFRS 17)	—	1,276 <sup>1</sup>	1,330	1,346	1,320
Ordinary Dividend paid per share	—	100	100	100	100
Special Dividend paid per share	—	—	100	100	75

<sup>1</sup> restated

## Implementation of policy in 2026

### Base Salary

A pay pot of 3.5% of base salary has been agreed for our employees for 2026 and this will take into account performance, current position on salary range and pay grade. We are also awarding all employees a €1,000 voucher in recognition of their hard work and dedication throughout 2025.

The Committee has decided to award a pay increase of 3.5% to the Group CEO. A pay increase of 3.5% has been awarded to the Group CFO. These increases are in line with pay increases to the wider workforce.

### Annual Performance Bonus

There is no change to the bonus opportunity for the Group CEO, with a maximum opportunity of 120% of salary. The maximum bonus opportunity for Group CFO is 100% of base salary.

The annual performance bonus for Executive Directors in respect of 2026 will be subject to the following performance measures and weightings:

Performance Metric	Weighting
Combined Operating Ratio	60 %
Grow Policy Count	20 %
Lead Strategy & Culture Change	20 %

Payment of any bonus will be subject to the achievement of a defined minimum level of Group profit after tax.

The Remuneration Committee considers that the above financial metrics are key measures of operational performance for the business. The culture change metric will assess the achievement of a number of key initiatives being carried out by the business and will be measured by employee surveys and output from culture initiatives.

The full details of targets and performance will be set out on a retrospective basis in next years Remuneration Report.

### Pension

The pension contribution level for the Group Chief Executive Officer and the Group Chief Financial Officer in 2026 will be 8% of base salary, which is in line with the rate for the wider workforce.

### LTIP

The Committee determined an award of 150% of salary for the Group CEO in 2026. This took into account the performance of the business and the Group CEO and is within our Remuneration Policy as approved by shareholders. Awards will continue to be subject to stretching performance targets and delivered in shares. The following conditions will apply in respect of LTIP granted for the period 2026-2028.

Metric	%
	Weighting
Return on Targeted Equity	70 %
Policy in Force Growth	10 %
Strategic Metrics	20 %

Vesting threshold levels will be applied at intervals of 25% to a maximum of 125% if the performance conditions are met.

The Remuneration Committee believes that Return on Targeted Equity is a key strategic measure as it takes into account both business profitability and balance sheet management and this is reflected in the weighting on this measure for the 2026 LTIP award. Policies in Force growth is a key measure of growth in the business and is fundamental to FBD's strategy.

The strategic metrics element will be determined by performance achieved in relation to a number of key long-term strategic initiatives. The specific targets cannot be disclosed on a forward-looking basis at this time as they are commercially sensitive. However the Remuneration Committee has committed to full disclosure on a retrospective basis and disclosing the targets in the Directors' Remuneration report next year to the extent that they are not considered commercially sensitive at that point. Performance will be measured on assessment of outcomes for each key stakeholder group.

## Review of Remuneration Policy

The current Remuneration Policy was approved by shareholders at the AGM in 2023 and a renewed Policy will be required to be put for shareholder approval at the AGM in 2027. Over the course of 2026, the Remuneration Committee intends to review the Policy to ensure that it continues to meet the needs of the business to attract, retain and motivate talented executives and to align with the experience of shareholders. The Committee intends to engage with shareholders on any proposed changes to the Policy in advance of the AGM vote.

# Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and financial statements, in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and the Group as at the financial year end date and of the profit or loss of the Group for the financial year and otherwise comply with the Companies Act 2014.

The Directors' responsibilities for the Sustainability Statement are discussed in full in our Statement of Directors' responsibilities for the Sustainability Statement on page 105.

In preparing each of the Company and Group financial statements, the Directors are required to:

- select suitable accounting policies for the Company and the Group financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company and the Group keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company and the Group, enable at any time the assets, liabilities, financial position and profit or loss of the Company and the Group to be determined with reasonable accuracy, enable them to ensure that the Annual Report and financial statements comply with the Companies Act 2014 and the Listing Rules of the Euronext Dublin and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 (Transparency (Directive 2004/109/EC) (Amendment) (No. 2) Regulations 2015) to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

Under applicable law and the requirements of the Listing Rules issued by the Euronext Dublin, the Directors are also responsible for preparing a Directors' Report and reports relating to Directors' remuneration and corporate governance that comply with that law and those Rules. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that, to the best of their knowledge and belief:

- the financial statements, prepared in accordance with IFRSs as endorsed by the EU, give a true and fair view of the assets, liabilities and financial position for the Group as at 31 December 2025 and of the result for the financial year then ended;
- the Report of the Directors, the Chair's Statement and the Review of Operations include a fair review of the development and performance of the Group's business and the state of affairs of the Group for the 12 months ending 31 December 2025, together with a description of the principal risks and uncertainties facing the Group; and
- the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to access the position, performance, strategy and business model of the Group.

## On behalf of the Board

5 March 2026



Jim Bergin  
Chair



Tomás Ó Midheach  
Group Chief Executive Officer

# SUSTAINABILITY STATEMENT

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**SUPPORT.**  
**IT'S WHAT WE DO.**

PICTURED: CAVAN COUNTRY PRODUCE,  
FBD BUSINESS INSURANCE CUSTOMER  
Part of FBD's Support Local Business Campaign

**"FBD are always in the background. It's great to have that contact with the local office and know that they understand the needs of a food business."**

**Aiden Fitzpatrick**  
Founder - Cavan Country Produce  
12/08/25

# Statement of Directors' Responsibilities for the Sustainability Statement

The Directors are responsible for the preparation of the Sustainability Statement in accordance with Part 28 of the Companies Act 2014 and including the Sustainability Statement in a clearly identifiable dedicated section of the Directors' Report.

The Directors are also responsible for designing, implementing and maintaining such internal controls that they determine are necessary to enable the preparation of the Sustainability Statement in accordance with Part 28 of the Companies Act 2014 and that it is free from material misstatement, whether due to fraud or error.

In preparing the Sustainability Statement, the Directors are required to:

- prepare the statement in accordance with the European Sustainability Reporting Standards (ESRS) including the selection and application of appropriate sustainability reporting methods;
- disclose the double materiality assessment process performed to identify the information required to be reported in the Sustainability Statement;
- prepare the disclosures within the environmental section of the Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulations");
- ensure that the Group maintains adequate records for the preparation of the Sustainability Statement;
- make judgements and estimates that are reasonable in the circumstances including the identification and description of any inherent limitations in the measurement or evaluation of information in the Sustainability Statement; and
- prepare forward-looking information, where applicable, on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group.

## On behalf of the Board

5 March 2026



Jim Bergin  
Chair



Tomás Ó Midheach  
Group Chief Executive Officer

# ESG Strategy Areas of Focus

FBD has embraced ESG as a core component of our operational and strategic activities



## Strategy & Governance

- Determine where we can have a meaningful impact.
- Embed within our business.
- ESG governance structure and resources.
- Launch FBD's signature advocacy initiatives and Prepare for CSRD (Double materiality; Taxonomy review and climate scenario analysis).
- Implementation of carbon reduction strategies across investment portfolio.
- Signatory of the Women in Finance Charter.

## Meaningful Impact

- Irish Centre for Diversity Gold Accreditation.
- Confirmed as members of the UN Principles for Sustainable Insurance.
- Winners of CSR/Community/Green Loyalty Programme of the Year '24 & '25.
- Climate scenario analysis completed.
- Climate risk modelling integrated into capital modelling.
- Implementation of CSRD reporting.

## Disclosures & Advocacy

- Adapting as the sustainability reporting landscape evolves.
- Advocating for and investing in sustainable initiatives, research & education while supporting our customers in meeting their sustainability goals.
- Continuing to report on UN Principles for Sustainable Insurance to the UN Environment Programme Finance Initiative.
- Continuing to report under the Carbon Disclosure Project.

Supporting Ireland's people, families, farmers and businesses

## WE FOCUS ON WHERE WE CAN HAVE A MEANINGFUL IMPACT

Focus on Ireland

Leading insurer in Agri/Farming

### ENVIRONMENTAL

Deliver on our ESG commitments and support our customers in theirs.

### SOCIAL

A local presence at the heart of the community we serve.

### GOVERNANCE

A robust governance structure.



# DELIVERING AND HAVING A MEANINGFUL IMPACT

The UN Principles for Sustainable Insurance will continue to guide our sustainability related goals, delivered by the business through the clearly defined pillars of our ESG strategy.

## UN PRINCIPLES FOR SUSTAINABLE INSURANCE

### Principle 1

We will embed in our decision-making Environmental, Social and Governance issues relevant to our insurance business.

### Principle 2

Work together with our clients and business partners to raise awareness of Environmental, Social and Governance issues, manage risk and develop solutions.

### Principle 3

Work together with government, regulators and other stakeholders to promote widespread action across society on Environmental, Social and Governance issues.

### Principle 4

Demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

## Climate Change

FBD and the wider insurance industry have a role to play in addressing climate change by supporting customers and businesses as they become more climate resilient. Addressing and mitigating climate change is one of the most serious global challenges we face. FBD is dedicated to contributing to this effort which is reflected in the areas of focus within our ESG strategy, although we recognise we are on a journey together with our customers, the insurance industry and wider society.

Our ESG strategy will evolve along with the sustainability landscape including the growth of green technology and solutions, increased awareness and reporting across our value chain, emerging market practices and the geopolitical response.

## DELIVERED BY OUR BUSINESS THROUGH THE PILLARS OF OUR ESG STRATEGY

### Corporate & Advocacy

How we govern the business, our pledge, our promise & evolving our ESG strategy and approach based on the assessment of challenges ahead.

#### How We Operate

How we run the business.

#### Underwriting, Claims & Sales

Areas of the business that are responsible for our products, services, sector sustainability assessment and objectives.

#### Investments

Manage the company assets.

### Disclosures

Reporting, Metrics & Measurements.

# ESRS 2 – General Basis for Preparation

## Framework

The Group's Sustainability Statement is prepared in accordance with Part 28 of the Companies Act 2014 and in compliance with the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG). The Environmental, Social and Governance (ESG) topics included in the report have been assessed as material through our Double Materiality Assessment (DMA). We identified and report on two entity-specific topics; Farm Safety and Cybersecurity. Please see 'Double Materiality Assessment Process' on pages 125 to 131 for information on our DMA's scope and our methodology. For a list of disclosure requirements complied with refer to Appendix 'Disclosure requirements complied with' on pages 180 to 184.

The reporting period for FBD's Sustainability Statement is consistent with that of its financial statements.

## Consolidation

The consolidated data comprises FBD Holdings plc and subsidiaries controlled by FBD Holdings plc. The data is consolidated according to the same principles as the financial statements. Please refer to accounting policy B on pages 220 to 221.

The information provided in the Sustainability Statement has been extended to include information on the material impacts, risks and opportunities connected with our business through its direct and indirect business relationships in the upstream and/or downstream value chain ("value chain information"). The inclusion of value chain information in the Sustainability Statement does not affect the reporting boundaries, which correspond to the boundaries of the entities included in the perimeter of its consolidated financial statements. For further details see section 3 'Value Chain Analysis' under 'Double Materiality Assessment Process' on pages 125 to 126.

## Key estimates and judgements

The Group uses judgements and estimates for the reporting of some data points, for example our Scope 3 emissions. Emissions for Purchased Goods and Services and Capital Goods have been calculated on a spend basis by applying emission factors to categories of expenditure that we have determined to be relevant. While this method is considered to be less accurate than obtaining emissions data directly from vendors, it will enable us to identify which categories of

expenditure contribute the most to FBD's indirect emissions and we aim to refine this method over the coming years. In addition, emission calculations for Investments include extrapolation where no direct data is available. Data coverage is an industry wide issue which is expected to improve over time.

We regularly reassess our use of judgements and estimates based on experience, the development of ESG reporting, and several other factors. Changes in estimates are recognised in the period in which the estimate in question is revised unless new information provides evidence of circumstances that existed in the prior period in which case the comparatives are revised. Data and assumptions used in preparing the Sustainability Statement are consistent with the corresponding financial data and assumptions used in the Group's financial statements. The key sources of judgement and estimation in the preparation of the financial statements are detailed in accounting policy X on pages 235 to 237.

There was no significant risk identified of a material adjustment to the carrying amounts of assets and liabilities reported in the financial statements relative to our material risks and opportunities within the next annual reporting period.

## Exemptions

The Group has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation nor the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU and Part 28 of the Companies Acts 2014.

The Group has availed of the phased-in disclosure requirements outlined in appendix C of ESRS 1 to the extent that they applied to FBD's material topics, with the exception of the option to delay the inclusion of the disclosure requirements of topical standard S4 until 2027. The disclosure requirements of topical standard S4 were reported by FBD in 2024 before the 'quick-fix' delegated act of 11 July 2025 extended this phased-in concession to all entities in scope from only entities whose average number of employees did not exceed 750 during the reporting period therefore FBD has chosen to continue to report this information in its 2025 Sustainability Statement. See Appendix 'Phased in concessions availed of' on page 186 for further details.

## External review

In accordance with section 1613 of the Companies Act, 2014, the Sustainability Statement set out on pages 104 to 188 has been subject to limited assurance review by PricewaterhouseCoopers, Chartered Accountants and Sustainability Assurance Service Providers. Our reported

metrics are subject to limited assurance procedures by our assurance provider and are not further validated by another external body unless specifically identified. The elements of the Annual Report outside the Sustainability Statement that are covered by their limited assurance procedures are clearly indicated by "subject to limited assurance" footnotes where data points that are covering ESRS disclosure requirements are incorporated by reference. Their limited assurance procedures do not extend to any links or references to material outside of the Annual Report unless clearly otherwise indicated to the contrary.

Their limited assurance report is included on pages 189 to 192 of the Annual Report and should be read in conjunction with this Sustainability Statement.

## Incorporation by Reference

The data-points below mandated by ESRS disclosure requirements have been included within the Management's Review section of our Annual Report and are incorporated into our Sustainability Statement by reference:

ESRS	DR	Para	Name	Data Type	Page	Additional Information
ESRS 2	GOV-1	21 a	Number of executive members	Integer	45	Board Composition and Independence
ESRS 2	GOV-1	21 a	Number of non-executive members	Integer	45	Board Composition and Independence
ESRS 2	GOV-1	21 b	Information about representation of employees and other workers	narrative	68	Director of engagement with the workforce
ESRS 2	GOV-1	21 c	Information about member's experience relevant to sectors, products and geographic locations of undertaking	narrative	75- 78	Board Diversity, Experience and Skills
ESRS 2	GOV-1	21 d	Percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity	Percent	75- 78	Board Diversity, Experience and Skills
ESRS 2	GOV-1	21 d	Board's gender diversity ratio	Percent	77	Gender Balance
ESRS 2	GOV-1	21 e	Percentage of independent board members	Percent	45	Board Composition and Independence
ESRS 2	GOV-1	23 a	Information about sustainability-related expertise that bodies either directly possess or can leverage	narrative	73 75- 78	Board Induction, training and Development Board Diversity, Experience and Skills
G1	G1.GOV-1	5a	Disclosure of role of administrative, management and supervisory bodies related to business conduct	narrative	44	Corporate Governance Report
G1	G1.GOV-1	5 b	Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters	narrative	75- 78	Board Diversity, Experience and Skills
ESRS 2	GOV-3	29	Incentive schemes and remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies exist	semi-narrative	94-96	Determination of Annual Performance Bonus for the year ended 31 December 2025
ESRS 2	GOV-3	29 a	Description of key characteristics of incentive schemes	narrative	84-89	Remuneration Policy
ESRS 2	GOV-3	29 b	Description of specific sustainability-related targets and (or) impacts used to assess performance of members of administrative, management and supervisory bodies	narrative	95	Determination of Annual Performance Bonus for the year ended 31 December 2025

ESRS	DR	Para	Name	Data Type	Page	Additional Information
ESRS 2	GOV-3	29 c	Disclosure of how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies	narrative	94-96	Determination of Annual Performance Bonus for the year ended 31 December 2025
ESRS 2	GOV-3	29 e	Description of level in undertaking at which terms of incentive schemes are approved and updated	narrative	84	Role of the Remuneration Committee
ESRS 2	GOV-5	36 a	Description of scope, main features and components of risk management and internal control processes and systems in relation to sustainability reporting	narrative	18-19	Risk & Uncertainties Report
ESRS 2	GOV-5	36 b	Description of risk assessment approach followed	narrative	18-19	Risk & Uncertainties Report
ESRS 2	GOV-5	36 c	Description of main risks identified and their mitigation strategies	narrative	19-27	Risk & Uncertainties Report
ESRS 2	SBM-1	40 a i	Description of significant groups of products and (or) services offered	narrative	16	Our Business Model
ESRS 2	SBM-1	40 a ii	Description of significant markets and (or) customer groups served	narrative	16	Our Business Model
ESRS 2	SBM-1	42	Description of business model and value chain	narrative	16	Our Business Model
ESRS 2	SBM-1	42 a	Description of inputs and approach to gathering, developing and securing inputs	narrative	16	Our Business Model
ESRS 2	SBM-1	42 b	Description of outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders	narrative	16	Our Business Model
ESRS 2	SBM-1	42 c	Description of main features of upstream and downstream value chain and undertakings position in value chain	narrative	16	Our Business Model
ESRS 2	SBM-2	45 d	Description of how administrative, management and supervisory bodies are informed about views and interests of affected stakeholders with regard to sustainability-related impacts	narrative	67 53	Stakeholder engagement Audit Committee Review of DMA

# Double Materiality Assessment Introduction

There are twelve binding ESRS with mandatory quantitative and qualitative disclosures. The starting point of sustainability reporting in accordance with the CSRD and the ESRS is a mandatory Double Materiality Assessment (DMA). The concept of Double Materiality considers materiality from an "outside-in" perspective, which is the financial effect (positive and negative) on FBD from sustainability related matters, as well as from an "inside-out" perspective, which is the impact (positive and negative) of FBD operations on the environment and society. Conducting a DMA ensures that we report on all material sustainability matters that are relevant to our business activities.

ESRS 1 and ESRS 2 are mandatory 'cross-cutting' standards which FBD is required to follow and report on irrespective of its DMA results. The ten topical standards covering Environmental, Social and Governance matters are subject to a Double Materiality Assessment i.e. FBD must report under CSRD on those sustainability matters which are deemed material following the DMA.

A sustainability matter is a specific dimension of sustainability under which the Group has an impact on people or the environment or which results in risks or opportunities for the Group.

Sustainability topics and sub-topics are structured groups of sustainability matters that on the highest structural level are grouped into Environmental, Social and Governance standards as defined in the CSRD. The topical standards further specify sustainability topics and sub-topics into concrete sustainability disclosure requirements.

The material sustainability matters are determined through identifying and assessing material Impacts, Risks, and Opportunities (IROs) for ESG sustainability matters.

A sustainability matter is considered material when it meets the criteria defined for impact materiality or financial materiality, or both (see section 4.3 of 'Double Materiality Assessment Process' on pages 129 to 131.). The applicable information prescribed within the disclosure requirements of the material assessed topical standards, including its datapoints are disclosed when the information is relevant from one or more of the following perspectives:

- (a) the significance of the information in relation to the matter it purports to depict or explain; or
- (b) the capacity of such information to meet the users' decision-making needs, including the needs of primary users of general-purpose financial reporting described in the paragraph and/or the needs of users whose principal interest is in information about the undertaking's impacts.

In the case where a sustainability matter is not covered by a topical standard, entity-specific disclosures are made in keeping with the overarching principles and minimum disclosure requirements of the ESRS.

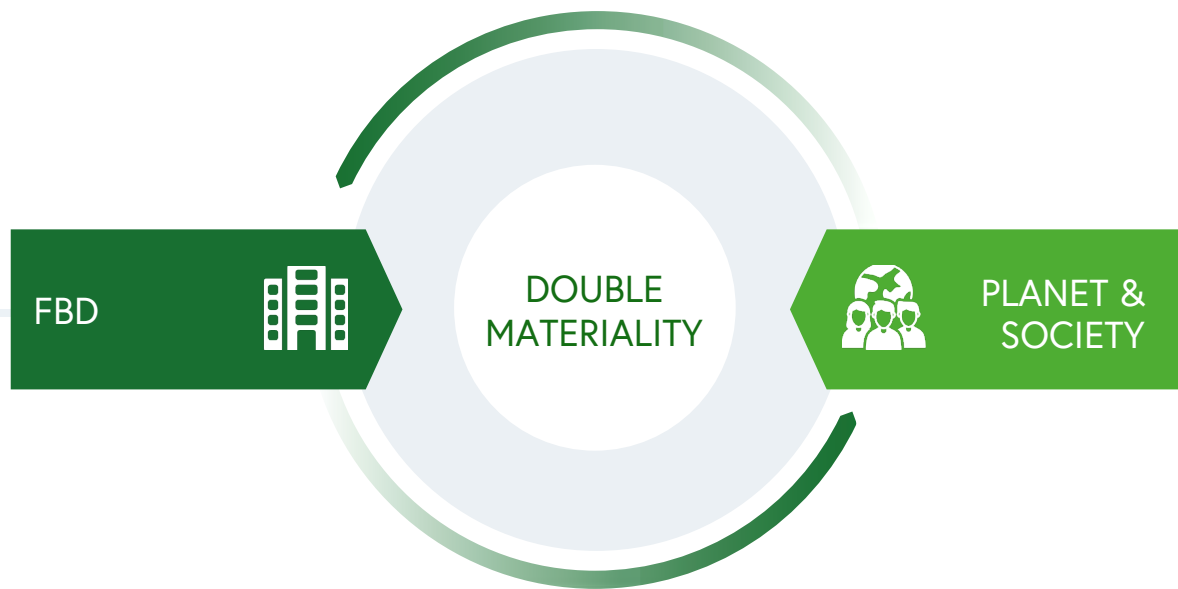


## DOUBLE MATERIALITY ASSESSMENT

### OUTSIDE IN (RISKS & OPPS.)

#### Financial Materiality ("inward impact" or "outside-in")

Risks and opportunities are sustainability matters/topics which could have material financial effects on FBD. These financial risks and opportunities are not limited to topics that can be controlled by the Group.



### INSIDE OUT (IMPACTS)

#### Impact Materiality ("outward impact" or "inside-out")

Sustainability matters/topics for which FBD can have a material impact - i.e. on the planet and society. They can occur inside and outside the Group along the entire value chain.

## DMA APPROACH

We conducted our DMA assessment following the European Financial Reporting Advisory Group (EFRAG) Implementation Guidance (IG) and involved consultation with internal and external stakeholders. The initial assessment was performed in 2024, with an analysis conducted in 2025 to validate its continued appropriateness.

**1**

### Top-Down Assessment:

Through review of our business model, peer reporting, and other relevant industry insights, we identified relevant sustainability matters for which IROs were developed.

**2**

### Value Chain and Stakeholder Analysis:

Using EFRAG Implementation Guidance on Value Chains (IG 2), we determined which value chain actors and business relationships should be considered in the development of IROs due to heightened risk of adverse impacts and key dependencies. We also determined the stakeholder engagement approach to support the assessment and scoring of IROs including deciding whether stakeholders would be interviewed and/or surveyed.

**3**

### Identifying and validating IROs:

We identified a long list of IROs across upstream, downstream and own operations, linked to the relevant sustainability matters identified in the top-down assessment. Through discussions with key individuals within the business, we refined the longlist of IROs into a shortlist of IROs.

**4**

### Stakeholder Engagement and Assessing Materiality:

We identified and engaged with stakeholders via surveys, interviews and workshops. We completed scoring of each of the shortlisted IROs, incorporating feedback received through stakeholder engagement.

**5**

### Validation and Approval:

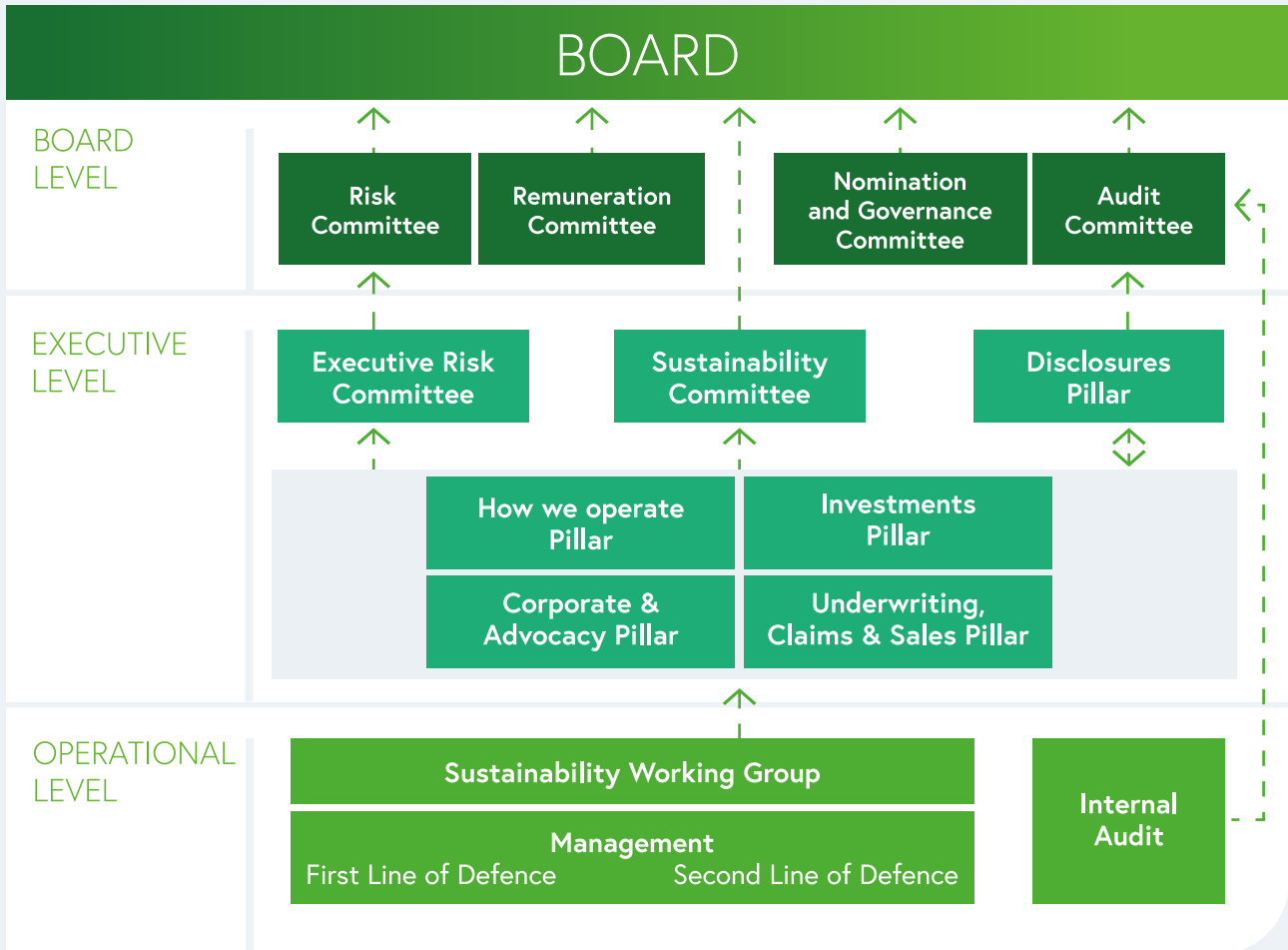
We validated material IROs and sustainability matters and prepared this report on the DMA process and results.

## Sustainability Governance Framework

In the Corporate Governance Report on pages 44 to 72 the Board outlines how it has applied the principles set out in the Irish Corporate Governance Code 2024. The report outlines the roles and responsibilities of the Board and its Committees including any delegated responsibilities. Biographical details of the Directors in office are detailed on pages 28 to 33. The composition, diversity, experience and skills, including expertise on business conduct matters, are disclosed in the Board Diversity report on pages 75 to 78. The breakdown of Gender Diversity, Skills and Experience, both locally and internationally, of FBD's Board Committees can be found on page 50 for the Audit Committee, page 56 for the Risk Committee, page 60 for the Nomination and Governance Committee and page 64 for the Remuneration Committee.

Risks relating to ESG matters are managed and reported in line with the Risk Management Framework. FBD's three lines of defence framework, is described in more detail in the Risk and Uncertainties report on pages 18 to 27.

A mapping of the information provided in the Sustainability Statement about the due diligence process is included within the appendix 'Statement on sustainability due diligence'.



### Sustainability at Board Level

The Board of FBD is ultimately responsible for the long-term sustainable success of the Group. The Board sets strategic goals within the boundaries of the Group's risk appetite and a framework of prudent and effective controls. Since 2022 ESG has been included as a dedicated work stream within FBD's overall Group strategy. The CEO report to the Board includes a sustainability update on a quarterly basis. In addition, the Board and Board Committees incorporate ESG considerations, where relevant, as part of their decision-making. This reflects our commitment to the UN Environment Programme Finance Initiative Principles for Sustainable Insurance ("UNEP FI PSI"), to embed ESG in decision-making within our insurance business. FBD is a signatory of the UNEP FI PSI since 9 January 2024.

### Audit Committee

On behalf of the Board, the Audit Committee is responsible for monitoring the quality and integrity of the Sustainability Statement. See activities of the Committee during the reporting period on pages 52 to 53.

### Risk Committee

The Board Risk Committee is responsible for ensuring that ESG risks and negative impacts are integrated into the Risk Management Framework and for promoting a risk awareness culture in the Group. See activities of the Committee during the reporting period on pages 58 to 59.

### Remuneration Committee

The Remuneration Committee is responsible for ensuring the Group's overall reward structures are aligned with the achievement of the Group's strategy. Although no specific percentage of variable remuneration is allocated to ESG performance or climate related considerations, the Remuneration Committee has set ESG objectives for the Group CEO and Group CFO aligned to the implementation of the ESG strategy. Remuneration of Executive and Non-Executive Directors is outlined in the report on Directors' Remuneration on pages 80 to 102 and activities of the Committee during the reporting period are detailed on pages 65 to 66.

### Nomination and Governance Committee

The Nomination and Governance Committee is responsible for ensuring the Board and its Committees

are made up of individuals with the necessary skills, knowledge and experience to discharge their responsibilities effectively and monitoring compliance with corporate governance best practice. ESG forms part of the Skills Matrix and is included in the skills and experience required when the Board is completing succession planning. See activities of the Committee during the reporting period on pages 61 to 63.

### Executive Risk Committee

The Executive Risk Committee reports to the Board Risk Committee and has responsibility for the oversight and management of key sustainability-related risks and negative impacts from an operational perspective, and implementation of appropriate risk management strategies.

### Sustainability Committee

The Sustainability Committee is an executive sub-committee, and is tasked with implementing the Board approved ESG strategy and reviews and approves all ESG related activity across the Group. The Sustainability Committee oversees the IRO Management approach, including the review and approval of associated action plans and targets. Risks and Negative Impacts are also reported to the Board Risk Committee for integration into the Risk Management Framework. The Sustainability Committee comprises the Executive Management Team and other relevant senior management, and reports to the Board through its Chair, the Group Chief Executive Officer.

### Executive Management Team (ESG strategy pillar owners)

The Executive Management Team (EMT) comprises the most senior executives within the Group reporting directly to the Group CEO. The EMT support the Group CEO in leading the organisation, and its individual teams, to fulfil the Group's vision and purpose and assist with the management of the Group on a day-to-day basis. To direct the execution of our ESG strategy, five Pillars have been established with assigned Executive Officers as owners of each Pillar:

- **Corporate & Advocacy** – Group Company Secretary
- **How we Operate** – Group Chief Technology and Operations Officer and Group Chief HR Officer
- **Underwriting, Claims & Sales** – Chief Underwriting Officer, Chief Claims Officer and Group Chief Commercial Officer
- **Investments** – Group Chief Financial Officer
- **Disclosures** – Group Chief Financial Officer

The EMT are accountable for implementing policies, strategies, action plans, and targets related to IROs, as well as other sustainability-related initiatives in their pillar.

### Investment Committee (Investments Pillar)

The Investment Committee is responsible for the oversight of the Investment Policy including its specific ESG exclusions and limits, as approved by the Board, so as to ensure returns are maximised within the overall risk appetite of the Company. The Investment Committee comprises executive and senior management and reports to the Board through its Chair the Group CFO.

### Sustainability Working Group

The Sustainability Working Group supports the Sustainability Committee in reviewing the work performed under each of ESG strategic pillars and is a forum for knowledge and idea sharing as well as providing updates to the Sustainability Committee on pillar activities. The Sustainability Working Group is comprised of key personnel involved in pillar activity from each area across the business.

### Sustainability expertise across the Group

FBD seeks to ensure that its Board, Board Committees, Executive Committees, Working Groups and Non-Financial Reporting Team have the requisite experience and qualifications to successfully deliver the Group's strategic goals, including sustainability. Sustainability is an evolving area and FBD understands that for sustainability to be integrated and prioritised effectively, its paradigms need to be understood and implemented across multiple departments. As a result, FBD has invested in sustainability literacy through academic qualifications and experience built up through years of ESG reporting as well as research and interaction supplemented with the use of ESG consultants. In recent years FBD engaged the support of external consultants to assist with an ESG strategy appraisal, determining a climate scenario baseline, conducting a Double Materiality Assessment in accordance with the ESRS and with CSRD project support. Specific training was provided to the Board during 2025 on the Group's entity-specific topic of Farm Safety.

**The main features of Internal Control in relation to Non-Financial Reporting which support the preparation of the Sustainability Statement are as follows:**

- A comprehensive Policy architecture is in place addressing material impacts, risks and opportunities.
- A defined ESG Sustainability Governance Framework.
- An appropriately skilled cross functional Non-Financial Reporting Team and sustainability working groups operating under the supervision of experienced management.
- ESG considerations integrated across all aspects of the business including strategy, business model, governance, decision-making, Risk Management and Compliance Framework.
- Defined targets and metrics are identified and monitored.
- Data validation for all metrics including the use of appropriate software sources where possible.
- Preparation and review of qualitative and quantitative disclosure checklists.
- Controlled process flow from data collection to ultimate disclosure including the appropriate level of management review. Key assumptions as well as any judgements and/or estimates used throughout the Non-Financial Reporting process are reviewed by senior management and the Sustainability Committee before being presented to the Audit Committee for approval.
- Consistency checks of sustainability/ESG related disclosures across general purpose financial reporting and other public disclosures.
- Board Audit Committee review of the Sustainability Statement in detail including key methodologies, judgements and estimates used in their preparation.
- Board Risk Committee oversight of sustainability-related risks and integration of the risks into the Risk Management Framework.
- Internal Audit review key processes, projects and systems as part of the control environment.



# DMA Outcome

On completion of the DMA, we have concluded that there are four topical ESRS which are material to FBD, details of which are outlined within this report. We identified Farm Safety and Cybersecurity as entity-specific sustainability matters under S4 and G1 respectively.

## E1 – CLIMATE CHANGE

## S1 – OWN WORKFORCE

## S4 – CONSUMERS AND END USERS

## G1 – BUSINESS CONDUCT



### ENVIRONMENTAL

### SOCIAL

### GOVERNANCE

ESRS E1 Climate Change	ESRS S1 Own Workforce	ESRS G1 Business Conduct
ESRS E2 Pollution	ESRS S2 Workers in the Value Chain	
ESRS E3 Water and Marine Resources	ESRS S3 Affected Communities	
ESRS E4 Biodiversity and Ecosystems	ESRS S4 Consumers and End Users	
ESRS E5 Resource Use and Circular Economy		

- Material topics
- Immaterial topics

# Material Impacts, Risks and Opportunities by topic and sub/sub-sub topic

The table below contains a breakdown of FBD's material sub-topics, sub-sub topics and entity-specific topics under each topical ESRS and the related IROs.

## ENVIRONMENTAL

## SOCIAL

## GOVERNANCE

E1 Climate Change	S1 Own Workforce	S4 Consumers and End-Users	G1 Business Conduct
<p>Climate Change Adaptation</p> <ul style="list-style-type: none"> <li>1</li> <li>8 9</li> <li>2 3 4 5</li> <li>6 7 10</li> </ul>	<p>Work-life Balance</p> <ul style="list-style-type: none"> <li>15</li> </ul> <p>Secure Employment</p> <ul style="list-style-type: none"> <li>16</li> </ul>	<p>Privacy</p> <ul style="list-style-type: none"> <li>23</li> <li>24</li> </ul>	<p>Corporate Culture</p> <ul style="list-style-type: none"> <li>28</li> <li>29</li> <li>30 31</li> </ul>
<p>Climate Change Mitigation</p> <ul style="list-style-type: none"> <li>13</li> <li>11</li> <li>12</li> <li>14</li> </ul>	<p>Working Time</p> <ul style="list-style-type: none"> <li>17</li> </ul>	<p>Access to (quality) information</p> <ul style="list-style-type: none"> <li>25</li> <li>26</li> </ul>	<p>Corruption and Bribery</p> <ul style="list-style-type: none"> <li>32</li> </ul>
	<p>Training &amp; Skills Development</p> <ul style="list-style-type: none"> <li>18</li> <li>19</li> </ul> <p>Gender Equality and Equal Pay for Work of Equal Value</p> <ul style="list-style-type: none"> <li>20</li> <li>21</li> </ul>	<p>Entity-Specific: Farm Safety</p> <ul style="list-style-type: none"> <li>27</li> </ul>	<p>Management of Relationships with Suppliers</p> <ul style="list-style-type: none"> <li>33</li> </ul>
	<p>Diversity</p> <ul style="list-style-type: none"> <li>22</li> </ul>		<p>Entity-Specific: Cybersecurity</p> <ul style="list-style-type: none"> <li>34</li> <li>35</li> </ul>

**IRO legend**

IRO listing on page 119-124

- Positive Impact
- Negative Impact
- Opportunity
- Risk

# Material sustainability-related Impacts Risks and Opportunities Identified

The following tables list the sustainability-related IROs we identified and assessed as material from our DMA process. Four out of the ten Topical Standards are material to FBD. Each material Topical Standard is presented in the following tables, where we specify the sub-topics, sub-sub-topics and entity-specific topics that our material IROs relate to, e.g. climate change mitigation and climate change adaptation. Brief descriptions of the material IROs are included in the tables. Time horizons shown are as prescribed by the ESRS, with short being within one year, medium term 1-5 years and long-term being greater than 5 years.

Disclosures relating to each of our identified IROs are provided in line with ESRS disclosure requirements. More information on how we address our IROs is included in the section 'Our Impact, Risk and Opportunity management process' on pages 132 to 133.

## E1 – Climate Change

Climate Change Adaption		Risk type	Time to Impact	Value Chain
1	Incentivisation for adaptation solutions – FBD can have a positive environmental impact by developing its customer offerings through changes to risk appetite, product design and pricing to support implementation of sustainable adaptation solutions.	N/A	Medium	Own Operations
2	Increased claims due to climate events – Increased frequency and severity of natural disasters could expose FBD to higher-than-expected property and damage claim pay outs and ultimately affect profitability.	Physical Risk	Medium	Own Operations
3	Cost/Availability of reinsurance cover – Increased frequency or severity of weather events could lead to an increase in FBD's reinsurance coverage costs, or alternatively could reduce the level of reinsurance which FBD can take on, increasing the magnitude of exposure to losses.	Physical Risk	Medium	Own Operations
4	Financial Impact of climate-related events – Physical effects of climate change may lead to a host of financial impacts such as increased operating costs, changes in revenue, loss ratios or profits, increased supply chain costs and increased cost of capital or potential write-offs. Failure to anticipate physical climate risk through scenario analysis and similar exercises may also lead to difficulties in planning and determining the impact on FBD capital, thus increasing financial risk and reducing security for shareholders.	Physical Risk	Medium	Own Operations
5	Reduced opportunities arising as a result of sustainable investment strategy – By focusing its investments towards sustainable strategies, FBD may forgo opportunities in other areas, resulting in decreased risk/return efficiency and/or profitability of the investment portfolio.	Transition Risk	Medium	Downstream
6	Asset Management – Due to the potential future low market demand for carbon intensive assets, FBD may experience reduced returns on and/or be unable to dispose of high carbon intensive assets in its investment portfolio, leading to a decrease in overall investment portfolio return/profitability.	Transition Risk	Medium	Own Operations

Climate Change Adaption		Risk type	Time to Impact	Value Chain
7	Shrinking Insurance Market – There is a risk that legislative and policy changes aimed at climate change adaptation measures may lead FBD to experience a reduction in profits as a result of reduced insurance premiums and insurable activity.	Transition Risk	Medium	Own Operations
8	Pricing and proposition – FBD can enhance its understanding of climate risk to support the adaption of pricing and proposition to remain relevant to customer needs whilst continuing to optimise underwriting performance.	N/A	Medium	Own Operations
9	Capital planning – By continuing to assess the impact of physical climate risk and related scenario analysis, FBD can determine the impact on its capital, thus increasing financial stability and security for shareholders.	N/A	Medium	Own Operations
10	Reputation risk – Failure by FBD to adequately consider and respond to the impact of climate change on its Business could lead to a loss of trust within the local community and within the market, potentially leading to fewer customers and reduced profitability.	Transition Risk	Medium	Own Operations
Climate Change Mitigation		Risk type	Time to Impact	Value Chain
11	Insurance industry supporting GHG intensive activities – FBD can have an indirect negative impact on overall GHG emissions and the climate, through both the insurance of and investments in GHG intensive industries if the business strategy and support measures like advocacy do not evolve to support climate change mitigation.	N/A	Medium	Downstream
12	Improved returns through additional sustainable investments – As the demand for sustainable products and services grows out into the future, FBD could improve its return on investment by investing in greener, climate-friendly activities within its investment portfolios.	N/A	Medium	Downstream
13	Insurance supporting sustainable activities – FBD may have an indirect positive impact on emissions reduction through the provision of insurance to businesses or customers trialling solutions to reduce greenhouse gases.	N/A	Medium	Downstream
14	Market share – Failure by FBD to implement effective climate change mitigation measures could negatively impact FBD's market position and reputational standing, leading to an overall reduction in profitability due to decreased customer numbers.	Transition Risk	Long	Own Operations

## S1 – Own Workforce

Working conditions - Work-life balance		Time to Impact	Value Chain
15	Work life balance – FBD has a positive impact on the work-life balance of its employees through the implementation of policies on regular breaks, annual leave etc. This means that employees have sufficient time away from work commitments, which is beneficial for employee physical and mental wellbeing.	Short	Own Operations
Working conditions - Secure Employment		Time to Impact	Value Chain
16	Secure employment – FBD has a positive impact on its employees and on their job security by offering them secure employment, which enhances workers' sense of belonging and reduces anxiety about job security, enabling employees to concentrate solely on the tasks that create value for FBD.	Medium	Own Operations
Working conditions - Working time		Time to Impact	Value Chain
17	Productivity and work-life balance – By providing good working conditions, consistent workloads, and adequate notice for any additional working time, along with training and development opportunities, FBD can enhance employee satisfaction and productivity. This approach supports business growth through improved customer service, innovation, and reputation, while also reducing turnover and recruitment costs.	Short	Own Operations
Equal treatment and opportunities for all - Training and skills development		Time to Impact	Value Chain
18	Training – FBD positively impacts employee satisfaction by providing education, training and development for employees.	Medium	Own Operations
19	Increased productivity – Through the provision of good working conditions and effective training and development programs, FBD can enhance its reputation and attract top talent, potentially leading to improved productivity, new product development and improved customer service, resulting in improved profitability.	Medium	Own Operations

Equal treatment and opportunities for all - Gender Equality and Equal Pay for Work of Equal Value		Time to Impact	Value Chain
20	Gender Equality – FBD has a positive impact on employees and diversity within the workforce through its focus on gender balance and equality in their operations.	Short	Own Operations
21	Gender Equality – A failure by FBD to uphold gender and equality practices within the workplace or to address any gender pay gap within the organisation may result in employees feeling alienated from the Company and lead to increased employee turnover, ultimately increasing operating expenses.	Medium	Own Operations

Equal treatment and opportunities for all - Diversity		Time to Impact	Value Chain
22	Diversity – FBD has a positive impact on the lives of employees by championing diversity and inclusion within its operations.	Medium	Own Operations

## S4 – Consumers and/or end-users

Information-related impacts for consumers and/or end-users - Privacy		Time to Impact	Value Chain
23	Data Protection – FBD could have a negative impact on consumers should it fail to manage consumer data appropriately. Furthermore, information released in anonymised form might lead to disclosure of personal data if anonymisation techniques chosen are not effective.	Short	Downstream
24	Data Protection – A failure by FBD to safeguard the integrity and confidentiality of all consumers and employee personal information which has been entrusted to FBD for the purposes of providing and servicing insurance. Failure to do so may result in detrimental harm to FBD Group.	Short	Own Operations

Information-related impacts for consumers and/or end-users - Access to (quality) information		Time to Impact	Value Chain
25	Customer Service – FBD has a positive customer impact on the overall insurance market by providing a valuable and quality service to customers, including access to appropriate information.	Medium	Downstream
26	Reputation – By providing valuable, trustworthy and transparent services and continuously improving products, FBD can enhance customer trust and loyalty and improve reputation leading to increased revenue.	Medium	Own Operations

Entity- specific: Farm safety		Time to Impact	Value Chain
27	Farm Safety – FBD can have a positive impact on the health and safety of farmers by promoting and encouraging farm safety to its farming customers and the wider community through appropriate learnings, guidance and collaboration with industry and government bodies.	Short	Downstream

## G1 – Business Conduct

Corporate Culture		Time to Impact	Value Chain
28	ESG-linked incentives – FBD can have a positive impact on the successful implementation of climate change strategy and measures, by linking remuneration and incentives to ESG performance, improving motivation from senior leadership to prioritise the ESG agenda. FBD currently have ESG-linked incentives in place for the Group CEO and Group CFO.	Medium	Own Operations
29	Robust governance – Creating a robust governance structure with clear responsibility and accountability to increase oversight and control of ESG performance can help FBD to identify opportunities to achieve strategic targets with the intention of climate mitigation.	Medium	Own Operations

Corporate Culture		Time to Impact	Value Chain
30	Engaging in unethical business conduct – Engagement by FBD in unethical business conduct could damage our reputation and lead to legal repercussions and could result in a financial impact to FBD.	Medium	Own Operations
31	Governance Structure – Failure by FBD to maintain an adequate governance structure may lead to regulatory and/or reputational issues which could result in a financial impact to FBD.	Medium	Own Operations

Corruption and Bribery		Time to Impact	Value Chain
32	Reputation – Any existence of corruption or bribery in the value chain could negatively impact the reputation of FBD as a reputable insurance provider and could impact the profitability of operations due to reduced customer trust and potential legal penalties.	Medium	Own operations

Management of Relationships with Suppliers		Time to Impact	Value Chain
33	Delayed Payments to Suppliers – A delay in payments to suppliers by FBD may result in strained supplier relationships, reduced supplier performance, financial penalties and a damaged reputation, negatively impacting the financial standing of FBD.	Medium	Upstream

Entity-specific: Cybersecurity		Time to Impact	Value Chain
34	Cybersecurity – FBD could have a negative impact on consumers and wider society if subject to a cybersecurity incident, with potential consequences including data breaches, operational disruptions, a loss of customer and public confidence in FBD's digital resilience.	Short	Downstream
35	Cybersecurity – A cybersecurity incident at FBD may disrupt operations, compromise data security, erode customer trust, and result in potential regulatory sanctions and financial loss.	Short	Own Operations

# Double Materiality Assessment Process

**Our initial DMA assessment was performed in 2024, with an analysis conducted in 2025 to validate its continued appropriateness.**

## 1. Top Down Assessment

FBD considered what were material topics to our organisation and validated the topics through looking at peers and other available assessments to form a long list of ESG-related topics. We looked across other industries outside Insurance to build our knowledge and verify what we considered material.

The theme of the research centred on what ESG topics appeared to be relevant to peers.

Once all topics were identified, each topic was assigned a level of priority for each peer, based on the materiality of the topic to the peer. In cases where a materiality assessment had not been performed, the priority of the topic was assessed based on the level of discussion of the topic by the peer.

A screening for relevant topics was conducted, initially through desktop analysis whereby the topics of 'Pollution', 'Water', 'Biodiversity', 'Circularity', 'Workers in the value chain' and 'Affected communities' were deemed not relevant.

## 2. Value Chain Analysis

In line with the requirements of ESRS 2, and EFRAG IG 2, our Sustainability Statement includes information about all material IROs including those that arise or may arise beyond our own operations in the context of our business relationships in the upstream (e.g. suppliers) and downstream (e.g. customers, brokers, investment managers, partnerships) value chain. CSRD does not require information on each and every actor in the Value Chain (VC), but rather the inclusion of material VC information. As such, our assessment focused on relationships that are likely to be associated with material IROs.

We considered our full range of activities, resources and relationships relative to our business model and the external environment in which we operate and identified the relevant VC actors for FBD based on two key criteria outlined in the Value Chain Implementation Guidance (VCIG) issued by EFRAG, namely:

- exposure to Material Impacts (or 'hot spots') that expose FBD to the likelihood of actual and potential impacts (negative/positive) (under E, S and G); and
- dependency of FBD on the VC actor.

**Exposure to Material Impacts:** We determined whether our association with each actor in the VC may result in FBD being exposed to material impacts, and whether these impacts are environmental, social, or governance related.

**Dependency:** We determined whether our dependence on particular VC actors results in an exposure to financial risks or opportunities.

IROs were developed for relevant VC actors and their activities as part of step 3.

On the next page is an overview of our value chain showing where our material sustainability related IROs arise across our full value chain.

All IROs are connected to our strategy and business model. Key inputs, business activities and outputs are outlined within our Business Model on page 16. See Our strategy on page 17.

# FBD

## OWN OPERATIONS

## Our people and our workplace

## UPSTREAM

### Supply chain workers and our investors



Our Reinsurers



Fuel and energy for our buildings and operations



Our investors



Our Suppliers



Supply chain employees



26

Customer Service



1 7 8  
10 14

Product development and underwriting

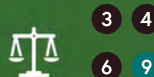


2

Manage claims



Sales and marketing



3 4  
6 9

Capital management and investment policy



24 32 35

Regulatory engagement and compliance management



Complaints Management

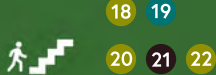


Waste generated from our operations



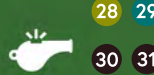
15 16

Our workplaces



18 19  
20 21 22

Career Opportunities



28 29  
30 31

Corporate culture and Whistle-blower protection

## DOWNSTREAM

### Our customers and wider society



13 23 25

Insurance Cover for our Customers

34



Financial advisory services



11 27

ESG advocacy and community contribution



5 12

Our investments

SUPPORT.  
IT'S WHAT WE DO.

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 119-124

CREATING VALUE THROUGH  
SUSTAINABILITY



### 3. IRO Identification

FBD developed a longlist of IROs encapsulating the entire scope of our operations, taking into consideration our specific circumstances as well as sustainability matters covered by ESRS topical standards. Business conduct matters were considered across FBD's own operations relevant to how the criteria are defined within the Irish Insurance Industry.

We then linked the IROs to a position in the VC (upstream, own operations or downstream), and a VC actor who was deemed 'relevant' for a particular ESG area.

As part of the creation and assessment of the IRO list, we considered the connection of external dependencies such as exposure to climate hazards or changes in regulation that address systemic risks and impacts with risks and opportunities for FBD, and identified IROs to reflect this. These were typically framed as risks or opportunities, where the opportunity was linked to the realisation of a positive impact and a risk was related to the failure to address a potential negative impact.

We determined the relevant time horizons in which the IROs may materialise. The time horizons used were those prescribed by the ESRS in ESRS 1 6.4 (Paragraph 77) and applied by FBD, with short-term being within one year, medium-term 1-5 years and long-term being greater than 5 years.

Once a comprehensive list of IROs was developed with coverage over the identified topics, sub-topics, sub-sub-topics and/or entity-specific topics senior stakeholders in FBD reviewed and provided feedback on the IROs.

### 4. Stakeholder Mapping and Engagement

Our commitment to ensuring excellent lines of communication exist and are fostered between the Group and its stakeholders is underpinned by our Board approved Stakeholder Framework - for details on how the Board are informed about the views and interests of affected stakeholders, including sustainability related impacts, see Stakeholder engagement on pages 67 to 70. The insights gained from our ongoing due diligence processes were leveraged to inform our materiality assessment. While we continuously evolve our strategy and business model, informed by the interests and views of our stakeholders, no specific amendments to our strategy and business model were required during the period or are anticipated as a direct result of this stakeholder engagement.

## Ongoing Dialogue with Stakeholders

Stakeholder	How engagement is organised	Purpose of engagements	Example of outcomes from the engagements
CONSUMER	<ul style="list-style-type: none"> <li>• Customer service.</li> <li>• Claims handling.</li> <li>• Consumer due diligence.</li> <li>• Periodic reviews.</li> <li>• Market research.</li> <li>• Formal complaint process.</li> <li>• Trust Pilot.</li> </ul>	<ul style="list-style-type: none"> <li>• Building trust.</li> <li>• Providing sustainable solutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Product/service improvements.</li> <li>• Increased customer awareness.</li> </ul>
OUR PEOPLE	<ul style="list-style-type: none"> <li>• Personal development dialogues via performance management structure.</li> <li>• Annual employee surveys.</li> <li>• Independent Non-Executive Director appointed for Engagement with the Workforce.</li> <li>• Business updates through Town Halls.</li> <li>• Employee representative bodies.</li> </ul>	<ul style="list-style-type: none"> <li>• Understand employees' views and experiences.</li> <li>• Contribute to a sustainable workplace.</li> </ul>	<ul style="list-style-type: none"> <li>• Internal policy improvements and updates.</li> <li>• Communication from management.</li> </ul>
INVESTORS	<ul style="list-style-type: none"> <li>• Investor calls, emails and meetings.</li> <li>• Periodic investor updates - AGM, Results briefings and Investor Roadshows.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding investor expectations regarding sustainability.</li> <li>• Attracting responsible investors.</li> </ul>	<ul style="list-style-type: none"> <li>• Responses to investor queries.</li> <li>• Consider investor requirements around ESG reporting.</li> </ul>
SUPPLIERS	<ul style="list-style-type: none"> <li>• Supplier due diligence.</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting responsible sourcing.</li> <li>• Protecting human rights in the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>• Informed selection of suppliers.</li> <li>• Supplier improvement plans.</li> </ul>
COMMUNITIES	<ul style="list-style-type: none"> <li>• Sponsorship of local events.</li> <li>• Educational grants.</li> <li>• Farm safety workshops.</li> <li>• Industry body engagement e.g. Teagasc.</li> </ul>	<ul style="list-style-type: none"> <li>• Building trust.</li> <li>• Contributing to the community's social and economic development as part of a wider ESG strategy.</li> </ul>	<ul style="list-style-type: none"> <li>• Increased brand awareness.</li> <li>• Positive social impact.</li> </ul>
GOVERNMENT AND INDUSTRY BODIES	<ul style="list-style-type: none"> <li>• Direct dialogue with policymakers.</li> <li>• Participate in working groups.</li> <li>• Co-funded investment in Moorepark with Department of Agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• To meet and comply with Government policies.</li> <li>• Promote action on ESG issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Direction from Government and Industry Bodies may be used to inform Sustainability strategy and IRO Management approach.</li> </ul>
REGULATORS	<ul style="list-style-type: none"> <li>• Answering queries from Regulators.</li> <li>• Regular engagement and scheduled meetings with Regulators.</li> </ul>	<ul style="list-style-type: none"> <li>• To meet Regulators evolving expectations to the highest standard.</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with regulatory requirements.</li> <li>• Regulatory returns.</li> </ul>

As well as leveraging on regular dialogue with affected stakeholders, we reached out to stakeholders specifically in the context of our materiality assessment. This ensured we developed an understanding of how employees with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm as well as how consumers and/or end-users with particular characteristics, or those using particular products or services, may be at greater risk of harm.

To prioritise and score IROs, we engaged with representatives from the Board of Directors, senior

management and employees across a wide range of business units. We also engaged with a sample of external stakeholders across each of our stakeholder groups identified.

Engagement was through interview or survey or both. The results of these surveys and interviews were used as an input in the IRO scoring, where we considered, if any IRO scores should be adjusted to reflect stakeholder views. The next section provides a detailed explanation of the stakeholder engagement and prioritisation completed.

## 4.1 Stakeholder Cohorts for the Double Materiality Assessment

We identified stakeholders as groups which fall into the following two categories: affected stakeholders and users of the Sustainability Statement.

- Affected stakeholders are individuals or groups whose interests are affected or could be affected (positively or negatively) by FBD's activities, and its direct and indirect business relationships. These stakeholders were engaged with directly where possible.
- Users of the Sustainability Statement are the primary users of financial reporting, as well as other users.

Please note: some stakeholders may belong to both groups. Stakeholders provided their perspective on each sustainability matter.

## 4.2 How we engaged with stakeholders to score the Impacts, Risks and Opportunities

### Method 1

Method 1 involved interviews and follow-up surveys with internal FBD stakeholders.

To score IROs, we engaged with representatives from the Board of Directors, senior management, and employees. We spoke to individuals across a wide range of business functions to understand:

- The different ways FBD is having, or could have, impacts on the environment and society through its operations.
- The different ways ESG-related risks or opportunities could manifest for FBD.

### Method 2

We also engaged with internal and external stakeholders not called to interview through surveys, asking them several open-ended questions.

In addition to open-ended questions, stakeholders were sent a follow-up survey to score all sustainability matters on a scale of 1-5 (insignificant to critical) from both a financial and impact perspective.

### Collation and input into scoring

The results of these interviews and surveys were used as an assessment of the completeness of the material impacts identified and as an input in the IRO scoring process, where we considered, if any IRO scores should be adjusted following stakeholder input.

## 4.3 Scoring

As a general principle, IROs are considered gross (i.e. before any mitigating actions) in the materiality assessment. This is linked to the objective of providing information on the management of IROs by the Group over time.

### Impact Materiality

Based on the output of the interviews and surveys, we consolidated the results for each topic, scoring each Impact against the criteria as outlined in ESRS 2 for impact materiality, specifically: scale, scope, remediability and likelihood. For actual or potential impacts, the materiality is assessed by reference to the severity of such impacts on people and/or the environment, not on the basis of the effects it has on the Group and its financial prospects. Stakeholder engagement described in section 4.2 above is central to correctly assessing materiality of impacts.

For actual negative impacts, materiality is based on the severity of the impact, while for potential negative impacts it is based on the severity and likelihood of the impact. Severity is based on the following factors:

- (a) the scale;
- (b) scope; and
- (c) irremediable character of the impact.

Scale, scope and remediability are scored on an intensity scale of 1-5, as follows:

	Scale	Scope	Remediability
5	absolute	global/total	irreversible
4	high	widespread	very difficult to remedy or long-term
3	medium	medium	difficult to remedy or mid-term
2	low	concentrated	remediable with effort (time & cost)
1	minimal	limited	relatively easy to remedy or short-term
0	none	none	very easy to remedy

An Impact is assessed as material and subject to mandatory reporting if it reaches a threshold score of 8.

A threshold score of 8 out of 15 across the three severity categories accurately captures impacts that






have a high scale, high scope and low remediability. In cases where the scale of an impact is assessed as absolute and/or the scope of an impact is assessed as global/total, and/or the remediability of an impact is assessed as irreversible, the threshold score is deemed to have been met and the impact is considered material. Therefore any of the three characteristics individually (scale, scope, and irremediable character) can make an impact severe. For potential impacts, probability weighting is applied to the severity scores.

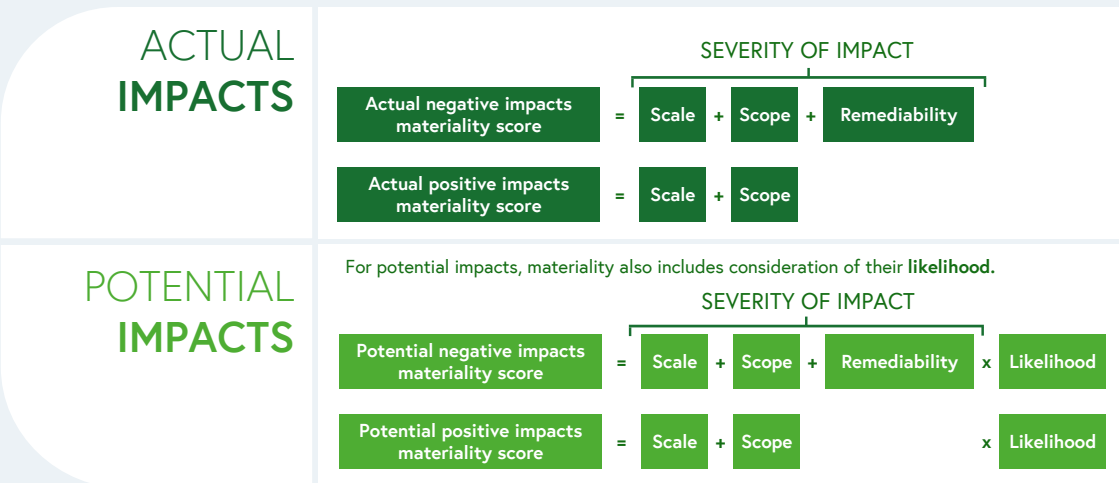
For positive impacts, materiality is based on:

(a) the scale and scope of the impact for actual impacts; and

(b) the scale, scope and likelihood of the impact for potential impacts.

Scale, scope and likelihood of positive impacts are scored the same as negative impacts outlined above. Positive impacts severity scores do not incorporate remediability by definition, however, total scores for positive impacts are weighted proportionately for comparability with negative impacts.

 <b>Scope</b> How widespread the negative or positive impacts are on the <b>environment</b> or <b>people</b> .	 <b>Scale</b> How <b>grave</b> the negative impact is or <b>how beneficial</b> the positive impact is for people or the environment.	 <b>Remediability</b> Whether and to what extent the negative impacts could be <b>remediated</b> . Applies to negative impacts only.	 <b>Likelihood</b> Assess the likelihood of the impact occurring. Only score likelihood for <b>potential impacts</b> .	 <b>Score</b> A score above the agreed <b>materiality threshold</b> indicates that an Impact is Material and subject to mandatory reporting.
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Note: In the case of a potential negative human rights impact, the severity (scale, scope, remediability) of the impact always overrules its likelihood.

### Financial Materiality

Financial materiality focuses on the assessment of the risks and opportunities of the respective sustainability matter on FBD's business. Financial materiality focuses on the effects of sustainability matters on the undertaking's cash flows, financial performance and position, access to finance or cost of capital in the short, medium or long term, as such effects are material to the undertaking's investors.

Based on the output of the interviews and surveys, we consolidated the results for each sustainability matter,

scoring each risk and opportunity against the criteria as outlined in ESRS 2, specifically: magnitude (size of the financial effect), and likelihood. Size of the financial effect of each risk and opportunity were estimated and assigned a rating on an intensity scale of 1-5, as follows:

Magnitude	
5	absolute
4	critical
3	significant
2	important
1	minimal
0	none

A risk or opportunity is assessed as material and subject to mandatory reporting if it reaches a threshold score of 2. A threshold score of 2 aligns to the FBD Risk Management Framework.

All risks that were deemed to be material following our DMA were added to the Risk Register, if they were not captured already, allowing them to be assessed and prioritised relative to other types of risks. (See section on Our Impact, Risk and Opportunity management process for more information).

For potential risks and opportunities probability weighting is applied to the magnitude scores to reflect their likelihood of occurrence.



## 5. Validation and Approval

We conducted a series of internal validation workshops with key individuals within the business, including executive management, to discuss the outputs from the scoring completed on the IROs identified, before finalising the scoring. The validation sessions included consideration of the internal and external stakeholder interviews and surveys.

Following completion of the validation workshops the DMA outcome was reviewed, constructively challenged and subsequently approved by the Sustainability Committee in May 2024, and approved by the Audit Committee in October 2024.

To prepare the 2025 Sustainability Statement, an analysis was conducted to identify any modifications since the previous year, both within organisational and operational frameworks and in external elements such as the value chain. The assessment concentrated on evaluating the potential impacts, risks, and opportunities that could arise from these recognised changes. As a result of this analysis, the four material topics identified as part of the original DMA assessment were validated, the sub-topic of Health and Safety was no longer deemed material and an entity-specific topic of Cybersecurity was introduced as material.

During the reporting period, the quantity of material IROs reduced from forty to thirty-five, following changes to the assessment process to incorporate emerging market practices and to address the dynamic developments within the areas of Environmental, Social, and Governance. Material IROs were updated as follows:

- Under G1 Business Conduct, two new IROs were established - one addressing the possibility of a broader societal negative impact and another concerning the Group's exposure to cybersecurity risks.
- Two opportunities classified under S1 Own Workforce were merged because they were similar in nature. Similarly two opportunities related to underwriting practices and two risks in relation to capital planning under E1 Climate Change were merged.
- Four positive impacts across S1 Own Workforce and G1 Business Conduct were removed as local legislation already covers them.

# Our Impact, Risk and Opportunity management process

As outlined in our Sustainability Governance Framework on pages 113 to 116 risks and negative Impacts are integrated into, and managed and monitored through our established risk management processes.

Following the completion of our DMA in 2024, we approved our ESG Due Diligence Framework and rolled out an Impact, Risk and Opportunity (IRO) Management approach, to supplement the Risk and Control Self Assessments that business units complete on an ongoing basis. Opportunities and positive Impacts are managed and monitored through our IRO Management approach.

We recognise the journey that our organisation, as well as the industry and society at large is on, and we will look to refine our sustainability practices as the sustainability reporting landscape evolves including the growth of green technology, increased awareness and reporting across our VC and monitoring of evolving market practices and the geopolitical response. We have assigned owners to all our IROs, and we are embedding regular monitoring and reporting on the implementation of action plans to manage IROs.

## Climate risk

In addition to our IRO management approach, we have implemented an approach to formalise how we monitor and manage Climate Risk on an ongoing basis. The details of this approach are outlined as part of the Climate Resilience Analysis on pages 139 to 141. Outputs from our climate resilience exercise have been reflected in our material Impacts, Risks and Opportunities, and we have designed governance processes that allow us to incorporate Climate Risks into our overall Due Diligence Framework.

## IRO treatment strategies

In line with ESRS 2 minimum disclosure requirements on policies, actions and targets (MDR-P, MDR-A, MDR-T), we will look to implement strategies, policies, actions and targets to help manage material sustainability

matters and IROs where appropriate. The introduction of a strategy, policy, target or action may not always be deemed necessary. In addition, in some cases a policy may not be the most appropriate tool for managing an IRO. FBD employs different strategies for the management of IROs depending on the IRO type.

The creation of strategies, policies, action plans and targets is assigned to the IRO Owner, with support from the Non-Financial Reporting team and Risk Function. Strategies, policies, actions and targets are signed off by the Sustainability Committee, who receive progress reports on their implementation. In addition, the Executive Risk Committee receive reports on the Negative Impacts and Risks, which they can use to evaluate FBD's overall risk profile.

## Negative impacts

FBD will aim to prevent, detect, manage and mitigate negative Impacts on an ongoing basis. Material negative Impacts will generally be addressed through policies and added to the Risk and Control Self-Assessment ('RCSA') process and reported to the Executive Risk Committee, with any actions being managed on an ongoing basis.

## Positive impacts

FBD will aim to capitalise on positive Impacts by creating action plans, progress against which will be reported on a regular basis to the Sustainability Committee.

## Risks

Risks are managed in accordance with FBD's Risk Management Framework and related policies with new policies implemented to address new risks as required. Progress on risk management and actions will be captured through the established RCSA process and reported to the Executive Risk Committee.

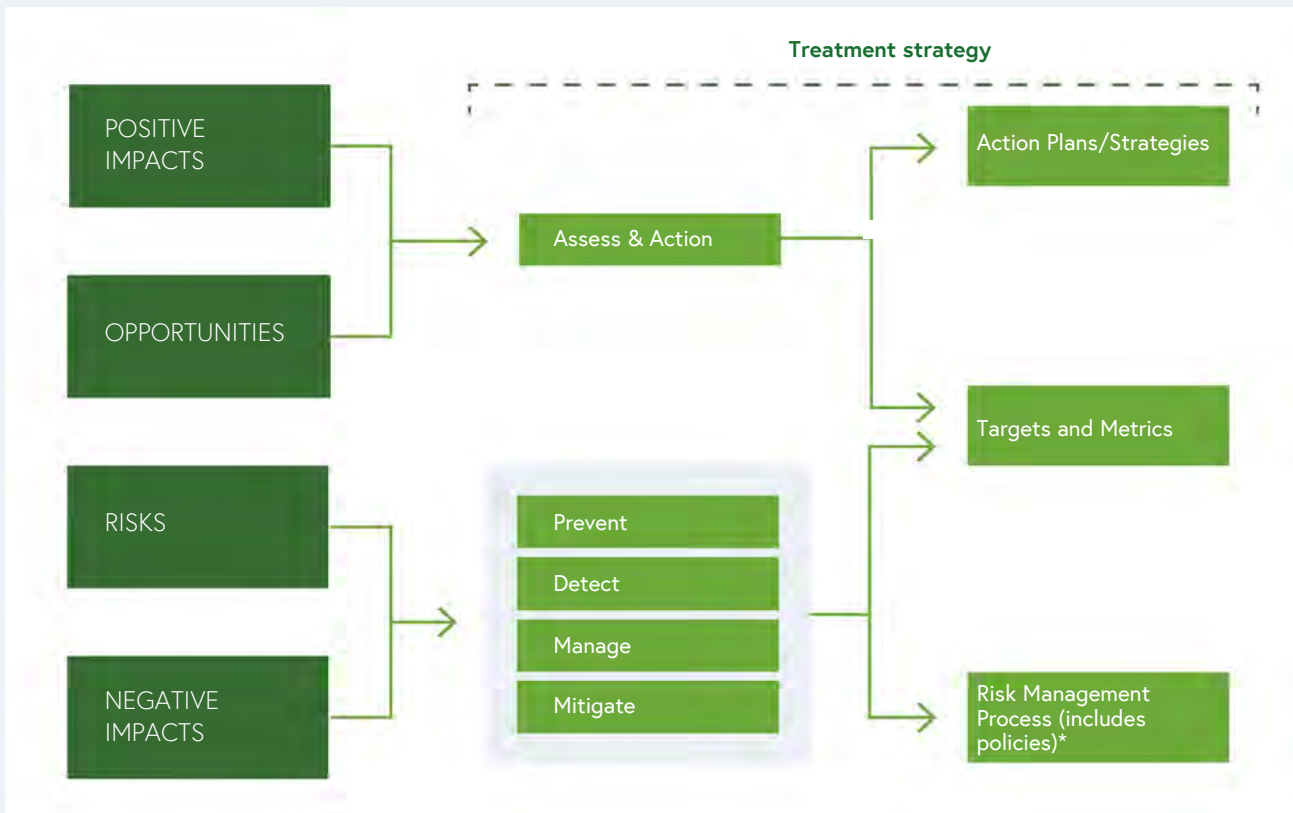
## Opportunities

FBD aim to capitalise on Opportunities by creating action plans, progress against which will be reported on a regular basis to the Sustainability Committee.

## Targets

FBD will create a target for an IRO, where appropriate. This is at the discretion of the IRO Owner. Targets will be reviewed and signed off by the appropriate governing committee(s) depending on the business area and by the Sustainability Committee.

## IRO MANAGEMENT APPROACH



\*Risk management process may involve creating an Action plan

## Environmental

Considers how a company impacts the environment around it and includes issues such as climate change, biodiversity, nature, carbon emissions, waste and pollution.

# European Sustainability Reporting Standard (ESRS) E1 – Climate Change

Two material sub-topics from our DMA as shown in the table below are the focus of this section. Hereafter we outline our approach to managing the material IROs related to these sub-topics in terms of policies, actions, metrics and targets together with specific disclosure requirements under ESRS E1.

## E1 CLIMATE CHANGE

### Climate Change Adaptation

- 1 Incentivisation for adaptation solutions
- 8 Enhanced pricing & propositions to optimise underwriting performance
- 9 Capital planning — increased stability
- 2 Increased claims due to climate event
- 3 Cost/availability of reinsurance cover
- 4 Financial impact of climate related events
- 5 Reduced opportunities arising as a result of sustainable investment strategy
- 6 Reduced returns on and/or difficulty disposing of high carbon intensive assets
- 7 Reduction in insurable activity
- 10 Reputation risk

### Climate Change Mitigation

- 13 Insurance supporting sustainable activities
- 11 Insurance industry supporting GHG intensive activities
- 12 Improved returns through additional sustainable investments
- 14 Market share

#### IRO legend

IRO listing on page 119-124

- Positive Impact
- Opportunity
- Negative Impact
- Risk

FBD seeks to do business in a sustainable way evidenced through our investment choices, advocacy activity and alignment to the UN Principles of Sustainable Insurance. Addressing the risks posed by climate change is vital and strategically important to FBD, from both a commercial and stakeholder perspective and we have adopted a number of policies in order to adapt to and mitigate the effects of climate change.

## Transition Plan

FBD does not currently have a climate mitigation transition plan. While we may explore the development and adoption of a climate mitigation transition plan in the future, as at the reporting date the timelines for this have not yet been established. Any consideration of a climate mitigation transition plan will also include examination of the feasibility of implementing GHG emission reduction targets.

## Climate Change as an Insurer

### Our approach and policies

Substantial change is predicted around the transition to more climate friendly practices across all business lines. Climate risk, including physical risks to property and person from variable weather patterns and long-term climate change and transition risks from the process of adjustment to a low carbon economy, is recognised as a key risk facing the Group as outlined in our Risks and Uncertainties Report on page 18 to 27. However, we also recognise the opportunity for growth and innovation in this space.

The unprecedented weather events in January 2025 allowed FBD to demonstrate the value of weather protection, not only across Home, Farm and Business insurance products, but under Motor insurance as well. FBD's gross cost of claims from these events is expected to be €100m mitigating the financial impact of severe weather.

The majority of FBD's 500,000 customers avail of weather protection in some form under our Farm, Home, Business and Motor products. These products provide various levels of protection for a range of climate related risks arising from storm, flood and escape of water following freeze.

Following Storm Éowyn, we have placed renewed emphasis in our Underwriting and Product plans, on the scope and sustainability of core protections, particularly

when it comes to the availability and affordability of property and motor damage cover.

Supporting customers who seek climate beneficial technologies and the development of related insurance safeguards is and will be an ongoing focus of FBD's research and product design.

We gear our offering to incentivise customers who wish to build resilience. We are on the ground, providing advice and guidance on risk management and appropriate solutions through our dedicated branch network.

We continually assess external influences such as government policy, regulatory change, industry trends and shifts in customer expectations focusing on high-quality data to support effective risk assessment and pricing. We maintain robust relationships with key customer stakeholder groups placing their interests centrally in our product strategy and development.

As a signatory of the UN Principles for Sustainable Insurance we strive to work with stakeholders to promote action. FBD Group has pledged €4m collectively in two signature advocacy initiatives across 2023 and 2024 namely the 'Padraig Walshe Centre for Sustainable Animal and Grassland Research' and the 'UCD FBD Agricultural Science Centre'. The overall objective is to support farmers and farm families into the future with a focus on education, training and assisting in developments in technology and science for a wider range of Agri-stakeholder organisations.

Our key policies, owners and approvers concerning climate change as an insurer are listed below.

Policy	Topics addressed	Objectives	Approved By	Policy Owner
Underwriting Policy	Climate Change adaptation	To clearly set out the Underwriting approach in FBD and to ensure compliance with the Risk Management Framework. To manage and recalibrate FBD's products, risk appetite and pricing as necessary to support climate change adaptation.	Board, at least annually	Chief Underwriting Officer
Product Oversight and Governance Policy	Climate change adaptation Climate change mitigation	To clearly set out the approach to product oversight and governance in FBD and to ensure compliance with the Risk Management Framework. To consider climate change adaptation during the product approval process.	Board, at least annually	Chief Underwriting Officer
Capital Management Policy	Climate change adaptation	To set out principles and guidelines used by the Group for capital planning, capital issuance, usage and distributions. This includes internal capital goals, reporting and monitoring of capital position and internal governance procedures around capital policy.	Board, at least annually	Group Chief Financial Officer
ORSA Policy	Climate change adaptation	To assess, in a continuous and prospective way, the overall solvency needs related to the specific risk profile of the insurance company.	Board, at least annually	Group Chief Risk Officer

## Actions

FBD carried out a number of reviews and product changes in 2025 focused on adapting to customers' needs in the face of emerging climate change and external environment developments:

- A Property review was completed to assess the ongoing sustainability and affordability of property insurance for our customers.
- A Weather Resilience review was initiated following Storm Éowyn, to ensure we can provide storm cover at sustainable pricing levels for our customers into the future and to improve the resilience of our portfolios for future events.
- We are active members of the Insurance Ireland Flood Taskforce. This refers to the collaborative efforts across the insurance industry to support the government in reducing the flood protection gap for homes and businesses.
- As electric vehicles become more commonplace in Ireland, there have been differences in repairs costs for electric vehicles (EVs) and internal combustion engine vehicles (ICE) in terms of accidental damage costs. This market is relatively immature and continues to be monitored for future opportunities and customer requirements. Our vehicle mix is routinely monitored as part of ongoing portfolio monitoring and collaboration across Claims, Underwriting and Pricing functions.
- Specialist flood risk modelling services are used to help determine future vulnerability of certain locations to climate-related flooding. Output of this modelling is factored into strategic planning, exposure management, and reinsurance programme design.
- Reinsurance protection is in place to limit the Group's exposure to single claims and the aggregation of claims from natural catastrophic events. Risk mitigation against extreme weather events is achieved through the placement of the catastrophe reinsurance programme. Large liability claims are covered under the excess of loss placement and large property claims are covered by the property excess of loss placement.
- Natural Catastrophe ('NATCAT') risk indicators have been developed in order to monitor our exposure to natural catastrophe events and are assessed annually in line with available data sources. These NATCAT risk indicators are a critical component in understanding and responding to climate risk in the

external environment and are reported through the Risk and Control Self-Assessment (RCSA) process.

- Pricing processes carried out ensure past and future predicted claims experience is incorporated into premium calculations to reflect the risks associated with weather events. We reinsure part of our weather exposure to limit the impact on our business.
- At least annually, we carry out climate scenario analysis to consider the impact of climate change over the short, medium, and long-term as set out in CBI Guidance across all areas of our business and to further integrate climate risk into FBD's governance and Risk Management Framework. Refer to the 'Climate Resilience Analysis on pages 139 to 141 for further details.
- After the successful rollout of the Statement of Fact project on our Home product at the beginning of 2025, phase two of the rollout was launched for all products in the final quarter of the year. This means customers no longer need to print, sign or return a proposal form and delivers a vastly more efficient process, including a reduction in postage and paper use.

## Climate Change as an Investor

### Our approach and policies

FBD recognises that as an asset owner it has an important role to play in the journey to a low carbon economy and the goal of limiting future global temperature increases. We have approached our climate-related objectives through the prism of the ESG Framework which embeds ESG considerations into the investment approval process. FBD actively integrates ESG considerations into its investment policies and processes across its portfolio of more than €1 billion in assets. On an annual basis the Investment Committee undertakes a review of the Investments ESG Strategy to assess the appropriateness of the measures in place from a performance and risk management perspective.

In the short-term the risks related to the transition to a low-carbon economy are classified as low given the short maturity and diversified profile of the bond portfolios that comprise the vast majority of the investment assets. We undertake regular climate scenario stress testing and scenario analysis and employ risk management tools to analyse the climate related risks in the portfolio.

We are continually seeking to enhance our understanding of the ESG investment landscape, the ESG characteristics, risks and opportunities of our

portfolio and the actions we can take to invest in a more sustainable future. There is broad acknowledgement across the investment industry that including

sustainability as part of the investment process provides a wider perspective on risk, potentially reducing volatility and enhancing risk-adjusted returns.

Policy	Topics addressed	Objectives	Approved By	Policy Owner
Investment Policy	Climate change adaptation	To maximise returns within the overall risk appetite of the Group as approved by the Board of Directors. The overriding philosophy is to protect and safeguard the Group's assets, to ensure that the Group's capacity to underwrite is not put at risk.	Board, at least annually	Head of Investments

## Actions

### Investment Manager Selection

- FBD's external asset manager due diligence review, selection and retention processes place a strong emphasis on the manager's ESG capabilities and credentials. This includes the manager's portfolio reporting and analysis capabilities, the investment products and solutions available, and how they incorporate ESG issues into their own corporate structure. All our external managers are signatories of the UN's Principles for Responsible Investment (PRI). They are required to provide Sustainability Policies/Reports detailing how they promote ESG both internally and through engagement with underlying companies and fund managers in relation to ESG transparency and proxy voting on company resolutions. Stewardship is the process by which asset owners can use their voting rights to influence the management of a company to act in a more sustainable manner – FBD's main asset managers are signatories to the UK's Stewardship Code, the global gold standard.

### Decarbonisation of Investment Portfolio

- We track the emissions performance of our investment portfolios and employ a third party expert to verify the reported emissions. We have access to an increasing suite of metrics as enhanced analytics become available in the market. The emissions performance for our investment portfolios are explained in the Targets section on pages 142 to 143.
- FBD remains ahead of its target to reduce the carbon intensity of the Corporate Bond Portfolio, as outlined in the Targets section on pages 142 to 143.

- The carbon intensity of the Risk Asset Portfolio has been reduced and is below the carbon intensity of the weighted average fund benchmark.
- Green bonds have become a more frequent instrument issued by companies across various sectors to finance green-related projects, either to facilitate the transition towards a greener set-up or for new investments. Green bonds represent c.10.3% of our Corporate Bond Portfolio.
- We seek to invest in sustainable funds where practicable. All of our Risk Asset funds excluding Emerging Market Debt (sovereign exposure) and the earlier vintages of the Private Markets funds are classified as Article 8 under the Sustainable Finance Disclosure Regulations (SFDR) which means they seek to promote environmental and social objectives.
- FBD has made a €5m commitment to a private markets Global Impact Fund. The Fund targets 70-100% of its investments towards those with a positive environmental impact, with the balance targeted towards those with a positive social impact.

## Climate Change as a Company

### Our approach and policies

The Group is committed to reducing its climate impact through responsible energy management, supplier engagement, and operational improvements. FBD seeks to drive energy usage reduction and emissions reduction across buildings and infrastructure. Related group policies and their owners and approvers are listed below.

Policy	Topics addressed	Objectives	Approved By	Policy Owner
Reputational Risk Policy	Climate change adaptation	To outline FBD's prudent and proactive approach to managing reputational risk including climate change impacts.	Board, at least annually	Chief Underwriting Officer
Non-Financial Reporting Policy	Other	To set out how non-financial information (particularly metrics related to energy consumption and GHG emissions) is prepared and how risks are managed to ensure its completeness, accuracy, and timeliness.	Board, at least annually	Group Chief Financial Officer

### Actions

#### Renewable Energy

- We continue to source all purchased electricity from suppliers certified as providing renewable energy under current market standards.
- In 2025, we completed the procurement process and initiated the installation of solar panels at three facilities as committed to in last year's report. We chose sites that we owned, were readily available and were technically feasible to complete. The selected sites included Head Office in Bluebell, Dublin and local offices in Portlaoise and Tralee. The solar panels are estimated to save 606 tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>eq) over their 20 year lifetime and are expected to cost the Group approximately €150,000 gross of government grants.

#### Energy Efficiency

- FBD continuously reviews opportunities to upgrade mechanical and electrical systems, prioritising the replacement of end-of-life equipment with energy-efficient alternatives. In 2025, we replaced air conditioning units at our Mullingar Sales Centre with a system that is more energy efficient and environmentally friendly and installed a more sustainable heat pump at Head Office. Additionally, we upgraded dishwashers and other appliances,

ensuring all replacements meet future-proof standards and carry superior energy ratings.

- During 2025 the Group upgraded its printing infrastructure by replacing older devices with energy-efficient models and reducing the overall number of printers. These changes aim to lower energy consumption and improve sustainability across the business.
- Building on these actions and in line with commitments disclosed in our previous Annual Report, FBD has secured a supplier for the Sustainable Asset Improvement Plan, expanding its scope to include both Head Office and the Mullingar Sales Centre. Work has commenced on developing a comprehensive register of potential upgrade opportunities, drafting technical drawings, and developing financial appraisals to guide implementation of the next phase.

#### Waste Reduction

- Following the process established in 2024 for managing end-of-life ICT (Information and Communications Technology) equipment to maximise recycling potential, we applied this protocol during a major upgrade of employees' laptops. This led to over 300 laptops being either refurbished or recycled, resulting in 15 tCO<sub>2</sub>eq of avoided emissions for 2025.

- FBD reduced the purchase of compostable cups replacing them with durable ceramic and glass mugs at Head Office and Mullingar. To reinforce this shift, we launched an internal awareness campaign encouraging employees to adopt sustainable habits, supported by visible office signage promoting energy mindfulness such as turning off lights and reducing unnecessary energy use.

### Value Chain Collaboration

- As outlined in Section G1 *Management of Relationship with Suppliers*, we set high standards for ourselves and our supply chain. FBD is advancing its sustainability agenda by applying an ESG lens to our supplier relationships, with a focus on knowledge sharing. We have enhanced our procurement documentation and tendering processes to include key sustainability criteria, strengthening collaboration with supply chain partners to drive responsible practices and accelerate progress toward shared environmental goals.

### Emissions Reporting

- FBD voluntarily discloses annually to the Carbon Disclosures Project (CDP), a non-profit charity that supports the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. They score climate action on a scale from A to F. In 2025, we achieved a 'B' rating, classified as Management - "Taking coordinated action on climate issues", unchanged from the previous year.
- We strengthened the accuracy of our Scope 3 business travelling emissions data by enhancing the data gathered in expense claim submissions for work-related travel. Through this enhanced data we can now categorise work related travel by fuel type and market segment of vehicle. We also conducted a commuting survey in 2025 which allowed us to improve the accuracy of our Scope 3 employee commuting emissions data. Leveraging these insights, we invested in sustainable travel infrastructure by installing a bike shed at Head Office and promoting cycling through continued participation in Ireland's Cycle to Work tax incentive scheme.

### Climate Resilience Analysis

In 2024, FBD undertook an exercise to enhance the approach to analysing climate change risk in our

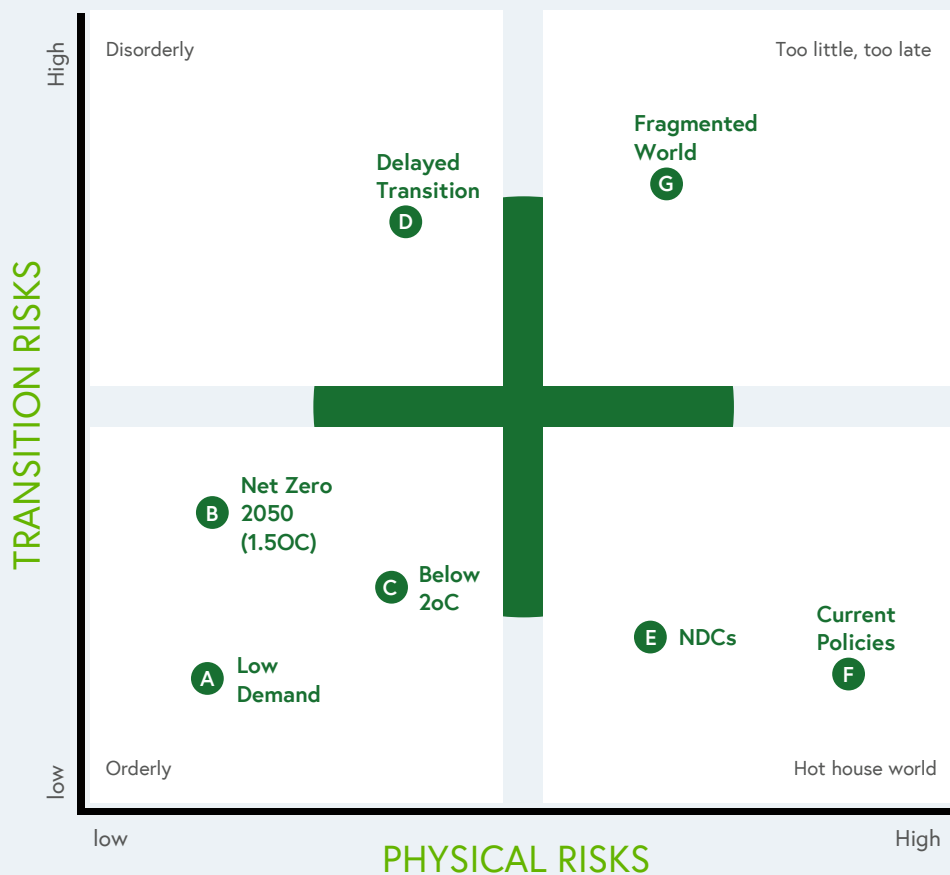
business, using the Central Bank of Ireland's "Guidance for (Re)Insurance Undertakings on Climate Change Risk" as overarching principles. The exercise contained both a qualitative and quantitative assessment, and its purpose was to consider the impact of climate change over the short, medium, and long-term as set out in the CBI Guidance across all areas of the business and to further integrate climate risk into FBD's governance and Risk Management Framework.

To ensure alignment with CBI guidance four time horizons were used for the qualitative assessment – current, 2030, 2040 and 2100. For the quantitative assessment, two time horizons were considered – 2030 and 2050. These time horizons match the ones used in the Central Banks and Supervisors Network for Greening the Financial System (NGFS) framework, which was used to select a number of climate scenarios and formed a key part of this analysis. This framework contains four plausible futures detailed through seven scenarios. The scenarios have been updated since the initial analysis was performed to account for enhanced physical risk modelling, geopolitical tensions, and the country-level climate commitments as of March 2024. The most recent Nationally Determined Contributions (NDCs) submitted by 122 countries during 2025 will be reflected in the scenarios used for 2026.

After carefully examining each of the scenarios under the NGFS scenario framework, FBD selected the NDCs scenario as a baseline scenario. This scenario assumes that currently pledged conditional NDCs are fully implemented and respective targets on energy and emissions in 2030 are reached in all countries, which leads to a slight decrease in long-term physical risks due to newly announced commitments. The NDCs scenario was selected due to its widespread use across the insurance industry, as well its balance between the orderly and disorderly scenarios. The Orderly and Disorderly scenarios reflect policy ambitions aligned with the Paris Agreement, but these may be overly optimistic given the current global climate trajectories and policy action, less definitive wording around fossil fuels at COP28, and limited global funding. Conversely, the Current Policies scenario may be too conservative with respect to physical risks, given national policy ambitions, progress achieved to date, and further commitments made at COP29 and COP30.

The selected baseline scenario was reviewed for continued appropriateness in 2025. Although new NDCs have been pledged since the scenarios were initially selected, there have been no other significant developments over the past year that would warrant a revision; therefore the NDCs scenario remained the baseline scenario in 2025.

# NGFS SCENARIOS FRAMEWORK IN PHASE V



The level of physical and transition risk assumed in the NDCs scenario over the time horizon is summarised in the table below.

NDC's Scenario	Short-term (0-10yrs)	Medium-term (10-30yrs)	Long-term (30-80yrs)
PHYSICAL RISK	LOW/MEDIUM	MEDIUM	HIGH
TRANSITION RISK	MEDIUM	LOW	LOW
MEAN TEMPERATURE INCREASE AT THE END OF TIME HORIZON	1.5°C	1.9°C	2.3°C

As FBD predominantly writes business in Ireland, the physical and transition risks in the Irish market are most relevant for FBD. Ireland's contribution to NDCs comes under the European Union NDCs targets, and this will drive the level of transition risk in the Irish market.

In addition, two further counterfactual scenarios were selected:

**Net Zero 2050:** This scenario aligns with CSRD requirements for selection of a scenario that is consistent with the Paris Agreement and limiting climate change to 1.5°C with no or limited overshoot and includes immediate stringent policies.

**Delayed Transition:** This scenario assumes that global annual emissions do not decrease until 2030 as no new climate policies are introduced, and very stringent policies are introduced after 2030 to limit warming below 2°C. This would lead to higher physical and transition risks than the Orderly scenarios and is a plausible future outcome given current international progress.

To understand potential exposure to climate related risks under each of the above scenarios, FBD established a list of risks and opportunities ("RO Universe") based on peer analysis, engagement with internal FBD stakeholders and a physical risk assessment of FBD sites (including offices, buildings and property). The RO Universe will be kept up to date by the FBD Risk Management team by use of ongoing research, the IRO Management approach and physical risk assessments of FBD sites.

From the RO Universe, four components were selected for quantification and inclusion in FBD's Own ORSA document, based on the outcome of the qualitative assessment. The approaches used for quantification of these four example components were:

- **Component 1:** Change in premium volume.
- **Component 2:** Loss ratio impact from climate-related claims (including impact on availability of reinsurance cover).
- **Component 3:** Asset shock on government bonds, corporate bonds and risk assets.
- **Component 4:** Operational resilience with focus on the impact of flood risk to FBD sites and properties.

The above components were quantified under two time horizons, Short Term (Year 2030) and Medium Term (2050). Due to data limitations, assessment of longer term time horizons is more exploratory and qualitative in nature. In all three scenarios, the impact on FBD is not expected to be material in the short term.

The results of the analysis are outlined below:

- **Political and Legal risks** show the highest level of risk in the Net Zero 2050 and Delayed Transition scenarios due to imposition of more policy and

regulation in comparison to the NDC scenario. The protracted implementation of policies in the Delayed Transition scenario result in increased levels of risk in this scenario in the medium-term.

- **Economic risks** are greatest in the Net Zero 2050 and Delayed Transition scenarios reflecting the investment required to transition effectively across all sectors and the decreased appetite for investments in carbon intensive sectors and locations.
- **Social risk** associated with socio-economic disruption from global climate change is evident across all three scenarios, accruing most prominently under Delayed Transition as policies are implemented most stringently over short timescales.
- **Technology risks** are greatest in the Net Zero 2050 and Delayed Transition scenarios, as Ireland and the world transitions to renewables, there is increased risk associated with rapid transition from traditional fossil fuel technologies to lower carbon alternatives.
- **Environmental risks** are greatest in the NDC scenario due to increased levels of physical risk when compared to the Net Zero 2050 and Delayed Transition Scenarios. By the medium-term 2050, trajectories of physical risk are broadly similar across all three scenarios with divergence evident post 2050. Levels of environmental risk will have implications for FBD operations, claims volume and supply chain.

In addition to the scenarios described above, FBD has also reviewed the NGFS Short-Term Scenarios for central banks and supervisors published in 2025. These scenarios focus on a five-year time horizon, and aim to complement the existing long-term scenarios by providing more insight into near-term risks. From the four short-term scenarios introduced by the NGFS, the narrative of the Disasters and Policy Stagnation Scenario aligns with the Group's selected long-term baselines scenario (NDC scenario). The narrative of the Disasters and Policy Stagnation scenario also aligns closely with a current approved ORSA scenario, namely the Combined Downside Risk Scenario. Therefore, the Combined Downside Risk Scenario is used as a prudent proxy for the Disasters and Policy Stagnation Scenario.

## Targets

### Exclusions

FBD's Investment Policy defines exclusions from the Corporate Bond and in-scope Risk Asset portfolios<sup>1</sup>. These exclusions do not apply to the Sustainable Equity Fund, as this fund tracks a Paris-aligned benchmark and

does not explicitly screen for the criteria outlined below. This policy includes an absolute target of zero investments in the following:

Activity	Exclusion
Controversial weapons	Exclude companies with any tie
Auto Civilian Firearms	Exclude companies with any tie
Nuclear weapons	Exclude companies which derive > 1% of their revenue from this source
Arctic drilling	Exclude companies which derive > 1% of their revenue from this source
Oil sand mining	Exclude companies which derive > 1% of their revenue from this source
Thermal Coal extraction	Exclude companies which derive > 1% of their revenue from this source
High polluters (fixed income)	Exclude companies which produce > 3,000tonnes CO <sub>2</sub> e/\$USDm revenue

This target was set by the Investment Committee in consultation with the investment managers and is not directly linked to scientific evidence. The base year for this target is 2023. The target has been incorporated into the Investment Policy which is approved by the Investment Committee and the Board, and is reviewed

annually as part of the Investments ESG Strategy annual review. Adherence to the Investment Policy is monitored on an ongoing basis and any exceptions are reported to the Board. In 2025 FBD was in compliance with the Investment Policy.

### Carbon Intensity

The carbon intensity metric expresses the carbon emissions of each company in relation to their revenue, weighted according to the respective share of a security in FBD's Corporate Bond Portfolio. As part of FBD's policy to integrate ESG factors into our investment portfolio, a 60% target reduction in the carbon intensity of the Corporate Bond Portfolio has been set over the 9-year period from 1 January 2021 to 31 December 2029. The baseline carbon intensity used is 258 tonnes CO<sub>2</sub>/m\$USD revenue as at 1 January 2021. The target was set by the Investment Committee in consultation with the investment managers based on the maturity profile

of the bonds and the need to maintain adequate diversification of exposures within the portfolio. No prescribed methodology was used and it is not directly linked to scientific evidence. The target has been incorporated into the Investment Policy which is approved by the Investment Committee and the Board, and is reviewed annually as part of the Investments ESG strategy annual review. The reduction is to be achieved as follows:

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reduction target <sup>2</sup>	20 %	25 %	30 %	35 %	40 %	45 %	50%	55 %	60 %

FBD has written this target into the portfolio guidelines which it requires its investment manager to adhere to. It monitors the metrics and reports progress against the target on a quarterly basis to the Investment Committee and Board. FBD has exceeded its targets for each year so far and the total reduction versus the baseline stands at 79.1% as at 31 December 2025 (2024: 74%).

### GHG emission reduction targets

FBD does not currently have GHG emission reduction targets in place, however emission reduction targets would be considered as part of the development of a climate mitigation transition plan. The creation of a climate mitigation transition plan will remain under review in 2026.

<sup>1</sup> These exclusions do not apply to the Emerging Market Debt Funds and the Private Markets Fund.

<sup>2</sup> The targets for each year are the targeted reduction from the base year.

## ESG rating limits

FBD's Corporate Bond manager has developed their own proprietary ESG scoring system, on a scale of A-F (A being the best in class and F being the ESG laggards) which takes into account the issuer's current ESG profile

and steps being taken to improve their ESG Credentials. As part of FBD's policy of reducing the climate impact of its portfolios, we have used this scoring system to create the following limits<sup>1</sup>:

### ESG Rating

- 0% allocation to securities rated F
- 5% maximum allocation to securities rated E
- 20% allocation to securities rated D

These limits were set by the Investment Committee in consultation with the investment managers and are not directly linked to scientific evidence. The base year for the target is 2021. The target was approved by the

Investment Committee and the Board, and is reviewed annually as part of the investments ESG strategy annual review. In 2025 FBD continued to comply with these limits.

## Energy Consumption and Mix

	2025		2024	
<b>Fossil Sources</b>				
Total fossil energy consumption (MWh)	307		323	
Share of fossil sources in total energy consumption (%)		12.6 %		12.9 %
<b>Nuclear Sources</b>				
Consumption from nuclear sources (MWh)	—		—	
Share of consumption from nuclear sources in total energy consumption (%)		0.0 %		0.0 %
<b>Renewable Sources</b>				
Total renewable energy consumption (MWh)	2,136		2,177	
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	—		—	
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	2,136		2,177	
The consumption of self-generated non-fuel renewable energy (MWh)	—		—	
Share of renewable sources in total energy consumption (%)		87.4 %		87.1 %
<b>Total energy consumption (MWh)</b>	<b>2,443</b>	<b>100 %</b>	<b>2,500</b>	<b>100 %</b>

### Fossil Sources

Fossil sources consist of all energy from natural gas, liquified petroleum gas (LPG), heating oil and hydrocarbon oil. Total MegaWatt hour (MWh) for natural gas is taken directly from our invoices, while for LPG, heating oil and hydrocarbon oils, SEAI conversion factors are used to convert the litres of fuel consumed to MWh.

### Nuclear Sources

FBD does not consume any energy from nuclear sources.

### Renewable Sources

All electricity purchased by FBD is certified as 100% renewable.

FBD does not produce any energy.

### High climate impact sectors

FBD does not have any operations in high climate impact sectors and has therefore not disclosed the metrics required by entities with operations in these sectors.

<sup>1</sup> In recognition of the limitations and evolution of ESG rating methodologies, the Investment Committee may provide a waiver in the event of a breach subject to the bond holding an equivalent within tolerance rating with one of the main ESG rating agencies. This waiver has not been applied during 2025.

## Gross Scopes 1, 2, 3 and Total GHG emissions

	2025	2024*
<b>Scope 1 GHG emissions</b>		
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	62	66
<b>Scope 2 GHG emissions</b>		
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	348	489
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	—	—
<b>Significant scope 3 GHG emissions</b>		
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	29,700	37,743
1 Purchased goods and services (tCO <sub>2</sub> eq)	4,574	4,858
2 Capital goods (tCO <sub>2</sub> eq)	872	714
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2) (tCO <sub>2</sub> eq)	148	151
4 Upstream transportation and distribution (tCO <sub>2</sub> eq)	—	—
5 Waste generated in operations (tCO <sub>2</sub> eq)	12	14
6 Business travelling (tCO <sub>2</sub> eq)	379	406*
7 Employee commuting (tCO <sub>2</sub> eq)	1,577	1,540*
8 Upstream leased assets (tCO <sub>2</sub> eq)	—	—
9 Downstream transportation (tCO <sub>2</sub> eq)	—	—
10 Processing of sold products (tCO <sub>2</sub> eq)	—	—
11 Use of sold products (tCO <sub>2</sub> eq)	—	—
12 End-of-life treatment of sold products (tCO <sub>2</sub> eq)	—	—
13 Downstream leased assets (tCO <sub>2</sub> eq)	119	147
14 Franchises (tCO <sub>2</sub> eq)	—	—
15 Investments (tCO <sub>2</sub> eq)	22,019	29,913
<b>Total GHG emissions (tCO<sub>2</sub>eq)</b>	<b>30,110</b>	<b>38,298</b>
<b>Total GHG emissions (location-based) (tCO<sub>2</sub>eq)</b>	<b>30,110</b>	<b>38,298</b>
<b>Total GHG emissions (market-based) (tCO<sub>2</sub>eq)</b>	<b>29,762</b>	<b>37,809</b>

Details of how we calculate our scope 1, 2 and 3 emissions are outlined within the Environmental Metric Methodologies section on pages 145 to 146.

\*During 2025, we enhanced our reporting of Categories 6 and 7 scope 3 emissions:

For Category 6, Business travelling emissions, mandatory drop-down fields were added to our expense system requiring employees to provide the appropriate fuel type and market segment for their vehicle when claiming mileage. These fields directly correspond to DEFRA business travel and WTT emission factors. The change in approach allowed us to more accurately capture our business travelling emissions, as our previous approach did not distinguish between vehicle and fuel types. Under the new approach business travelling emissions for 2024 are 406 tCO<sub>2</sub>eq, previously reported as 417 tCO<sub>2</sub>eq within our 2024 Sustainability Statement.

For Category 7 employee commuting we conducted an employee commuting survey in order to determine the breakdown of commuting methods used by employees and the average commuting distance. Our previous weighting of commuting methods and average commuting distance were taken from Census 2022 Results. Under the new approach employee commuting emissions for 2024 are 1,540 tCO<sub>2</sub>eq, previously reported as 806 tCO<sub>2</sub>eq within our 2024 Sustainability Statement. The change is primarily driven by average employee commutes being more than double the CSO estimate.

### Scope 1 emissions

The decrease in scope 1 emissions year-on-year is largely due to a decrease in consumption of LPG in 2025.

There were no biogenic scope 1 emissions in 2025 (2024: 0).

## Scope 2 emissions

The decrease in scope 2 emissions year-on-year mainly driven by a decrease in the emission factor provided by the Commission for Regulation of Utilities (CRU) for the Irish electricity grid.

Scope 2 market-based emissions continue to be zero in line with 2024 as FBD only purchase energy from renewable sources. FBD obtains Guarantees of Origin ("GOs") directly from our energy provider and 100% of these are bundled. There were no biogenic emissions included in scope 2 in 2025 (2024: 0).

## Significant Scope 3 emissions

The decrease in scope 3 emissions year-on-year is primarily due to a decrease in the Scope 1 and Scope 2

carbon footprint of our Corporate Bond Portfolio and a decrease in the overall value of our Risk Asset Portfolio.

1.8% of scope 3 emissions were calculated using primary data (2024: 1.6%). Primary data consists of water metering, electricity, oil and gas bills, waste bills and travel mileage provided by FBD's employees. There were no biogenic scope 3 emissions in 2025 (2024: 0).

## GHG intensity based on net revenue

GHG intensity is calculated by dividing total emissions (location-based and market-based) by total net revenue. Total net revenue is calculated by adding Insurance revenue and Revenue from contracts with customers. See the Consolidated income Statement on page 209.

GHG intensity per net revenue	2025	2024
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/€'000)	0.06	0.09
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/€'000)	0.06	0.09

	2025	2024
	€'000	€'000
Insurance Revenue (per financial statements)	486,751	441,004
Revenue from contracts with customers (per financial statements)	2,600	3,667
<b>Net revenue used to calculate GHG intensity</b>	<b>489,351</b>	<b>444,671</b>

## Environmental Metric Methodologies

### Direct GHG emissions (scope 1)

In line with the GHG protocol, we define Scope 1 emissions as GHG emissions from sources owned or controlled by the Group. Our direct GHG emissions are principally the result of the consumption of the following: LPG, natural gas, heating oil and hydrocarbon oil. Total activity data for the Group is summed up by type of fuel and multiplied by relevant emission factors in order to calculate CO<sub>2</sub>eq emissions. UK Government data from the Department for Energy Security and Net Zero, and the Department for Environment, Food and Rural Affairs (DEFRA) emission factors are used to calculate CO<sub>2</sub> equivalent of activity data.

### Indirect GHG emissions (scope 2)

In line with the GHG protocol, we define Scope 2 emissions as an indirect emissions category that includes GHG emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the Group. We calculate Location Based Emissions from all consumed electricity based on electricity usage invoices from energy suppliers. The

total Kilowatt hours (kWh) consumed is taken for the suppliers and multiplied by the emission factor for the overall Irish power grid. The location-based emission factor is sourced from the CRU.

### Indirect GHG emissions (scope 3)

FBD defines Scope 3 as all other Indirect GHG emissions (not included in Scope 2) that occur in the value chain of the Group. Scope 3 is broken down into upstream emissions that occur in the supply chain for example, from production or extraction of purchased materials and downstream emissions that occur because of the use of FBD's products or services. The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard categorises Scope 3 emissions into 15 categories. FBD has assessed its Scope 3 emissions in line with the 15 Scope 3 emissions categories outlined by the GHG Protocol. The minimum boundary in the GHG Protocol consists of; equity investments, debt investments (with known use of proceeds), and project finance.

Category 1 consists of:

- Relevant operating expenditure including investment management expenses multiplied by industry emission factors. The emissions factors used are

taken from Exiobase. Expenses excluded from this calculation include employee costs, levies paid to regulatory bodies, depreciation and any expenses for which the emissions have already been captured, such as light and heat in Scope 1 and Scope 2 and employee travel in Scope 3 category 6.

- Water emissions, calculated by applying the DEFRA emission factor to FBD's expenses relating to water consumption.
- Reinsurance premium paid is not included as it is classified as an optional category under the GHG Protocol. Claims costs are not included as this encompasses a wide range of activities that cannot be accurately represented by a single emission factor.

**Category 2** consists of industry emission factors applied to FBD's relevant capital expenditure. The emissions factors used are taken from Exiobase. The majority of FBD's capital spend is comprised of facilities and IT expenditure. The remainder is excluded as it relates to employee costs.

**Category 3** consists of indirect cradle-to-gate emissions from fuel and electricity consumed multiplied by relevant emission factors. The emission factors used are the DEFRA Well to tank (WTT) for natural gas, kerosene and LPG and Transmission and distribution (T&D) for electricity.

**Category 5** consists of an industry emissions factor applied to waste generated during the year. The emission factors used are DEFRA Waste to landfill and DEFRA mixed recycling.

**Category 6** consists of industry emission factors applied to claimed mileage by vehicle type for employees who travel as part of their job.

**Category 7** consists of industry emission factors applied to employee travel to work. The emission factors used are the DEFRA Well to tank (WTT) for bus, rail, car and motorbike. Walking and cycling are assumed to have an emission factor of zero.

**Category 13** consists of the emissions estimated from FBD's investment property, based on the electricity and gas consumption for buildings of a similar BER and floor space.

**Category 15** consists of:

- Corporate Bond Portfolio estimated emissions using the Scope 1 and Scope 2 carbon footprint metrics provided by our investment manager as at 31 December 2025.
- Risk Asset Portfolio estimated emissions using Scope 1 and Scope 2 emissions data provided by our investment manager as at 30 September 2025. The

portfolio remained materially unchanged between 30 September 2025 and the reporting date.

- Sovereign bond exposure is not included in the analysis as the GHG Protocol does not provide guidance on how to calculate these emissions.
- Emissions calculations for investments include extrapolation where no direct data for Scope 1 and Scope 2 emissions is available. Data coverage is an industry wide issue which is expected to improve over time. Furthermore, we do not include Scope 3 emissions from investments in our calculation, as the data is currently considered unreliable due to a lack of coverage, consistency in approach and validity.

Categories 4, 8, 9, 10, 11, 12 and 14 are not material to FBD.

## GHG removals and GHG mitigation projects financed through carbon credits

No GHG removals and storage activities are currently in place in FBD. Up to 2025, FBD purchased carbon credits annually from Vita that contributed to community boreholes and safe water in Ethiopia and Eritrea. From 2026 onwards, a strategic decision was made to re-direct resources previously allocated to carbon credit purchases towards supporting additional advocacy and research projects. This shift in focus is a deliberate choice to prioritise initiatives that could more closely align with the Group's core business activities and potential for direct impact.

All carbon credits previously purchased by FBD were verified by the Gold Standard and were based on avoidance projects. The carbon credits purchased in 2025 amount to €23,000 of the operating expenses disclosed in Note 4 of the financial statements on page 241 (2024: €17,000).

## GHG mitigation projects financed through carbon credits

Carbon credits cancelled in the reporting year	2025	2024
<b>Total (tCO<sub>2</sub>eq)</b>	<b>1,943</b>	<b>1,446</b>
Share from removal projects (%)	—	—
Share from reduction projects (%)	—	—
Recognised quality standard 1 (%)	100	100
Recognised quality standard 2 (%)	—	—
Recognised quality standard 3 (%)	—	—
Share from projects within the EU (%)	—	—
Share of carbon credits that qualify as corresponding adjustments (%)	—	—

Carbon credits planned to be cancelled in the future	Amount until 2026	Amount until 2025
<b>Total (tCO<sub>2</sub>eq)</b>	<b>—</b>	<b>1,943</b>

## Internal Carbon Pricing

FBD does not have a carbon pricing scheme in place and there are no plans to create one in 2026.

## EU Taxonomy Regulation

Financial year 2025 is the third year that FBD is required to report on Taxonomy-Eligible and Aligned for underwriting and investment activities.

The Commission Delegated Act on simplifying the application of the EU Taxonomy Regulation was published in the Official Journal of the EU on 8 January 2026. The changes aim to make Taxonomy reporting more usable while preserving the framework's integrity. The Delegated Act entered into force on 28 January 2026 and applies retrospectively from 1 January 2026 covering the 2025 financial year for companies already in scope of the EU Taxonomy regime. However, FBD has elected to avail of the transitional option permitted and applied the previous regime for the 2025 financial year.

### EU Taxonomy (EUT) for Underwriting Activities

#### Taxonomy Eligibility

A Commission Notice issued by the European Commission in November 2024<sup>1</sup> mandates that insurers provide a 'premium split', isolating premiums pertaining to the coverage of climate-related perils only for the purpose of computing Taxonomy-Alignment. Further, where insurance undertakings are unable to obtain the data on written premiums related to climate-related perils for a given insurance contract, they should report those premiums as Taxonomy-Non-Eligible and enter a 'zero' value when calculating the numerator of the KPI.

For the financial year 2025 and 2024, we have conducted the premium splits on Taxonomy-Eligible written premiums for a variety of products in the Solvency II lines of business, including, other motor and fire and other damage to property insurance. We offer policies that are based on a general protection approach, thus covering all risks, including (yet, not explicitly referring to) climate-related perils. Equally, we offer lines of business where protection against certain climate-related perils is explicitly included or excluded within policy terms and conditions. The extent to which individual contracts include protection against climate-related perils depends on both demand and customer risk exposure. We consider climate-related perils to be covered within a line of business when such perils could potentially trigger claims i.e. products that explicitly price climate-related perils or cover such perils in the policy terms and conditions.

The premium split has been conducted by an approximation of the share of past climate-related perils caused claims using statistical methods on a product level. The resulting Taxonomy-Eligible share is 9.8%. Where the premiums for any products cannot be split into Solvency II lines of business, these products are considered as Taxonomy-Non-Eligible.

#### Taxonomy Alignment

In line with requirements set out within the Delegated Acts, FBD's Taxonomy-Eligible products have been assessed against the specific Technical Screening Criteria ("TSC") for underwriting activities, including Substantial Contribution, Do No Significant Harm (DNSH) and Minimum Safeguards tests.

Substantial Contribution criteria consider a) leadership in modelling and pricing of climate risks, b) product design, c) innovative insurance coverage solutions, d) data sharing and e) a high level of service in post-disaster situation; whilst DNSH criteria preclude insurance of extraction, storage, transport or manufacture of fossil fuels. Minimum Safeguards serve to protect social norms including human rights and labour rights at both an entity and counterparty level. Our assessment found that our Taxonomy-Eligible products partially meet TSC within the Delegated Acts and we are working to fully meet criteria.

<sup>1</sup> Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice)

Substantial contribution to climate change adaptation				DNSH (Do No Significant Harm)					Minimum safeguards
Economic activities	Absolute premiums, year t	Proportion of premiums, year t	Proportion of premiums, year t-1	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	
1	2	3	4	5	6	7	8	9	10
	€'000	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1.	Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	0	0%	0%					
A.1.1.	Of which reinsured	0	0%	0%					
A.1.2.	Of which stemming from reinsurance activity	0	0%	0%					
A.1.2.1.	Of which reinsured (retrocession)	0	0%	0%					
A.2.	Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	49,243	9.8%	9.1%					
B.	Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	452,503	90.2%	90.9%					
<b>Total (A.1 + A.2 +B)</b>		<b>501,746</b>	<b>100%</b>	<b>100%</b>					

## Investments EU Taxonomy (EUT) Overview

The proportion of exposures to Taxonomy-Eligible and Taxonomy-Aligned activities represent the weighted average value of invested assets directed at funding, or associated with such activities, relative to the value of total invested assets included for the purpose of the calculation of the KPI ("Covered Assets").

As a financial undertaking, FBD mostly relies on EU Taxonomy information published by the counterparties that we are invested in. FBD only reports Taxonomy Eligibility and Alignment figures for entities that have reported the same.

Exposures to Taxonomy-Eligible activities include 11.9% (2024: 4.6%) of Covered Assets, representing exposures

to investee reported Taxonomy-Eligible KPIs and the investment property.

Exposure to Taxonomy-Aligned activities include 3.0% (2024: 1.8%) and 4.4% (2024: 2.6%) of Covered Assets based on investee reported Turnover and CapEx KPIs respectively.

While we have noted an increase in reported Taxonomy-Eligible and Taxonomy-Aligned investments, overall reported Taxonomy-Eligible and Taxonomy-Aligned investments remain low as a percentage of Covered Assets.

We are now reporting on the final four environmental objectives under Commission Delegated Regulation (EU) 2023/2486.

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

€'000

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:

<b>Turnover-based: %</b>	<b>3.0 %</b>	<b>Turnover-based:</b>	<b>26,975</b>
<b>Capital expenditures-based: %</b>	<b>4.4 %</b>	<b>Capital expenditures-based:</b>	<b>39,227</b>

The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:

<b>Coverage ratio:%</b>	<b>76.6 %</b>	<b>Coverage:</b>	<b>894,257</b>
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The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.

### Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.

The value in monetary amounts of derivatives.

	<b>0 %</b>		<b>-</b>
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The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:

<b>For non financial undertakings:</b>	<b>10.6 %</b>	<b>For non financial undertakings:</b>	<b>94,441</b>
<b>For financial undertakings:</b>	<b>0.9 %</b>	<b>For financial undertakings:</b>	<b>8,158</b>

The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:

<b>For non financial undertakings:</b>	<b>17.2 %</b>	<b>For non financial undertakings:</b>	<b>153,476</b>
<b>For financial undertakings:</b>	<b>9.4 %</b>	<b>For financial undertakings:</b>	<b>84,475</b>

The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

€'000

<b>For non financial undertakings: %</b>	23.7 %	<b>For non financial undertakings:</b>	211,641
<b>For financial undertakings: %</b>	15.5 %	<b>For financial undertakings:</b>	138,464
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		Value of exposures to other counterparties and assets:	
	22.8 %		203,601
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities :	
	0 %		-
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: <sup>1</sup>		Value of all the investments that are funding economic activities that are not Taxonomy-eligible: <sup>1</sup>	
	85.1 %		761,056
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: <sup>2</sup>		Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned: <sup>2</sup>	
%	11.9 %		106,225

#### Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:

For non financial undertakings:		For non financial undertakings:	
<b>Turnover-based: %</b>	2.6 %	<b>Turnover-based:</b>	23,101
<b>Capital expenditures-based: %</b>	3.9 %	<b>Capital expenditures-based: [monetary amount]</b>	35,214
For financial undertakings:		For financial undertakings:	
<b>Turnover-based: %</b>	0.4 %	<b>Turnover-based:</b>	3,875
<b>Capital expenditures-based: %</b>	0.4 %	<b>Capital expenditures-based:</b>	4,013
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
<b>Turnover-based: %</b>	0.0 %	<b>Turnover-based:</b>	-
<b>Capital expenditures-based: %</b>	0.0 %	<b>Capital expenditures-based:</b>	-
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
<b>Turnover-based: %</b>	0.0 %	<b>Turnover-based:</b>	-
<b>Capital expenditures-based: %</b>	0.0 %	<b>Capital expenditures-based:</b>	-

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

€'000

### Breakdown of the numerator of the KPI per environmental objective

#### Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:<sup>3</sup>

(1)Climate change mitigation: Turnover %	2.8 %	Transitional activities: A% (Turnover)	0.1 %
		Enabling activities: B% (Turnover)	1.8 %
(1)Climate change mitigation: Capex %	4.3 %	Transitional activities: A% (Capex)	0.1 %
		Enabling activities: B% (CapEx)	2.8 %
(2)Climate change adaptation: Turnover %	0.0 %	Enabling activities: B% (Turnover)	0.0 %
(2)Climate change adaptation: Capex %	0.0 %	Enabling activities: B% (CapEx)	0.0 %
(3)The sustainable use and protection of water and marine resources: Turnover %	0.0 %	Enabling activities: B% (Turnover;)	0.0 %
(3)The sustainable use and protection of water and marine resources: Capex %	0.0 %	Enabling activities: B% (CapEx)	0.0 %
(4)The transition to a circular economy: Turnover %	0.2 %	Enabling activities: B% (Turnover;)	0.1 %
(4)The transition to a circular economy: Capex %	0.1 %	Enabling activities: B% (CapEx)	0.1 %
(5)Pollution prevention and control: Turnover %	0.0 %	Enabling activities: B% (Turnover;)	0.0 %
(5)Pollution prevention and control: Capex %	0.0 %	Enabling activities: B% (CapEx)	0.0 %
(6)The protection and restoration of biodiversity and ecosystems: Turnover %	0.0 %	Enabling activities: B% (Turnover;)	0.0 %
(6)The protection and restoration of biodiversity and ecosystems: Capex %	0.0 %	Enabling activities: B% (CapEx)	0.0 %

## Notes

1. Numbers in table based on turnover. Numbers based on CAPEX: €749,695,000 and 83.8%.
2. Numbers in table based on turnover. Numbers based on CAPEX: €105,334,000 and 11.8%.
3. Environmental Objectives Turnover/Capex % do not equal the sum of the disaggregation between

Transitional/Enabling activities as underlying companies may have reported the total amount but not the disaggregation.

## Nuclear and fossil gas related activities

### Nuclear energy related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.

No

The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.

No

The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.

No

### Fossil gas related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	No

The extension of scope of Taxonomy-Eligible activities to include certain nuclear and gas activities under Commission Delegated Regulation (EU) 2021/2139 has been included and we have declared zero exposure in all sections based on underlying investee reporting.

#### Covered Assets

The Covered Assets correspond to all assets invested on the balance sheet (including cash), excluding exposures to central governments, central banks and supranational issuers in accordance with Article 7(1) of the Commission Delegated Regulation (EU) 2021/2178. The Covered Assets represent 76.6% (2024: 77.6%) of the total investments.

#### Sovereign, supranational and agency bonds

These assets include directly held bonds in the Government Bond portfolio and similar exposures held in the Money Market Fund. These assets are not included in the calculation of the KPIs as noted in the previous section.

#### Cash

Cash is considered as part of Covered Assets however we have not determined these holdings as Taxonomy-Eligible as they are not funding specific economic activities. The exposure to these assets is included in 'Value of exposures to other counterparties and assets'.

#### Corporate Bonds

These assets include directly held bonds in the Corporate Bond Portfolio and similar exposures held in the Money Market Fund. These assets are managed on behalf of FBD by an external investment manager which collates publicly reported information from underlying counterparties. All FBD's assets which are classified as Taxonomy-Aligned are corporate bonds.

#### Risk Asset Funds

The funds are classified as non-Eligible because neither EUT KPIs or reliable look-through data is available. Approximately 61% of the funds (based on Market Value as at 31 December 2025) are classified as Article 8 Funds under SFDR however the criteria for EU Taxonomy is more stringent. The exposure to these assets is included in 'Value of exposures to other counterparties and assets'.

#### Real Estate

The Group's directly held investment property has been classified as Taxonomy-Eligible under activity 7.7 Acquisition and ownership of buildings within the climate change mitigation objective. It does not currently meet the energy-efficiency TSC within the Delegated Acts and therefore is not considered Taxonomy-Aligned.

## Social

Considers how a company impacts people and includes issues such as working conditions, diversity, equity and inclusion (DEI), charitable giving, human rights infringements, modern slavery, sourcing of goods and services, product liabilities, privacy concerns, consumer protection and data security. Our material impacts identified as part of our DMA pertain to all of our employees across our Branch Network, Head Office and Mullingar Sales Centre. Characteristics of our employees are detailed on page 164.

# European Sustainability Reporting Standard (ESRS) S1 – Own Workforce

Six material sub-topics from our DMA as shown in the table below are the main focus of this section. Hereafter we outline our approach to managing the material IROs related to these sub-topics in terms of policies, actions, metrics, and targets together with specific disclosure requirements under ESRS S1, such as human rights, the type of stakeholders impacted, how we engage with them on material impacts, and our processes to raise concerns and remediate complaints.

## S1 OWN WORKFORCE

### Work Life Balance

- 15 Work life balance for employees

### Secure Employment

- 16 Job security for employees

### Working Time

- 17 Reduced employee turnover

### Training and Skills Development

- 18 Employee satisfaction through training
- 19 Increased productivity by attracting top talent

### Gender Equality and Equal Pay for Work of Equal Value

- 20 Gender equality practices impacting employees
- 21 Failure to uphold gender equality practices impacting FBD

### Diversity

- 22 Diversity and inclusion for employees

### IRO legend

IRO listing on page 119-124

- Positive Impact
- Negative Impact
- Opportunity
- Risk

FBD has a range of people policies in place to ensure full compliance with legislation and with our commitment to providing a safe and supportive working environment for our employees. Fundamental to these policies and the embedded culture, is a regard for the individual, their rights and the mutual benefit of fostering our employees' potential and supporting their career development. We expect all our employees to comply with our people policies and procedures.

These policies apply to all employees and are communicated to all employees joining FBD as part of the on-boarding process. They provide information, guidelines and rules where appropriate in relation to every stage of employment including recruitment and selection; equality and diversity; probation; learning and development; all types of leave; benefits; remuneration; disciplinary and grievance. Refresher modules are provided via e-learning for certain policies to refresh the

knowledge of employees on an ongoing basis. Further information on our mandatory compliance training is available within section G1 on business conduct.

Policies and procedures are reviewed at least annually to ensure they accurately reflect employee entitlements and continue to support FBD's business objectives while

remaining fit for purpose and compliant. Any updates are notified to employees.

Some of our key policies, owners and approvers are listed below. Policies specifically related to corporate culture have been outlined within section G1 on business conduct.

Policy	Objective	Approved By	Policy Owner
Equal Opportunities Diversity and Inclusion Policy	To ensure that FBD is a place where everyone, irrespective of their age, gender, ethnicity, culture, religion, language, sexual orientation, ability, disability and social circumstances, feels a sense of belonging, is respected and valued, and treated fairly.	Board, at least annually	Group Chief HR Officer
Safety Statement	Describes how the organisation will go about ensuring the safety, health and welfare of all persons affected by FBD's operations and it also identifies the resources that will be made available to achieve this.	Group Chief HR Officer, at least annually	FBD Safety Manager
Professional Development & Education Support Policy	Outlines FBD's approach to funding professional development and education support.	Group Chief HR Officer, at least annually	Head of Learning & Development
Data Protection Policy	To set out the organisational structures, policies and procedures and technical measures which FBD has implemented to ensure compliance with the Data Protection Acts.	Board, at least annually	FBD Data Protection Officer
Information Security Policy	To define specific requirements to help achieve the confidentiality, integrity and availability of FBD's Information Assets.	Security Steering, at least annually	Group Chief Technology & Operations Officer

## Engaging with our Own Workforce

At FBD, we gauge the pulse of our workforce through our annual employee listening survey. During 2025 the survey was managed by FBD using software provided by Willis Towers Watson, an independent consulting firm. This allows us to benchmark FBD's responses against the Ireland norms. We aim to harness the power of the employee voice to create an improved employee experience.

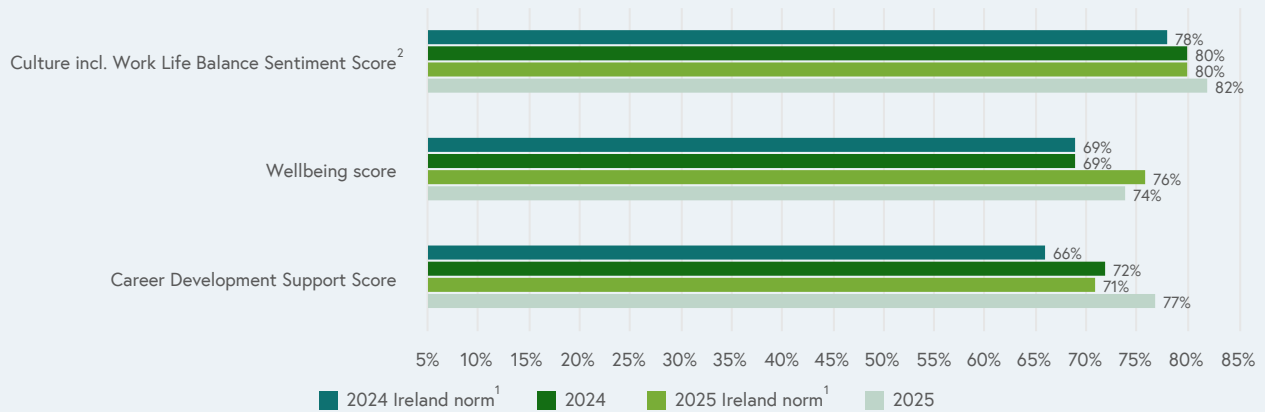
FBD operates a structure of on-going engagement with employees through individual one-to-one meetings between employees and people leaders, team meetings, business unit town halls, and company town halls.

In FBD we have regular engagement with our Employee Representative bodies including the trade union Unite and the Field Staff Association who are an internal FBD representative body. We meet and work with both representative bodies for collective bargaining reasons as required and more regularly for the sharing of information and discussing matters that are important to our member colleagues. During 2025 we shared our inaugural Sustainability Statement for the reporting period 2024 with workers representatives.

An independent Non-Executive Director is designated as responsible for workforce engagement. They act as a bridge between the workforce and the Board of Directors. The purpose of this position is to strengthen

the voice of employees at the Board level and ensure their perspectives and interests are considered in the strategic decisions of the Group. Our Group Chief HR Officer is responsible for overseeing engagement with our own workforce.

### Listening Survey Scores Vs Target



<sup>1</sup>Target to match or exceed positive sentiment benchmarked against Ireland norm in the myVoice survey

<sup>2</sup>During 2025 we updated this target from a single work-life balance question to an overall Culture sentiment score which includes work-life balance. This improves the performance measure by incorporating a broader culture sentiment and allowing greater comparability over time. 2024 comparatives have been updated to reflect this. Previously reported in 2024 was a 'Work Life Balance Sentiment Score' of 73% for FBD compared to an Irish norm of 84%.

## Remediation and Channels to Raise Concern

### Speak Up / Whistleblowing

Every organisation faces the inherent risk that issues will arise either accidentally or otherwise. It is vital that a channel whereby concerns can be raised is in place so we can address any possible issues as early as practicable. Our process is outlined in our Speak-Up Policy. Further information on our Speak-Up policy and how we protect whistleblowers against retaliation, is outlined within section G1 on business conduct.

### Grievance & Dignity at Work Process

Employee grievances as well as concerns or challenges about interpersonal conflicts including employees who feel bullied or harassed at work are addressed through appropriate dignity at work, recruitment and selection, disciplinary and grievance policies and procedures. All employees can take action with full support from an internal support person or progress a formal complaint. Complaints are treated seriously and dealt with in a confidential, expeditious manner in as far as reasonably practicable. Employees who make complaints will not be victimised for doing so. Victimisation as well as false accusations, if proven, may result in disciplinary action.

### Reports During the Period

Six incidents were raised through our remediation channels above during the reporting period (2024: Five).

There were no work-related incidents of discrimination reported to Human Resources or via the whistleblower system on the grounds of gender, racial or ethnic origin,

nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the current or prior reporting period. This includes incidents of harassment as a specific form of discrimination.

No fines, penalties, or compensation for damages arose as a result of the incidents and complaints disclosed above.

### Effectiveness and Awareness

Any incidents raised are tracked and monitored through designated channels with appropriate policies and procedures in place in support of this. Policies are easily accessible online and mandatory training is rolled out to all employees with regard to whistle-blower reporting and our Code of Conduct - see training coverage on page 177. We gain valuable insights through our listening survey and from our wider engagement with our workforce on the effectiveness of these channels.

## Secure Employment, Working-time and Human and Labour Rights

### Our approach and policies

FBD recognises human rights as the foundational principles for protecting people's dignity and ensuring freedom and respect in our own operations, in the companies we work with, and in the communities we are part of.

We respect internationally recognised human rights understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles

concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

FBD aims to ensure that we are not, directly or indirectly, in any way complicit in human rights abuses and we are transparent in reporting our human rights performance.

Our human rights commitments relative to our own workforce are outlined in our Code of Conduct Policy owned by the Group Chief HR Officer and reviewed at least annually by the Board. Our Code of Conduct Policy explicitly highlights our dedication to honouring internationally recognised human rights and our commitment to ensuring freedom of association, the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour, and elimination of discrimination in employment and occupation, among other critical issues.

No significant risk of incidents of forced, compulsory or child labour were identified given the Group is a financial services provider operating only in Ireland where the duty to respect human and labour rights are reflected in domestic law which we abide by.

We protect and ensure the responsible use of data and the right to privacy. In accordance with the General Data Protection Regulation (GDPR), FBD has a designated Data Protection Officer (DPO) who plays an integral role in safeguarding the personal information of our workforce. Our Employee Data Protection notice outlines to employees how FBD processes and protects individuals' personal data. A record of all processing activities is reviewed annually by the DPO and periodic privacy impact and maturity assessments are conducted. Confidentiality and integrity and availability of employee data is protected through a range of business and technical controls including security awareness training for all employees, specialist/focused security training for specific groups, malware protection, device and user authentication, an appropriate Business Continuity Policy, IT Disaster Recovery plans as well as capacity and configuration management.

### Actions

- We are dedicated to safeguarding the labour conditions of all our employees through social protection. This encompasses an ongoing commitment of support for circumstances such as sickness, employment injury, parental leave, and retirement.
- Retirement benefits are incorporated in our overall remuneration package, and all employees over 25 are eligible to enrol in the FBD pension scheme which has an employer contribution element. From 1 January 2026 Ireland's auto-enrolment scheme will

take effect and all eligible employees not already contributing to an existing employer pension scheme will be required to automatically enrol in the new scheme. For details of the plans in operation throughout the reporting period, see note 17 within the financial statements.

- FBD offers various other paid and/or unpaid family-related leaves such as annual leave, adoptive leave, carer's leave, compassionate leave, parents leave, parental leave, maternity leave and paternity leave. Commitments are ongoing through established policies shared with all employees.
- FBD has a Fertility Treatment Policy introduced in 2024, offering, where feasible, up to a total of five additional paid leave days and/or increased flexibility on remote working and working hours to accommodate treatment. The policy is inclusive of all employees, whether the employee is undergoing treatment or supporting a partner who is undergoing treatment. FBD is mindful that this can be a physically and emotionally demanding time where help and support can make the difference. Our Fertility Treatment Policy is owned by the Head of HR Operations and reviewed at least annually. Any material amendments made to this policy require approval by the Group Chief HR Officer.
- FBD employees are active in supporting local and national charity-based organisations. In 2025 our chosen charity was the Irish Cancer Society, with fundraising initiatives such as bake sales, coffee mornings, and year-round donations.

### Metrics

No cases of human rights incidents (e.g. forced labour, human trafficking, or child labour) were identified during the current reporting period or in the prior reporting period.

We ensure employees' working hours and pay rates comply with national legislation and industry standards. All our employees are paid an adequate wage, in line with applicable benchmarks. None of our employees are on a non-guaranteed hour contract.

Targets have not been set in relation to IROs under the sub-sub topics of secure employment and working time as no measurable outcome-oriented target was identified.

Coverage of collective bargaining agreements and social dialogue for Group employees during the 2025 and 2024 reporting period was as follows:

Coverage Rate	Collective Bargaining		Social Dialogue	
	Employees – EEA	Employees –Non EEA	Workplace representation (EEA only)	
0-19%	—	—	—	—
20-39%	—	—	—	—
40-59%	—	—	—	—
60-79%	—	—	—	—
80-100%	Ireland	—	—	Ireland

Employees covered by collective bargaining agreements are those individuals to whom FBD is obliged to apply the agreement rather than the percentage of unionised employees.

## Work-life Balance

### Our approach and policies

The FBD Safety Statement is the cornerstone of our safety management system. The safety statement clearly outlines FBD's commitment to health and safety, identifies persons with safety responsibilities, outlines the Group safety policies and includes risk assessments.

FBD recognises that protecting employees' health and wellbeing is part of maintaining an effective and vibrant organisation. It is also acknowledged that wellbeing is a matter of balancing many factors which change over working life and life cycle.

### Actions

- FBD has an active and comprehensive Health and Wellbeing strategy in place for all employees. We have an annualised calendar of events and information campaigns which include talks by specialists in mental health, menopause, nutrition, and emotional wellbeing. These are supported by awareness activities on issues like suicide prevention, self-care, isolation, alcohol misuse, relaxation, and financial wellbeing.
- Our Mental Health First Aid training is designed to enhance understanding of mental health and recognise issues that may arise in the workplace. Participants learn to identify signs and symptoms of mental health problems, apply effective communication techniques, offer initial support, and guide colleagues towards appropriate professional or community resources. We typically aim to have a representative from each function attend the training. The programme has been in place since 2022 and covers employees across our Branch Network, Head Office and Mullingar Sales Centre. In 2025 we have 45 certified Mental Health First

Aiders, with refresher and additional training planned for 2026.

- To help employees manage personally challenging periods, FBD has partnered with an external provider to offer an Employee Assistance Programme designed specifically to support an employee in mastering the demand of difficult times involving significant stress or change, at home or at work. The service was in place throughout the reporting period and is available to provide support in areas such as illness, bereavement, alcohol or drug abuse, financial/debt issues, legal matters, pressure/stress, retirement and relationship or family crisis. All contacts by telephone or in person are entirely confidential. The service can also be accessed by an employee's partner/spouse and/or children over 16 living at home.
- We have an ongoing duty of care to all our employees to ensure they are both fit for work and that any recommended supports needed to facilitate a successful return to work are put in place. The occupational health programme can also support those that are not currently absent from work but may require extra support due to a medical condition.
- Additionally, as part of our continuing commitment to promote employee wellbeing, FBD provides a bi-annual Health Screening Programme and yearly access to anti-flu vaccinations to all employees.

## Diversity, Gender Equality and Equal Pay for Work of Equal Value

### Our approach and policies

FBD is committed to protecting the dignity of people at work, and to providing all of our employees with an environment free from bullying, harassment, sexual harassment or intimidation. One of our key values is to

support and respect our colleagues as individuals and as team members.

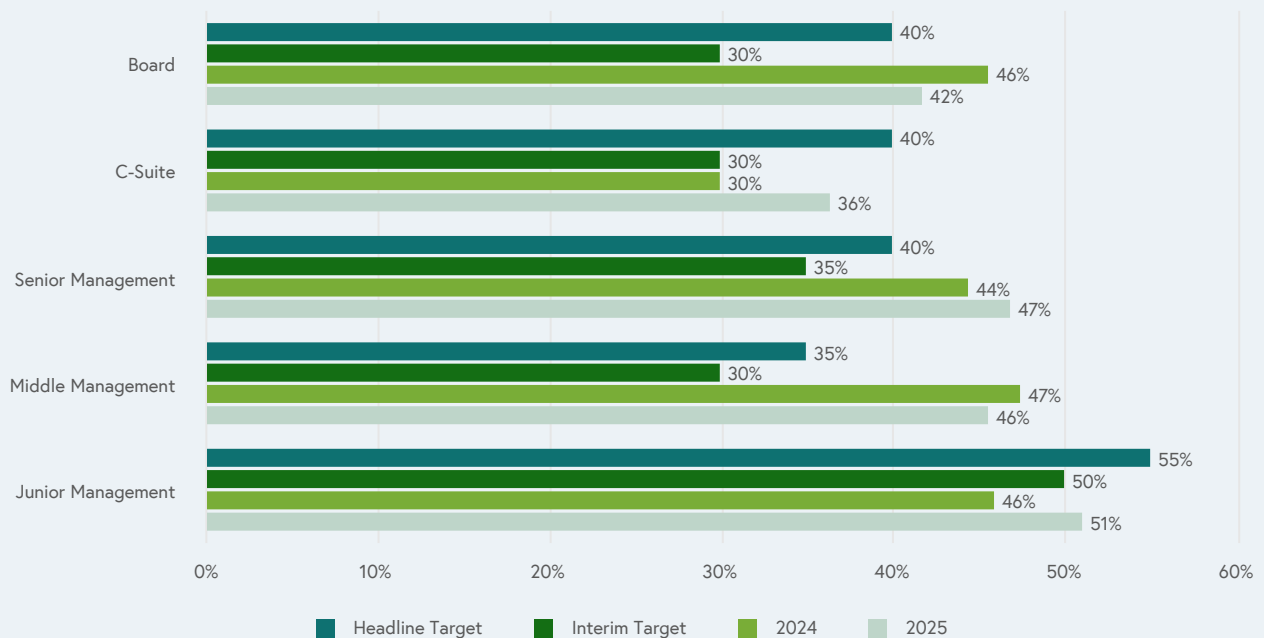
The purpose of our Equal Opportunities, Diversity and Inclusion Policy is to ensure that FBD is a place where everyone, irrespective of their age, gender, ethnicity, culture, religion, language, sexual orientation, ability, disability and social circumstances, feels a sense of belonging, is respected and valued, and treated fairly.

At FBD, we believe that an inclusive, diverse and equitable workforce is critical for the success of our organisation.

We are committed to creating an inclusive environment where everyone can bring their true selves to work. As the largest Irish-owned insurer, it is our intention that our employees and customers are represented through inclusive practices and diversity of thought.

### Female Representation Progress:

Gender Diversity Vs Target



	31/12/2025	31/12/2024	Interim Targets	Headline Targets
	% of Females	% of Females	% of Females Target date	% of Females Target date
Board	41.7 %	45.5 %	30% 31/12/2022	40% – 31/12/2025
Executive / C-Suite – top management	36.4 %	30.0 %	30% 30/06/2022	40% – 31/12/2026
Senior Management	46.8 %	44.4 %	35% 31/12/2025	40% – 31/12/2026
Middle Management	45.5 %	47.4 %	30% 31/12/2024	35% – 31/12/2026
Junior Management	51.0 %	45.9 %	50% 31/12/2024	55% – 31/12/2026

For further details on the diversity of FBD at a Board level please refer to the Nomination and Governance report on pages 73 to 79.

### Actions

#### Gender Equality

On 15 November 2025, FBD produced our fourth gender pay gap report. Like many peers within the insurance sector, FBD has a gender pay gap. The primary driver

remains the underrepresentation of women in senior and revenue generating roles. To address this, we are focused on targeted sustainable actions that improve gender representation at every stage of career development. We recognise that progress takes time, but we are committed to reducing the gap and leading initiatives that increase female representation across all

areas and levels of FBD. Not all the initiatives will have an immediate impact on our gender pay gap, but they will help us achieve better gender balance across all levels of the organisation.

- FBD has been a committed signatory of the Women in Finance Charter since 2022. Led by industry and supported by the Government of Ireland, the Charter promotes greater participation of women at all levels, from junior to senior management, including leadership and Board roles within financial services organisations in Ireland. By signing the Charter, we are confirming our commitment to advancing women through management and board levels, setting stretch targets, and improving gender balance across the organisation.
- Our Group CEO and Leadership team remain accountable for driving visible change. They are responsible for measuring, monitoring, and publicly reporting progress against our targets each year, ensuring transparency and accountability on progress in driving change is evident.
- We promote gender balance through diverse recruitment shortlists and structured interview panels to reduce bias, as well as mentoring and sponsorship programmes to support career progression. Our family-friendly policies further support employees in balancing work and life commitments.
- During 2025 we continued to work with an external provider to participate in a cross-company initiative matching high potential female mentees to senior executive mentors. The 2025 programme launched in December 2024 and closed out in November 2025 bringing together experienced leaders and mid-career high potential individuals from different organisations focused on professional and personal development.

#### Industry Employee Diversity & Inclusion Allyship

- FBD is a founding partner of VOiCE which launched in 2022. VOiCE (Valuing Openness, inclusive Culture & Equity) is an industry-led collaboration to create sectoral D&I benchmarking and we are a founding partner within the insurance industry. We are part of a collective voice and a programme that will hold organisations to account for promoting inclusivity and positive working cultures. The goal is to provide a blueprint for understanding what good culture and D&I practices in the workplace look like to provide the foundation for developing inclusive cultures.

- In 2025, we partnered with Back to Work Connect to expand access to our job opportunities for people returning to the workforce after a career break. This initiative empowers midlife talent, promotes inclusion, and leverages the wealth of experience these individuals bring. By creating clear pathways for career returners, we reinforce our commitment to diversity and strengthen FBD's ability to attract and retain exceptional talent.
- During 2025 we strengthened our D&I commitments by signing the Employment Partnership Charter and formalising our partnership with AslAm, Ireland's national autism charity. This signature signals our intention to lead by example within financial services, embedding inclusive employment practices and contributing to a broader industry-wide effort to improve opportunities and workplace experiences for Autistic talent.

#### Progress to date Irish Centre for Diversity Accreditation

- We have maintained our Investors in Diversity Gold accreditation in 2025 and will submit the application to be reassessed for 2026 by the Irish Centre of Diversity. Originally awarded in 2024, this accolade recognises our people, culture, and the way D&I is embedded across everything we do. FBD is one of only 30 organisation in Ireland (24 at the time of accreditation) to hold this Gold status. We continue to engage with other recipients to identify opportunities to further build and maintain an inclusive organisation.
- As noted within the 'Engaging with our Own Workforce' section above, our overall 'Culture including work-life balance' score was 2% above the Irish Norm for 2025. This section covers the key statements; "I can be myself at this organisation without worrying about how I will be accepted", "This organisation provides a working environment free of discrimination and harassment" and "Everyone is treated with respect here, regardless of their job." The high scores we have achieved set a strong standard, reflecting the culture we have established and reinforcing the importance, and challenge, of continuing to raise the bar and embed inclusive practices across FBD.

#### Metrics

During 2025, we changed our CSRD reporting of employee numbers approach from using full-time equivalents (FTE) to headcount. FTE measures the

equivalence to full-time and is recorded in the Contract of Employment (example: if an employee is working 2 days a week, the FTE will be recorded as 0.4). The change in approach allows for greater consistency with reporting requirements under the Companies Act included within the financials statements section of this report while still aligning with CSRD legislation. Under the new approach the number of employees reported at

31 December 2024 is 1,053, previously reported as 1,026 FTE within our 2024 Sustainability Statement. 2024 comparatives within the tables on pages 161 to 164 have been updated to reflect this change in approach and have been identified with an asterisk.

**Gender diversity as at 31 December:**

	2025	2024*
	Number of employees (Headcount)	Number of employees (Headcount)
Male	415	400
Female	663	642
Other**	1	1
Not Reported	5	10
<b>Total</b>	<b>1,084</b>	<b>1,053</b>

\*\*Gender data reflects employees' self-reported identity.

**Gender diversity by contract type as at 31 December 2025:**

	Female	Male	Other**	Not Disclosed	Total
<b>Number of employees – Headcount</b>	<b>663</b>	<b>415</b>	<b>1</b>	<b>5</b>	<b>1,084</b>
Permanent employees – Headcount	646	394	1	4	1,045
Temporary employees – Headcount	17	21	—	1	39
Non-guaranteed hours employees – Headcount	—	—	—	—	—

**Gender diversity by contract type as at 31 December 2024\*:**

	Female	Male	Other**	Not Disclosed	Total
<b>Number of employees – Headcount</b>	<b>642</b>	<b>400</b>	<b>1</b>	<b>10</b>	<b>1,053</b>
Permanent employees – Headcount	615	385	1	8	1,009
Temporary employees – Headcount	27	15	—	2	44
Non-guaranteed hours employees – Headcount	—	—	—	—	—

**Gender diversity across management as at 31 December 2025:**

	Female	Male	Other**	Not Disclosed	Total
Board – Headcount	5	7	—	—	12
Executive/C-suite – Headcount (top management)	4	7	—	—	11
Senior Management – Headcount	22	24	—	1	47
Middle Management – Headcount	30	36	—	—	66
Junior Management – Headcount	50	48	—	—	98

### Gender diversity across management as at 31 December 2024\*:

	Female	Male	Other**	Not Disclosed	Total
Board – Headcount	5	6	—	—	11
Executive/C-suite – Headcount (top management)	3	7	—	—	10
Senior Management – Headcount	20	23	1	1	45
Middle Management – Headcount	28	31	—	—	59
Junior Management – Headcount	39	46	—	—	85

### Compensation Metrics:

	2025	2024
Gender Pay Gap	28.5 %	29.0 %
Annual Total remuneration ratio	34.6	30.6

The Gender Pay Gap looks at the difference between the average pay of all men and all women across the whole business, regardless of job type or how senior they might be. It is calculated as the difference between the average pay of female employees and male employees, expressed as a percentage of the average pay of male employees. 'Pay' means gross annual pay and the corresponding gross hourly pay. The Gender Pay Gap reported under CSRD includes LTIP share awards granted and pension contributions which are not included in the Gender Pay Gap under Irish legislation reported in November 2025.

The annual total remuneration ratio is the ratio between the remuneration of the highest paid individual in the Group and the median remuneration for all employees.

'Pay' incorporates base salary, all forms of variable remuneration, benefits in kind or cash benefits. This includes, health insurance benefits, car allowances, pension contributions, granted share awards based on

the number of shares granted and the share price at grant date, and any other applicable benefits in kind or cash benefits. The cost of providing insurance cover for death in service and Permanent Health Insurance benefits was estimated to be 1.5% of base pay for all individuals and is included in the pay calculation. Deferred bonus elements are excluded from the calculation.

The calculation is based on all employees in the Group on the 15 June which is consistent with the period used in the Gender Pay Gap Information Act. The snapshot period used is the twelve months preceding the 15 June, representing the mid-point of the reporting period. An analysis has been carried out to validate the information in the snapshot period is consistent with the year end reporting date.

Purchasing power adjustments are not relevant as all employees are based in Ireland.

### Age Diversity as at 31 December:

	2025	2024*
under 30 years old	19.6 %	20.2 %
30-50 years old	60.8 %	60.9 %
over 50 years old	19.6 %	18.9 %
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>

Age diversity has been calculated using headcount and excludes non-employees such as the non-executive Board of Directors. Age of employees is determined based on the data of birth recorded on the HR system.

## Training and Skills Development

### Our approach and policies

FBD's Learning and Development mission is to enable the implementation and delivery of FBD's strategy through the development of curious, innovative, resilient, and engaged people.

The success of FBD in delivering the right outcomes for our shareholders, wider society, and regulators is directly related to the capabilities of our employees and our ability to achieve standards of excellence through the services we provide to our customers. In order to achieve and sustain these standards we are committed to providing employees at all levels with appropriate training, development and education and we have a number of programmes in place to support this.

Our clearly defined behaviour and technical competency framework provides the foundation to make many of the things we do simpler and more consistent; for example, how we define and articulate roles, how we recruit the right people, how we plan development with our employees and how we provide career options and pathways.

### Actions

- We provide all our employees with ongoing access to a targeted development mix which includes professional qualification attainment, technical training, further third-level education, exposure to projects, secondments, mentoring programmes, professional coaching, psychological safety initiatives, and line manager support.
  - Research consistently highlights the pivotal role of people leaders in driving employee engagement. Our Mindful Leadership Programme continues to be the bedrock of our leadership capability development empowering our leaders, at all levels, to develop, support and enable their teams to deliver. The programme is run annually and aimed at new and emerging people leaders.
  - FBD also runs induction training for new people leaders and have a dedicated people leader hub providing tools and supports to enable effective leadership. We offer specific training aimed at insurance and specialist competencies as required and we have career mapped all roles to support rotation and career progression.
  - We conduct ongoing due diligence with respect to the Central Bank of Ireland's Fitness & Probity Regime, and Minimum Competency Code and training support in relation to the CBI Individual Accountability Framework obligations.
- In 2025, the Learning and Development team reviewed the Compliance Passport messaging to better reflect our customer-centric ethos. As a result, it has been rebranded as the Customer First Compliance Passport, reinforcing our commitment to customer focus.
  - During 2025 FBD ran two flagship development programmes, FBD Sales Academy and FBD Academy, designed to accelerate talent into leadership roles and promote continuous improvement. Each nine-month programme combined mentoring, project work, and structured learning to prepare future-ready leaders. The Sales Academy focused on roles in Local Offices and the Mullingar Sales Centre, while the FBD Academy was open to non-people managers with at least 12 months' experience.
  - We advanced leadership capability through the rollout of a structured learning pathway, requiring all people leaders to complete a series of four mandatory workshops starting in November 2025. These sessions focus on practical skills that help leaders understand Autistic experiences, adjust management approaches where needed and create a more supportive environment, ensuring that inclusive leadership becomes a consistent standard across the organisation.

We will continue to keep capability building as a key enabler of strategy delivery into 2026 with a focus on data-led training and continuous improvement.

## Characteristics of Employees

As noted above under 'Metrics', during 2025, we changed our CSRD reporting of employee numbers approach from using full-time equivalents (FTE) to headcount. FTE measures the equivalence to full-time and is recorded in the Contract of Employment (example: if an employee is working 2 days a week, the FTE will be recorded as 0.4). The change in approach allows for greater consistency with reporting requirements under the Companies Act included within the financials statements section of this report while still aligning with CSRD legislation. Under the new approach the number of employees reported at 31 December 2024 is 1,053, previously reported as 1,026 FTE within our 2024 Sustainability Statement. 2024 comparatives within the tables on pages 161 to 164 have been updated to reflect this change in approach and have been identified with an asterisk.

### Employees by country as at 31 December:

	2025	2024*
	Number of employees (Headcount)	Number of employees (Headcount)
Ireland	1,084	1,053

All of the Group's operations are located in Ireland.

### Employees by contract type as at 31 December 2025:

	Ireland	Total
<b>Number of employees (Headcount)</b>	<b>1,084</b>	<b>1,084</b>
Permanent employees (Headcount)	1,045	1,045
Temporary employees (Headcount)	39	39
Non-guaranteed hours employees (Headcount)	—	—

### Employees by contract type as at 31 December 2024\* :

	Ireland	Total
<b>Number of employees (Headcount)</b>	<b>1,053</b>	<b>1,053</b>
Permanent employees (Headcount)	1009	1009
Temporary employees (Headcount)	44	44
Non-guaranteed hours employees (Headcount)	—	—

### Employee Turnover during the reporting period:

	2025	2024*
Leavers during the reporting period – Headcount	135	157
Average number of employees during the reporting period – Headcount	1,089	1,058
<b>Total employee turnover rate</b>	<b>12.4 %</b>	<b>14.8 %</b>

The employee turnover rate is calculated as the number of employees who left during the reporting period whether voluntarily or due to dismissal, retirement, or death in service relative to the average number of employees during the reporting period.

Note 9 of the financial statements also presents the average number of people employed during the period in headcount.

# European Sustainability Reporting Standard (ESRS) S4 – Consumers and End Users

Three material sub-topics from our DMA as shown in the table below are the focus of this section. Hereafter we outline our approach to managing the material IROs related to these sub-topics in terms of policies, actions, metrics and targets together with specific disclosure requirements under ESRS S4, such as human rights, the type of stakeholders impacted, how we engage with them on material impacts, and our processes to raise concerns and remediate complaints.

## S4 CONSUMERS AND END-USERS

### Privacy

- 23 Failure to safeguard consumers' and end users' personal information impacting individuals
- 24 Failure to safeguard consumers' and end users' personal information impacting FBD

### Access to (Quality) Information

- 25 Providing a valuable and quality service to customers
- 26 Enhanced customer trust and loyalty by providing valuable, trustworthy and transparent services

### Entity- Specific : Farm Safety

- 27 Promoting and encouraging farm safety to farming customers

### IRO legend

IRO listing on page 119-124

- Positive Impact
- Opportunity
- Negative Impact
- Risk

FBD was established in the 1960s by farmers for farmers. We have built on our roots in agriculture to become a leading insurer in Ireland serving the needs of our consumers and end users being Farmer, Business and Retail customers. We pride ourselves on providing excellent customer service and putting the customer at the heart of what we do.

During 2025 FBD won the CSR/Community/Green Loyalty Programme of the year at the prestigious Irish Loyalty & CX Awards for the second year in a row. The Irish Loyalty & CX Awards recognises excellence, innovation and achievement in loyalty and customer experience for Irish companies who are building lasting and profitable relationships with customers within Ireland across every sector. This award is an acknowledgement of the level of our support across several community initiatives including our local and national sponsorship portfolio.

## Access to (Quality) Information

### Engaging with our Consumers and End Users

FBD appreciates that only by having a complete understanding of our consumers we can deliver a proposition they value.

Our strategic position through our Branch network as well as established relationships with customer and industry groups provides a unique position in gaining valuable customer insights. FBD customer insights can take many forms including customer research, social media monitoring, complaints channels review alongside board/employee representation and feedback. FBD Board and the EMT undertook a number of customer visits as part of a dedicated customer day in June 2025.

### User Research

FBD carries out market research to gain insights into consumer preferences for products and services. This research is conducted on an ad-hoc basis to help inform FBD's Strategy.

We conduct regular brand health checks via third party providers throughout the year to assess how our brand is performing in terms of awareness, consideration and consumer preference.

We undertake website usability testing at least twice a year which involves observing consumers completing specific tasks and obtaining feedback from them. The findings from these tests are used to implement customer experience improvements, which are measured to assess their impact. We also conduct targeted user interviews directly with customers to understand their experience on our website. FBD utilises third party web analytics to continuously monitor user experience on progression through our website, as well as a website usability monitoring tool to help us to improve our online customer experience.

### Social Media and Online Communication Channels

The Group utilises various social media (Facebook, X, LinkedIn) to communicate with stakeholders. A "Contact us" section is available on the Group's website for shareholder, investor, media and general queries.

In partnership with Trustpilot consumers can rate their overall experience dealing with FBD and give feedback at any point in time. Overall ratings and feedback are visible on our website and we also invite our customers (via email) to rate and review their customer experience after they have completed a purchase online or through our Mullingar Sales Centre.

### Complaints

We operate a comprehensive complaints process, which is designed to provide our customers with the opportunity to share their experience and enables us to learn and improve. We endeavour to address any concerns highlighted in a timely manner.

### Board Representation

One of our Board members is the President of the Irish Farmers' Association, the largest representation body of our farming customer base. The same Board member is also Vice President of the Committee of Professional Agricultural Organisations and represents Irish farmers at a European level on COPA, which is the official umbrella representative body for European farmers.

### Consumer and Culture Committee (CCC)

FBD's Consumer and Culture Committee (CCC) is an Executive Committee responsible for oversight of consumer risk in FBD and the implementation of the Consumer Risk Framework including the identification, assessment, management and reporting of consumer risks. The Committee is a sub-committee of the EMT and supports operational functions within FBD ensuring that the material consumer risks facing the Group have been identified and that appropriate arrangements are in place to manage and mitigate those risks effectively. The Group Chief Commercial Officer is responsible for Consumer Risk in FBD and is the Chair of the CCC.

The CCC is tasked with monitoring key consumer risk appetite metrics and trends and taking action when relevant. To meet this responsibility operational functions provide quarterly updates to the CCC. These updates enable the CCC to assess the effectiveness of FBD's alignment with our Customer Principles and ensure remediation action is taken when required.

During the period FBD enhanced its Consumer Protection Risk Management Framework introducing a new Head of Customer role and adopting five overarching Customer Principles; 'Understanding Our Customer', 'Informing Customers Effectively', 'Customer-Focused Business Practices', 'Products Meeting Customer Needs' and 'Providing Fair Value'. A new Consumer Protection Policy was also developed and approved by the CCC and the Board during 2025 setting out the identification, assessment, monitoring and the reporting processes in place to ensure that consumer risks are appropriately addressed and managed and FBD continues on an ongoing basis to deliver fair outcomes for our customers.



### Consumer Protection Code Project

In March 2025, the Central Bank published a revised Consumer Protection Code (CPC) after a comprehensive engagement process. This modernised Code reflects the digital transformation and enhanced climate risk focus of financial services and introduces two new regulatory instruments: the Standards for Business and the Consumer Protection Regulations. These replace the previous CPC from March 2026 and introduce enhanced requirements for transparency, digital engagement, and consumer empowerment. Key updates include clearer rules for digital platforms, opt-in requirements for certain insurance renewals, and improved protections for consumers in vulnerable circumstances.

Throughout the reporting period, a CPC project team jointly sponsored by the Group Chief Commercial Officer and the Chief Underwriting Officer was in place to deliver enhancements to our existing policies, processes, training and marketing regimes in support of the regulation. The CPC Project Steering Committee comprises senior management across the Group to provide accountability, direction, oversight and a decision-making forum for the programme.



## Remediation and Channels to Raise Concern

### Consumer Complaints

FBD welcomes feedback from consumers about the service it provides. A consumer complaint can be an opportunity to address consumer dissatisfaction, retain consumer loyalty and improve service delivery to prevent similar issues reoccurring. We are committed to ensuring a positive experience for all consumers and we aim to resolve complaints as efficiently and as fairly as possible. The Consumer Protection Code (CPC) requires that all financial services providers have in place written procedures for the effective handling of complaints. FBD's complaints procedure is available on our website and outlines how complaints can be made via phone, in person at any of our sales offices nationwide or by e-mail and outlines the relevant contact details. All employees are responsible for being knowledgeable about FBD's consumer complaint process and endeavour to resolve complaints at the first point of contact.

Some complaints may not warrant a formal investigation. These are still recorded to facilitate early service improvements, and it is crucial to confirm that the consumer does not want a formal investigation.

Complaints under formal investigation are managed by designated employees within each business area and must be logged immediately in the complaints database, with all related communications saved, adhering to CPC regulations.

The Financial Services and Pensions Ombudsman (FSPO) is a statutory office which deals independently with unresolved complaints from consumers about their dealings with financial services providers. FSPO complaints are referred to the FSPO for investigation and follow specific procedures and timelines. The FSPO will only accept complaints if there is evidence the consumer has already informed the company of the issue and given the company a reasonable opportunity to resolve the complaint.

FBD engages the services of other companies to act on its behalf. Complaints may be received directly by a service provider from an FBD consumer or the consumer can make the complaint about the service provider directly to FBD. Service providers submit their complaint logs to FBD on, at least, a quarterly basis.

Business areas report regularly to relevant governance forums on new errors identified, progress on remediation of open complaints, organisational learning insights and verification of continuous respect for Human Rights and Principles. The EMT receive a quarterly overview of all complaints, including those escalated to the FSPO and their outcomes.

Our Consumer Complaints Policy is owned by FBD's Complaints Steering Group and reviewed at least annually.

### Reports during the period

No cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers and/or end-users have been reported in our downstream value chain, in the current or prior reporting period.

## Privacy

### Our approach and policies

FBD processes personal information from and about our Farmer, Business and Retail customers and third parties. This is a vital and necessary part of providing insurance products. All customer groups could potentially be negatively impacted if a privacy or data breach were to occur. Keeping information secure is an important priority for us. We continue to implement appropriate technical and organisational measures to protect data from unlawful or unauthorised processing and against accidental loss, destruction, damage, alteration or disclosure.

FBD has a wide range of policies and procedures in place in support of this. Key policies are described in further detail below.

In accordance with the GDPR, FBD has a designated DPO who plays an integral role in safeguarding the personal information of our consumers and end users.

Our Data Protection policy sets out the organisational structures, policies and procedures, and technical measures which FBD has implemented to ensure compliance with GDPR and the Data Protection Acts, and to ensure that all FBD employees are aware of their responsibilities in this area. This policy is owned by our designated DPO and reviewed at least annually by the Board.

All personal data must be processed, stored, shared and disposed of in a manner which protects the data subject and FBD. This is particularly important when processing sensitive personal data. FBD achieves this by having Information Security Policies that define where and how all forms of data are transmitted, stored and accessed and by implementing appropriate technical and organisational measures to protect personal data. FBD's Information Security Policy sets out, at a high level, the security of FBD's Information Assets, i.e. the confidentiality, integrity and availability of those assets and in most cases is expanded on in supporting policies, standards and process documents. Our Information Security Policy applies to all employees, is owned by the

Group Chief Technology and Operations Officer and is reviewed at least annually by the IT & Operations Management Committee.

FBD's Data Protection Statements set out how FBD processes and protects personal data so the data subject is aware of how we process their personal data and the legal basis for doing so. These statements are issued/made available to all data subjects whose data we process. A data protection notice is displayed on the FBD website and is issued with all policy and claim engagements. Data Protection is also addressed within FBD's Terms of Business which are provided to all customers.

FBD's Cookie Policy sets out how we deploy cookies and manage cookie consent on our websites. Our Cookie Policy is owned by the Group Chief Technology and Operations Officer and is reviewed at least annually by the Security Steering Committee. FBD websites have a cookie notice displayed which allows the customer to understand what cookies FBD want to place and allow the data subject to consent to the level of cookies that they will allow FBD to place on their computer. FBD's Cookie Policy is available on our website.

The Records Retention Policy sets out the maximum and minimum periods for which personal data should be retained. Our Records Retention Policy is owned by the DPO and reviewed at least annually by the Executive Management Team. Material amendments to this policy are reviewed by the Board.

The Data Protection Acts provide data subjects specific rights over their data, i.e. the right to be informed, the right of access, the right to be forgotten, the right of rectification, and the right to object to processing. FBD has processes that govern the handling of data subject rights requests that must be responded to in most cases within 30 days unless the complexity requires an extension.

Our Data Breach Reporting process provides a framework for data breach escalation and reporting procedures, both internally and to the Data Protection Commissioner (DPC). FBD must report data breaches to the DPC within 72 hours of discovery, unless the data breach is unlikely to result in a risk to the rights and freedoms of the data subject, and all employees are aware of this obligation and assist in achieving this measure.

The FBD Clean Desk and Clear Screen Policy requires that all FBD employees secure personal data and business confidential data when unattended. This policy is owned by the Group Chief Technology and Operations Officer and reviewed at least annually by the Security Steering Committee.

### Actions:

- Our Data Protection notices are subject to annual review, and if a major change is made, the statement needs to be reissued to data subjects impacted. The data protection notice is displayed on the FBD website and issued with all policy and claim engagements.
- A record of all processing activities is reviewed annually by the DPO and periodic privacy impact and maturity assessments are conducted with respect to customer and end user data.
- In 2025 FBD launched an internal Data Protection newsletter. Specific GDPR training is rolled out to all employees annually as part of their compulsory compliance passports.
- Confidentiality, integrity and availability of consumer data is protected through a range of ongoing business and technical controls including security awareness training for all employees, specialist security training for specific groups, malware protection, device and user authentication, an appropriate Business Continuity Policy, IT Disaster Recovery plans as well as capacity and configuration. For further details on actions surrounding cyber security, please refer to pages 178 to 179 on Cybersecurity.

## Entity-Specific : Farm Safety

### Our approach

Agriculture is the sector with the highest incidence of workplace fatalities and one of FBD's objectives is to support initiatives which make the farm a safer environment for all our farm customers and the wider community. FBD's Farm Safety campaigns aim to encourage farmers to make small but meaningful changes to their working behaviours and the management of safety on the farm. We focus on promoting awareness of health and safety of farming best practices through press, online media, social media safety messages, provision of farm safety signage and safety guidance material through our network of branches and via the farm safety campaigns and events. FBD is a member of the National Farm Safety Partnership Advisory Committee (FSPAC) to the Health and Safety Authority.

## Actions

Farm safety is a critical aspect of sustainability in agriculture. FBD's ongoing actions in this area relate to all our farm customers. Our actions can be grouped into three main categories, communications and awareness, accident prevention measures and training.

### Communications and awareness:

- 9,000 farm safety signs were distributed through the FBD branch network to farm customers during 2025 (2024: 10,000). These signs are designed to improve safety awareness and to help keep farmers, farm workers, family members and visitors focused on safety when they enter the farm.



- The annual FBD National Marts Farm Safety Awareness and Remembrance Campaign was launched in October 2025 and ran for 1 week. This campaign was a partnership with The Irish Co-operative Organisation Society (ICOS), Associated Livestock Marts (ALM), The Health and Safety Authority (HSA), the Farm Safety Partnership (FSP) and Embrace Farm. The aim of the campaign was to start the farm safety conversation in marts, improve farm safety awareness and help prevent accidents from occurring. The focus of the campaign was on Livestock and Safety of the Elderly.
- FBD continues to run regular farm safety communications in the media. During 2025, FBD ran monthly farm safety adverts in the Irish Farmers Journal and in the Irish Farmers Monthly. These articles were supported by social media safety campaigns using video clips from the "Managing Farm Health and Safety" video series. The videos focused on timely, seasonal hazards, their associated risks and appropriate safety controls and messages.



- FBD continued to work closely with the IFA to promote Farm Safety Week for 2025. During this week farmers were encouraged to review working practices to ensure their farm is safe. The IFA and FBD promoted the initiative through videos, leaflets and a targeted media campaign incorporating both traditional and digital media.



- In July 2025 FBD attended the Joint Committee on Agriculture and Food for a focused discussion on farm safety and to outline FBD's commitment to farm safety.

## Accident prevention measures :

- FBD has a dedicated Risk Survey Team who work directly with farms, marts, and agricultural businesses to help improve safety standards and awareness in the workplace. Pat Gilligan, Head of Sales represents FBD on the FSPAC to the Health and Safety Authority. During 2025 the FSPAC worked on the delivery of the actions highlighted in the Farm Safety Action Plan 2025-2027, which aims to reduce the level of fatalities, serious injuries, and ill health in the agriculture sector.



Picture at the launch of the 2025 -2027 Farm Safety Plan (Left to Right): Pat Gilligan (FBD), Michael Healy Rae TD (Minister of State at the Department of Agriculture, Food and the Marine) and Ciaran Roche (FBD & Chairperson of the FSPAC).

## Training Programmes

- FBD continued to work with Teagasc in developing and delivering farm safety exhibits. For 2025 the topics covered by the exhibits at the Moorepark open day included tractors, quads, machinery, livestock, work at height and farm buildings.
- FBD sponsored the Farm Relief Services (FRS) tailor-made tractor training course for 14-16 years olds. The purpose of this course is to equip the learner with the relevant knowledge, skills and competence to operate a tractor safely and understand the regulations and safety requirements when operating a tractor.
- FBD organised and participated in "Champions for Safety" seminars and events across all Agricultural Colleges around the country during the year. The initiative has been running for over a decade and

encourages farming students to become champions for safety and stop taking risks.



- FBD sponsored the annual FBD Health and Safety Awards at the UCD School of Agriculture and Food Science Awards Ceremony. This awards ceremony celebrates and acknowledges the excellent achievements of students during the academic session 2024/2025. Three students won awards and a number of students were awarded certificates for their achievements in the Health Welfare and Safety module.
- Farm Safety Live is delivered by Farm Relief Services (FRS) Training, the HSA and FBD in conjunction with the Tullamore Show. It is an interactive exhibition of farm safety demonstrations, developed to get people thinking more about safety on the farm, giving them practical tips and actions to take home.



Pictured at the launch of 'Farm Safety Live' (Left to Right): John Keena (Chair Tullamore Show), Ciaran Roche (FBD), Ger Harnett (HSA), Jim Dockery (FRS) and Chelsea Cox (Tullamore Show).

## Human Rights of Consumers – Social Inclusion

### Our approach and policies

FBD offices are nationwide and our sales employees can provide our services in a location that suits the customer.

FBD does not discriminate in the provision of its products and services on any of the grounds prohibited by the Equal Status Acts 2000-2015. Our robust pricing governance is in place to support the application of principals of fairness. We have a robust Product Oversight and Governance process in place and conduct an annual Pricing Practice Review. These processes allow us to confirm our compliance with the General Principles of the Consumer Protection Code to act honestly and fairly and in the best interest of customers, to assess customer risk and ensure customer outcomes are considered in our pricing and product design.

Our Customers Requiring Additional Support Policy outlines our approach to ensure FBD has a consistent approach to recognising and responding to customers who may require additional support, including consumers in vulnerable circumstances, in accordance with the Consumer Protection Code. The policy is owned by the Group Chief Commercial Officer and reviewed annually by The Consumer and Culture Committee.

Our Code of Conduct policy highlights our dedication to honouring internationally recognised human rights relating to our consumers and end users. More information on our Code of Conduct policy is available under section G1 Business Conduct.

### Actions:

- We continue to update the wordings across our suite of policy booklets to ensure that they use plain language and are more readily understood by our customers. We complete annual reviews of our wordings, utilising a range of inputs including customer feedback and complaints. This action ensures that all customer groups who are dependent on accurate and accessible information can make informed decisions.
- We have made significant progress in 2025 to bring the web pages owned or managed by FBD into line with the requirements of the European Accessibility Act which came into force in June 2025. This work has already addressed a number of key areas, and we are continuing to build on this progress. We have further plans in place to embed accessibility into our ongoing practices, ensuring that our websites remain

accessible and fully aligned with the Act going forward.

- Specific training was rolled out during the reporting period to content creators, designers, QA testers and developers to embed accessibility in all stages of content production.
- FBD is a member of Age Friendly Ireland. This programme is a Government initiative to prepare for the rapid ageing of our population. It aims to create an inclusive, equitable society in which older people can live full, active, valued and healthy lives. Age Friendly Ireland supports businesses to implement low cost changes which signal a strong welcome for older people. Employee training has taken place to support FBD employees in contributing to this programme.
- As part of FBD's annual review of indexation levels on property sums insured, we consider the appropriate rate to keep pace with inflation and the rising cost of living, ensuring adequate coverage over time. The purpose of indexation is to support customers in the event of a claim, to ensure they are not negatively impacted.

### Targets

We target an average Trustpilot score of 2.8 out of 5 or higher. As at 31/12/25 our average score was 4.8.

We target to have less than three FSPO complaints (full/partial) upheld against us in any given year. 2025 marks the second year in a row where no FSPO complaints (full/partial) were upheld against FBD.

In relation to the Farm Safety entity-specific disclosure, FBD will continue to support farm safety initiatives, however do not plan to set any targets in this area given the downstream impact is outside of FBD's direct control.

## Governance

Governance considers how sustainable a company is (business model; financial and outputs) and how a company functions ethically across its corporate culture, its board and management and its disclosures.

# European Sustainability Reporting Standard (ESRS) G1 – Business Conduct

Four material sub-topics from our DMA as shown in the table below are the focus of this section. Hereafter we outline our approach to managing the material IROs related to these sub-topics in terms of policies, actions, metrics and targets together with specific disclosure requirements under ESRS G1.

## G1 BUSINESS CONDUCT

### Corporate Culture

- 28 ESG-linked incentives prioritising the ESG agenda
- 29 Robust governance increasing oversight and control of ESG performance
- 30 Reputational damage owing to unethical business conduct
- 31 Failure to maintain an adequate governance structure leading to regulatory and/or reputational issues

### Corruption and Bribery

- 32 Reputational damage owing to the existence of corruption or bribery in the value chain

### Management of Relationships with Suppliers

- 33 Penalties/reputational damage owing to delayed payments to suppliers

### Entity specific: Cybersecurity

- 34 Cybersecurity incident impacting individuals and/or wider society
- 35 Cybersecurity incident impacting FBD

### IRO legend

IRO listing on page 119-124

- Positive Impact
- Opportunity
- Negative Impact
- Risk

## Corporate Culture

Risk can never be fully eliminated in business, and good business conduct relies on the appropriate and responsible behaviour of individuals. Consequently, the matters of ethics and adequate governance structures are considered material from a financial perspective in our own operations. Our culture defines the values and behaviours that we will champion and promote as a Group. FBD believes that real sustainable culture is

developed and shaped by the behaviour of individuals at all levels across the organisation.

### Our approach and policies

The Group's Board and senior management set the ethical tone for the Group. There are a number of Group policies in place and adherence with these policies influence employee behaviour.

Policy	Objective	Approved By	Policy Owner
Code of Conduct	To outline the core values, standards of conduct and behaviour expected from each individual within the organisation.	Board, at least annually	Group Chief HR Officer
Conflicts of Interest	To set out standards to assist in the identification of conflicts of interest (actual, perceived or potential) and where they arise to ensure that they are managed in a manner consistent with the overall business strategy, risk appetite, in the best interests of the Group and all its stakeholders including consumers.	Board, at least annually	Group Chief HR Officer
Speak Up	To ensure that concerns are appropriately investigated and that all employees are aware of the arrangements and protection in place for raising concerns in respect of wrongdoing in the Group in line with the Protected Disclosures (Amendment) Act 2022.	Board, at least annually	Group Chief HR Officer
Reputational Risk	To outline the Group's prudent and proactive approach to managing reputational risk.	Board, at least annually	Group Chief Executive Officer
Anti-Fraud	To set out the principles around; Roles and Responsibilities, Actions constituting fraud, Reporting and Investigation Responsibilities, Disciplinary Procedures and Recovery of losses.	Board, at least annually	Group Chief Financial Officer
Fitness and Probity	To ensure that FBD has processes and procedures to demonstrate compliance with the Fitness and Probity Regime and the Central Bank of Ireland's Individual Accountability Framework (IAF).	Board, at least annually	Group Chief HR Officer
Individual Accountability Policy	To ensure that FBD has structures in place to ensure and demonstrate compliance with the Central Bank of Ireland's IAF.	Board, at least annually	Group Chief HR Officer
Conduct Standards Policy	To support the implementation and embedding of the Conduct Standards outlined in the Central Bank of Ireland's IAF.	Board, at least annually	Group Chief HR Officer

FBD's Code of Conduct Policy outlines the core values expected from each individual within the organisation and lays down five overarching standards of responsibility and ethical conduct expected of all employees of the Group.

The five standards are:

1. Integrity and Honesty
2. Errors Prevention and Reporting
3. Confidentiality
4. Professionalism
5. Compliance

The five standards address topics such as equitable treatment amongst employees and customers, gifts and

hospitality, use of social media, error prevention and reporting, confidentiality, professionalism, competency and compliance as well as conflicts of interest. Certain functions within the Group such as Finance, Claims and Sales, pose elevated risks for corruption and bribery due to their involvement in critical financial transactions, interactions with external stakeholders, and sensitivity to regulatory and ethical compliance. We require all our employees, at every level, to align their behaviour with this code.

The FBD Competency Framework links our values to our behaviours.

## Our Values



## OUR BEHAVIOURAL COMPETENCIES

- **Customer Focus Problem Solving**
- **Cultivating Relationships Communicating Effectively**
- **Build Integrity & Trust**
- **Continuously Seeking to Improve**
- **Leading Self Leading Others**

The Board and EMT take a leading role in establishing, developing, communicating, promoting and evaluating the desired culture. This is achieved through a number of ways, including:

- a clearly defined Strategy that is aligned to our culture and is actively considered and set by the Board and EMT;
- ongoing EMT communication to all employees, including through regular town halls, relating to our Values and their importance to the delivery of the strategy;
- investment in leadership development to build competence and embed the desired leadership culture;
- holding our people to account for how their behaviour aligns to FBD's values, including embedding a consideration into employee objectives and reward structures;
- ESG-linked incentives in place for Group CEO and Group CFO;
- having Company policies readily accessible online; and
- requiring all employees to complete compulsory e-learning courses on conduct as part of their annual Customer First - Compliance Passports. The training covers a wide range of topics across each quarter of the reporting period, providing a good understanding

of FBD's policy on good business conduct including whistleblower reporting channels, anti-corruption and ethical guidelines.

As referenced within the 'Own workforce' section we track culture sentiment through our employee listening survey and target to match or exceed the Irish Norm for positive culture sentiment – for further details see page 156.

### Individual Accountability Framework

As a regulated financial service provider FBD and its employees operate under the Central Bank of Ireland's IAF and Fitness and Probity Regime (F&P).

The IAF including the Senior Executive Accountability Regime (SEAR) was introduced in 2023 and seeks to incentivise positive behaviours and promote an improved and more transparent culture in regulated financial service providers. SEAR requires FBD to set out clearly where responsibility and decision-making lie within the firm's senior management structure. It also imposes a "duty of responsibility" on those in a Pre-approval Controlled Function (PCF) role to take reasonable steps on an ongoing basis to meet the required SEAR requirements.

The IAF includes three tiers of Conduct Standards; Business Conduct Standards, Common Conduct Standards and Additional Conduct Standards. The Common Conduct Standards apply to all those in Controlled Function (CF) roles, while the Additional Conduct Standards only apply to those in PCF and 'significant influence' roles (CF1 roles). The Business

Conduct Standards apply at an entity level i.e., to FBD. It also imposes a "duty of responsibility" on those in CF roles to take reasonable steps on an ongoing basis to meet the required Conduct Standards.

Under the IAF, FBD is required to certify in writing that it is satisfied that a person complies with the F&P standards. The Central Bank can take direct enforcement action against an individual for a breach of their obligations under the IAF i.e., for a breach of the Duty of Responsibility or the Common/Additional Conduct Standards.

FBD has policies, processes and a training regime in support of these regulations including an overarching Individual Accountability Policy, Conducts Standards Policy, Reasonable Steps Guidance and a Fitness and Probity Policy.

### Protection of Whistle-blowers

FBD has no appetite for breaches of compliance and regulatory requirements. Our commitment to business integrity is clearly articulated in our Speak Up Policy and procedures. The Speak Up Policy applies to those defined as a "worker" under the Protected Disclosures Act, this includes permanent, part-time and fixed-term employees, senior management, Directors, Non-Executive Directors, volunteers, trainees, shareholders, consultants, former employees and job applicants. The policy identifies concerns that may constitute potential or actual wrongdoings including:

- acts of bribery;
- corruption or fraud;
- breaches of applicable laws/regulations;
- gross negligence, mismanagement or malpractice that may harm the reputation or financial wellbeing of FBD;
- environmental and health and safety issues;
- confidentiality breaches;
- serious breaches of the Group's policies and procedures; and
- misleading or unethical behaviour.

In accordance with the Protected Disclosures Act 2022, FBD has established a standard operating procedure to ensure that concerns are thoroughly and objectively investigated in a timely manner. FBD encourages individuals to come forward and promises to protect whistleblowers, acting in good faith, against retaliation. All reporting is dealt with confidentially and will only be shared on a strict need to know basis. Investigators are separate from the chain of management involved in the matter. Whistleblowers have the option to remain anonymous. The Group Chief HR Officer reports periodically to the Audit Committee on Speak Up activity and following the completion of any formal

investigation, the Group Chief HR Officer will inform the Group Chief Executive Officer, Group Chief Financial Officer, Audit Committee Chairs and FBD Holdings plc Chair and FBD Insurance plc Chair of the conclusion from the investigation including details of any action taken or proposed to be taken.

## Corruption and Bribery

### Prevention and detection including training

Our commitment to operating responsibly and conducting our operations to the highest ethical and professional standards is outlined in our Conduct policies listed under the corporate culture section on page 174. Our Speak Up Policy and procedures outlined under the 'Protection of whistleblowers' section across covers concerns relating to bribery and corruption.

FBD's Code of Conduct Policy governs both the giving and receiving of gifts and is applicable to all employees. Under the policy, every employee has the obligation to declare and record where gifts and hospitality valued greater than a specified minimal threshold, have been offered by suppliers or any bodies of interest and whether these were accepted or declined.

FBD conducts an annual business wide anti-money laundering (AML) and countering of the financing of terrorism (CFT) risk assessment co-ordinated by our Compliance Function. This report aids in our ongoing efforts to prevent and address such incidents. Specific Anti money laundering, Countering the financing of terrorism and Financial Sanctions (AML/CFT) policies and procedures are in place setting out a range of measures used by the Group in respect of:

- identifying and verifying the identity of customers;
- on-going monitoring of business relationship with customers;
- reporting suspicious transactions internally and to the relevant authorities as required;
- financial sanction screening;
- mandatory group-wide employee training; and
- ensuring overall compliance with the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 and any financial sanctions imposed by the European Union or the United Nations.

Enhanced due diligence is applied to any identified high-risk customers including any identified Politically Exposed Person (PEP).

The AML/CFT Policy is owned by the Head of Compliance who holds the Central Bank of Ireland Pre-Approval Controlled Function Role 'PCF-52 Head of Anti-Money Laundering and Counter Terrorist Financing'. This policy is reviewed at least annually by the Board.

Additionally, FBD has an Anti-fraud Policy which outlines the roles and responsibilities for the reporting and investigation of fraud.

Annual mandatory compliance training is rolled out to all employees irrespective of level and is designed to ensure that employees understand their legal obligations, ethical responsibilities, and the potential consequences of non-compliance. During the period the below coverage was noted:

	2025	2024
Functions-at-risk training coverage	100 %	100 %
<b>Topics Covered:</b>		
Ethics	X	X
Vulnerable Customer	X	X
Code of Conduct	X	X
Error Reporting	X	X
Anti Money Laundering	X	X
Consumer Protection Risk Management	X	-
FBD Safety Statement	-	X
Consumer Protection Code	X	X
Data Protection	X	X
Speak Up Policy	X	X
Operational Resilience	X	X
Complaints Handling	X	X
Risk Function	X	X
Information security	X	X

Non-Executive Directors are not included as part of the employee mandatory compliance training. Details of the Board composition, diversity, experience and skills, including expertise on business conduct matters, are disclosed within the Corporate Governance report.

### Incidents

No convictions or fines for violation of anti-corruption laws and anti-bribery laws were reported during the current reporting period or in the previous reporting period. While FBD is always reviewing and enhancing its control environment, no specific actions were required to be taken to address breaches in procedures and standards of anti-corruption and anti-bribery.

### Management of Relationships with Suppliers Including Payment Practices

FBD is a responsible buyer and we set high standards for ourselves and our supply chain. We insist that all of our business activities are conducted lawfully and above all, ethically. FBD expects the same of our suppliers and have outlined this in greater detail through the FBD Supplier Charter. The FBD Supplier Charter is publicly available on the FBD Group website and all Purchase Orders received by a supplier have a direct hyperlink to

its location. Larger, more strategic supplier agreements also include a clause directly referencing the FBD Supplier Charter and how breach of the charter will be considered a material breach of agreement.

Suppliers must comply with all relevant legislation and respect our Health and Safety Culture. We support the Universal Declaration of Human Rights and work to enforce these rights within our supply chain. We expect the same of our suppliers. FBD expects that all of our suppliers pay their employees at least the minimum wage, or a fair representation of the prevailing industry wage (whichever is the higher), and provide each employee with all legally mandated benefits.

FBD's centralised Procurement Policy provides a framework to establish best practice and alignment of procurement standards across all FBD business units. This includes a sustainability decision approach supported by the use of an ESG questionnaire in FBD's tender process. We continue to refine our questionnaire against the backdrop of an evolving reporting landscape with returns of the ESG questionnaire typically forming 10% of the overall scoring criteria where possible. The Procurement Policy is owned by the Group Chief Financial Officer and is reviewed at least annually by the Executive Management Team.

Annually, all FBD suppliers are assigned tiers dependent on the contract value and associated risks. Tiered contracts are then managed accordingly through the established procurement policies and procedures.

FBD conducts regular systematic risk based and operational performance reviews of all Critical Outsource Service Providers in line with FBD's Outsourcing Policy and regulatory guidelines. A suite of annual due diligence requirements are completed on all Outsource Service Providers (Critical and non-Critical).

FBD understands how important prompt payment is. We do not apply payment terms to supplier invoices therefore we do not delay payments to match credit terms. Payments are made in the next available payment run following approval of the invoice and supplier. Standard payment runs are made three times per month allowing for timely payment to suppliers. Continuous monitoring of the timing of payments is embedded within FBD's Risk Management Framework.

In 2025 suppliers were paid on average 34 days from invoice date (2024: 35 days), which is within our target of less than 38 days. This excludes any amounts paid directly to suppliers that are linked to individual claims as these are monitored in accordance with the Central Bank of Ireland's Consumer Protection Code.

There were no legal proceedings outstanding for late payments at the year-end reporting date or the previous year-end reporting date.

## Entity-Specific : Cybersecurity

### Our approach and policies

Our business model relies heavily on technology services and infrastructure making cybersecurity risks an inherent aspect of our operations.

Cybersecurity incidents can have negative financial, operational, reputational, and legal impacts, with potential consequences including data breaches, operational disruptions, and loss of customer trust. These impacts can have long-term effects on FBD, its customers, and wider society. The nature, level and sophistication of information security threats is ever increasing and the result is that FBD cannot stand still, but must continually improve how Information Security is implemented and managed.

A continuous programme of investment and further development of our information security practices is maintained. Part of our commitment to securing data and systems has been the ongoing investment in modernising our core applications.

We cannot completely eliminate the risk of a cybersecurity incident, however, we aim to minimise our exposure through comprehensive controls that encompass all internal operations and third-party services. Our approach centres on identifying and safeguarding critical systems and information assets, while enhancing our capability to detect, respond to, and recover from potential incidents. Operational risk including cybersecurity is recognised as a key risk facing the Group and as outlined in the Risks and Uncertainties report on pages 18 to 27 is ultimately the responsibility of the Board. FBD's information security risk is managed appropriately through our risk management framework to ensure risk is within FBD's appetite level, and that the Group complies with relevant legislation and regulations.

Operational responsibility for the implementation of the Information Security Framework rests primarily with the IT Department, under the Group Chief Technology and Operations Officer however FBD recognises that information security is the responsibility of all employees, contractors, suppliers and third parties and together, all contribute to good practice, responsible care and due diligence.

An IT Risk and Operational Resilience Risk Committee comprising executive and senior management members of the IT and Risk Functions is in place to assist the Executive Risk Committee and FBD in its oversight of the effectiveness of IT Risk and Operational Resilience Risk. The IT Risk and Operational Resilience Risk Committee is chaired by the Group Chief Technology and Operations Officer and meets at least quarterly. The Board Risk Committee receives regular updates on IT risk and operational resilience from the Executive Risk Committee via its Chair the Group Chief Risk Officer

incorporating relevant information and escalations from the IT Risk and Operational Resilience Risk Committee. As outlined in our Risks and Uncertainties Report, reporting is dynamic and includes risk metrics, changes in risk profile, risk mitigation programmes, reportable errors, breaches of risk policies (if any) and results of independent assessments performed by the Risk Function.

As noted within the Privacy section FBD's Information Security Policy applies to all employees and sets out, at a high level, the security of all forms of FBD's Information Assets. The policy includes acceptable use, authentication, firewalls and external connections, system configuration and hardening, change management, external data transfer, vulnerability management, security testing and event logging. In most cases the Information Security Policy is expanded on in supporting policies, standards and process documents.

Third party access to the FBD network is controlled via a limited number of defined methods and technical access to production systems is governed through an additional security appliance.

An appropriate Business Continuity Policy and IT Disaster Recovery plan allow FBD to manage a natural disaster, malicious attack, accident or other disruptive event. The IT Disaster Recovery Policy and Business Continuity Policy are approved by the Board.

In the event of an issue, a Security Incident Response Plan is in place covering technical, forensic, HR, legal, compliance, public relations and communications aspects of managing an incident. The Plan is owned by the Chief Information Security Officer and is reviewed at least annually by the Security Steering Committee.

During 2025, FBD introduced an Artificial Intelligence Governance Policy aimed at ensuring any AI systems which FBD may develop or deploy are done so in a responsible and ethical manner. Our Artificial Intelligence Governance Policy is owned by the Group Chief Technology and Operations Officer and is reviewed at least annually by the Board Risk Committee and the Board.

### Actions

- 2025 saw the introduction of the Digital Operational Resilience Act (DORA) by the European Union to strengthen the digital resilience of financial entities. In response, FBD has employed considerable effort and focus to align its cybersecurity and operational resilience controls to demonstrate compliance with DORA. DORA compliance will be an ongoing priority with a focus on maturing processes and continuous improvement throughout 2026.

- FBD is updating and enhancing its Vulnerability Management Programme, which includes weekly scanning of devices to identify vulnerabilities, regular patching of devices, and an investment programme to develop and maintain our infrastructure to a resilient and performant standard. As part of this annual programme FBD engages with qualified third party companies to test our information security posture.
- As part of a risk awareness programme, all employees have to partake in annual information security training, phishing tests are run across the organisation and various newsletters are distributed to remind employees of security best practices. Additionally specific training is undertaken by security and technical teams in aspects of IT security.

	2025	2024
<b>Employee Training Coverage:</b>		
Data Protection	100.0 %	100.0 %
Information Security	100.0 %	100.0 %

	2025	2024
<b>Simulation exercises:</b>		
Number of phishing tests carried out	4	4

- FBD conducts risk assessments and utilise Non-Disclosure Agreements (NDAs) before engaging any third party for the provision of services that allow them access to FBD network or data. The Information Security Team are a key member of any procurement for services where data is being used.
- A successful, full DORA aligned disaster recovery test was performed in October on designated critical business systems. This exercise was fully supported by FBD's critical technology partners.

## Targets

FBD has recognised Data Protection and Cybersecurity as posing material risks to the Group and potential negative impacts to consumers and wider society. We have established policies, governance oversight and a programme of controls to manage these risks and potential negative impacts. We continue to monitor key metrics internally such as security posture tests, vulnerability scans, P1 security incident and data breach records however as at the reporting date we have not set time-bound and outcome-orientated targets for managing the identified material IROs given the evolving nature of the cyber-threat environment, the continued digitisation of our business and the need to establish a stable baseline. Performance and effectiveness of our governance and controls is tracked via internal KPIs and reviewed regularly by senior management and the Board. We recognise the importance of establishing robust performance metrics in this area and will keep our readiness to define targets for managing the identified material IROs under review.

## Appendix

# Disclosure requirements complied with

The following tables provide a list of disclosure requirements in preparing the Sustainability Statement, following the outcome of the materiality assessment, including the page numbers and/or paragraphs where the related disclosures are located.

### Cross-cutting standards Disclosure requirements

ESRS 2 General disclosures		Section/ Report	Page	Additional Information
BP-1	General basis for preparation of the Sustainability Statement	SS	108	General Basis for Preparation
BP-2	Disclosures in relation to specific circumstances	SS	127	Double Materiality Assessment Process 3. IRO Identification – time horizons
	Datapoints that derive from other EU legislation	SS	186	Appendix Datapoints that derive from other EU legislation.
GOV-1	The role of the administrative, management and supervisory bodies	SS	113	Sustainability Governance framework
		MR	44	Corporate Governance Report
		MR	73	Nomination & Governance Report
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SS	113	Sustainability Governance framework
		SS	125	Double Materiality Assessment Process
		SS	132	Future-proofing our IRO management process
GOV-3	Integration of sustainability-related performance in incentive schemes	MR	80	Report on Directors' Remuneration
GOV-4	Statement on sustainability due diligence	SS	184	Appendix Statement on sustainability due diligence
GOV-5	Risk management and internal controls over sustainability reporting	MR	18	Risk & Uncertainties Report
		SS	116	Features of Internal Control in relation to the non-financial reporting process
SBM-1	Strategy, business model and value chain (products, markets, customers)	MR	16	Business Model
		SS	106	ESG Strategy
	Strategy, business model and value chain (headcount by country)	SS	164	Characteristics of Employees
SBM-2	Interests and views of stakeholders	SS	127	Stakeholder Mapping and Engagement
		MR	67	Engagement with Stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	108	General Basis for Preparation
		SS	113	Sustainability Governance framework
		SS	125	Double Materiality Assessment Process
		SS	117	DMA outcome
		SS	119	Material IROs identified
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SS	125	Double Materiality Assessment Process
IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement	SS	180	Appendix Disclosure requirements complied with

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## Environmental standards Disclosure requirements

ESRS E1 Climate Change		Section/ Report	Page	Additional Information
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive scheme	SS	113	Sustainability Governance framework
E1-1	Transition plan for climate change mitigation	SS	134	Transition Plan
		SS	142	Targets
ESRS 2, SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	SS	125	Double Materiality Assessment Process
ESRS 2, IRO-1	Description of the processes to identify and assess material climate related impacts, risks and opportunities	SS	125	Double Materiality Assessment Process
		SS	132	Climate Risk
E1-2	Policies related to climate change mitigation and adaptation	SS	135	Climate Change as an Insurer
		SS	136	Climate Change as an Investor
		SS	138	Climate Change as a Company
E1-3	Actions and resources in relation to climate change policies	SS	136	Climate Change as an Insurer
		SS	137	Climate Change as an Investor
		SS	138	Climate Change as a Company
E1-4	Targets related to climate change mitigation and adaptation	SS	142	Targets
E1-5	Energy consumption and mix	SS	143	Energy consumption and mix
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SS	144	Gross Scope 1, 2, 3 and total GHG emissions
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SS	146	GHG removals and GHG mitigation projects financed through carbon credits
E1-8	Internal carbon pricing	SS	147	Internal carbon pricing

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## Social standards Disclosure requirements

ESRS S1 Own workforce		Section/ Report	Page	Additional Information
ESRS 2, SBM-2	Interests and views of stakeholders	SS	127	Stakeholder Mapping and Engagement
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	108	General Basis for Preparation
		SS	113	Sustainability Governance framework
		SS	125	Double Materiality Assessment Process
		SS	117	DMA outcome
		SS	119	Material IROs identified
S1-1	Policies related to own workforce	SS	154	Key policies table
		SS	156	Human rights policy commitments
		SS	158	Workplace accident prevention system
		SS	158	Diversity and inclusion
		SS	163	Training and Skills Development
		SS	178	Cybersecurity
S1-2	Processes for engaging with own workers and workers' representatives about impacts	SS	155	Engaging with our own workforce
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SS	156	Remediation and channels to raise concerns
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS	132	Our IRO management process
		SS	157	Secure Employment, Working-time & Human rights
		SS	158	Work-life Balance
		SS	159	Diversity and inclusion
		SS	163	Training and Skills Development
		SS	178	Cybersecurity
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	156	Listening Survey Scores
		SS	159	Gender Representation
		SS	160	Diversity Gold accreditation
		SS	179	Cyber Security
S1-6	Characteristics of the undertaking's employees	SS	161	Gender diversity by contract type
		SS	164	Employee turnover
		SS	164	Headcount by country
S1-8	Collective bargaining and social dialogue	SS	157	Coverage rates
S1-9	Diversity metrics	SS	162	Age Distribution
		SS	161	Gender distribution in number
		SS	159	Gender distribution in percentage
S1-10	Adequate wages	SS	157	Metrics
S1-16	Compensation metrics (pay gap and total	SS	162	Compensation Metrics
S1-17	Incidents, complaints and severe human rights	SS	157	Metrics

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## Social standards Disclosure requirements

ESRS S4 Consumers and End-Users		Section/ Report	Page	Additional Information
ESRS 2, SBM-2	Interests and views of stakeholders	SS	127	Stakeholder Mapping and Engagement
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	108	General Basis for Preparation
		SS	113	Sustainability Governance framework
		SS	125	Double Materiality Assessment Process
		SS	117	DMA outcome
		SS	119	Material IROs identified
S4-1	Policies related to consumers and end-users	SS	168	Privacy
		SS	172	Human Rights of Consumers – Social Inclusion
		SS	178	Cybersecurity
S4-2	Processes for engaging with consumers and end users about impacts	SS	166	Engaging with our consumers and end users
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SS	168	Consumer Complaints
S4-4	Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions.	SS	132	Our IRO management process
		SS	169	Privacy
		SS	170	Farm Health and Safety
		SS	172	Human Rights of Consumers – Social Inclusion
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	172	Targets
		SS	179	Cybersecurity

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## Governance standards Disclosure requirements

ESRS G1 Business conduct		Section/ Report	Page	Additional Information
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	SS	113	Sustainability Governance framework
		MR	44	Corporate Governance Report
		MR	73	Nomination & Governance Report
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SS	125	ESRS 2, Double Materiality Assessment Process
G1-1	Business conduct policies and corporate culture	SS	174	Corporate Culture
		SS	176	Protection of Whistle-blowers
		SS	178	Cybersecurity
G1-2	Management of relationships with suppliers	SS	177	Management of relationships with suppliers including payment practices
G1-3	Prevention and detection of corruption and bribery	SS	176	Corruption and bribery, Prevention and detection including training
G1-4	Incidents of corruption or bribery	SS	177	Corruption and bribery, Incidents
G1-6	Payment practices	SS	177	Management of relationships with suppliers

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# Statement on sustainability due diligence

The below table provides a mapping to where in our Sustainability Statement we provide information about our due diligence process, including how we apply the main aspects and steps of our due diligence process

## Statement on sustainability due diligence

Core elements of due diligence	Section/ Report	Page	Additional Information
<b>a) Embedding due diligence in governance, strategy, and business model</b>			
Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)	General	113	Sustainability governance framework
	General	131	DMA validation and approval
	General	132	Our IRO management process
Integration of sustainability-related performance in incentive schemes (GOV-3)	Managements Review	80	Report on Directors' Remuneration
Information about the resilience of the undertaking's strategy and business model regarding its capacity to address its material impacts and risks and to take advantage of its	General	125	Value Chain Analysis
	General	127	Stakeholder mapping and engagement
	General	132	Our IRO management process
Information about the resilience of the undertaking's strategy and business model in relation to climate change. (E1 SBM-3)	General	132	Climate Risk
	Environmental	139	Climate Resilience Analysis
<b>b) Engaging with affected stakeholders in all key steps of the due diligence</b>			
How the interests and views of its stakeholders are taken into account by the undertaking's strategy and business model. (SBM-2)	General	127	Stakeholder mapping and engagement

## Statement on sustainability due diligence

Core elements of due diligence	Section/ Report	Page	Additional Information
Consultation with affected stakeholders to understand how they may be impacted (IRO-1)	General	127	Stakeholder mapping and engagement
Processes for engaging with own workers and workers' representatives about impacts (S1-2)	Social	155	Engaging with our own workforce
Processes for engaging with consumers and end-users about impacts (S4-2)	Social	166	Engaging with our consumers and end users
Consideration given to the interests of stakeholders in setting policies (S1-1, S4-1,G1-1, G1-2, MDR-P)	Environmental	135	Climate change as an Insurer – Policies
	Environmental	136	Climate Change as an Investor – Policies
	Environmental	138	Climate Change as a Company – Policies
	Social	154	People – Policies
	Social	168	Privacy – Policies
	Social	172	Social inclusion – Policies
	Governance	176	Protection of whistle-blowers
	Governance	177	Management of relationships with suppliers
<b>c) Identifying and assessing adverse impacts</b>			
Processes to identify and assess (IRO-1)	General	125	Double materiality assessment process
	General	132	Our IRO management process
	Environmental	139	Climate resilience analysis
Whether and how the undertaking developed an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm. (S1 SBM-3)	General	127	Stakeholder mapping and engagement
Whether and how the undertaking developed an understanding of how consumers and/or end-users with particular characteristics, or those using particular products or services, may be at greater	General	127	Stakeholder mapping and engagement
<b>d) Taking actions to address those adverse impacts:</b>			
Actions and resources related to climate change mitigation and adaptation (E1-3, MDR-A)	Environmental	136	Climate change as an Insurer – Actions
	Environmental	137	Climate Change as an Investor – Actions
	Environmental	138	Climate Change as a Company – Actions
Approaches to mitigating material risks related to consumers and end-users (S4-4, MDR-A)	Social	169	Privacy – Actions
<b>e) Tracking the effectiveness of these efforts and communicating:</b>			
Metrics and targets related to climate change mitigation and adaptation (E1-4, MDR-T, E1-5, E1-6)	Environmental	142	Climate change – Targets
	Environmental	143	Energy consumption – Metrics
	Environmental	144	Gross Scope 1, 2, 3 and total GHG emissions
Tracking effectiveness of policies and actions through targets (S4-5, MDR-T)	Social	172	Consumers and end users – Targets

## Phased-in concessions availed of

### Phased-in concessions availed of in accordance with ESRS 1 Appendix C

ESRS	Disclosure Requirement	ESRS Options
ESRS 2, SBM-1	Breakdown of total revenue, as included in its financial statements, by significant ESRS sectors.	As the European Commission has not adopted a delegated act specifying the list of ESRS sectors, undertakings are not required to disclose the information referred to in ESRS 2 paragraph 40 (b) and 40 (c)
ESRS 2, SBM-3	Description of the processes to identify and assess material impacts, risks and opportunities	Wave one reporters* may omit the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects) for the first 3 years of preparation of their sustainability statement.
ESRS E1, E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Wave one reporters* may omit the information prescribed by ESRS E1-9 for the first 3 years of preparation of their sustainability statement.
ESRS S1, S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Wave one reporters* may omit reporting for all datapoints in this Disclosure Requirement for the first 3 years of preparation of their sustainability statement.
ESRS S1, S1-11	Social protection	Wave one reporters* may omit the information prescribed by ESRS S1-11 for the first 3 years of preparation of their sustainability statement.
ESRS S1, S1-12	Percentage of employees with disabilities	Wave one reporters* may omit the information prescribed by ESRS S1-12 for the first 3 years of preparation of their sustainability statement.
ESRS S1, S1-13	Training and skills development	Wave one reporters* may omit the information prescribed by ESRS S1-13 for the first 3 years of preparation of their sustainability statement.
ESRS S1, S1-15	Work-life balance	Wave one reporters* may omit the information prescribed by ESRS S1-15 for the first 3 years of preparation of their sustainability statement.

\*FBD Holdings plc is in the first wave of mandatory reporters as it is considered a 'public-interest entity' and is deemed 'large' under the scoping criteria of the regulation.

## Datapoints that derive from other EU legislation

### Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS 2, GOV-1	21(d)	Board's gender diversity	SFDR/BRR	MR	77
ESRS 2, GOV-1	21(e)	Percentage of board members who are independent	BRR	MR	45
ESRS 2, GOV-4	30	Statement on due diligence	SFDR	SS	184
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	SFDR/P3/BRR	Not material	-
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	SFDR/BRR	Not material	-
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	SFDR/BRR	Not material	-
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco	BRR	Not material	-

### Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	EUCL	SS	134 142
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks	P3/BRR	Not relevant	-
ESRS E1-4	34	GHG emission reduction targets	SFDR/P3/BRR	SS	142
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	Not relevant	-
ESRS E1-5	37	Energy consumption and mix	SFDR	SS	143
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	SFDR	Not relevant	-
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	SFDR/P3/BRR	SS	144
ESRS E1-6	53-55	Gross GHG emissions intensity	SFDR/P3/BRR	SS	145
ESRS E1-7	56	GHG removals and carbon credits	EUCL	SS	146
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	BRR	Not stated – phased in concession	-
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk	P3	Not stated – phased in concession	-
ESRS E1-9	67 C)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	P3	Not stated – phased in concession	-
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities	BRR	Not stated – phased in concession	-
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	SFDR	Not material	-
ESRS E3-1	9	Water and marine resources	SFDR	Not material	-
ESRS E3-1	13	Dedicated policy	SFDR	Not material	-
ESRS E3-1	14	Sustainable oceans and seas	SFDR	Not material	-
ESRS E3-4	28 c)	Total water recycled and reused	SFDR	Not material	-
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 (a) i	Activities negatively affecting biodiversity-sensitive areas	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 (b)	Land degradation, desertification, or soil sealing	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 c)	Threatened species	SFDR	Not material	-
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	SFDR	Not material	-
ESRS E4-2	24 c)	Sustainable oceans / seas practices or policies	SFDR	Not material	-
ESRS E4-2	24 (d)	Policies to address deforestation	SFDR	Not material	-
ESRS E5-5	37 (d)	Non-recycled waste	SFDR	Not material	-
ESRS E5-5	39	Hazardous waste and radioactive waste	SFDR	Not material	-
ESRS 2-SBM3-S1	14 (f)	Risk of incidents of forced labour	SFDR	SS	157
ESRS 2-SBM3-S1	14 (g)	Risk of incidents of child labour	SFDR	SS	157
ESRS S1-1	20	Human rights policy commitments	SFDR	SS	157 155 156
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BRR	SS	157

### Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	SFDR	SS	157
ESRS S1-1	23	Workplace accident prevention policy or management system	SFDR	SS	158
ESRS S1-3	32 c)	Grievance/complaints handling mechanisms	SFDR	SS	156
ESRS S1-14	88 (b) and c)	Number of fatalities and number and rate of work-related accidents	SFDR/BRR	Not material	-
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	SFDR	Not material	-
ESRS S1-16	97(a)	Unadjusted gender pay gap	SFDR/BRR	SS	162
ESRS S1-16	97(b)	Excessive CEO pay ratio	SFDR	SS	162
ESRS S1-17	103 (a)	Incidents of discrimination	SFDR	SS	157
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	SFDR/BRR	SS	157
ESRS 2-SBM3-S2	11 (b)	Significant risk of child labour or forced labour in the value chain	SFDR	Not material	-
ESRS S2-1	17	Human rights policy commitments	SFDR	Not material	-
ESRS S2-1	18	Policies related to value chain workers	SFDR	Not material	-
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR/BRR	Not material	-
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BRR	Not material	-
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	Not material	-
ESRS S3-1	16	Human rights policy commitments	SFDR	Not material	-
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR/BRR	Not material	-
ESRS S3-4	36	Human rights issues and incidents	SFDR	Not material	-
ESRS S4-1	16	Policies related to consumers and end users	SFDR	SS	168 172
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR/BRR	SS	168
ESRS S4-4	35	Human rights issues and incidents	SFDR	SS	168
ESRS G1-1	10 (b)	United Nations Convention against Corruption	SFDR	SS	176
ESRS G1-1	10 (d)	Protection of whistle-blowers	SFDR	SS	176
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery law	SFDR/BRR	SS	177
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	SFDR	SS	177

SFDR Sustainable Finance Disclosure Regulation

P3 EBA Pillar 3 disclosure requirements

BRR Climate Benchmark Standards Regulation

EUCL EU Climate Law

# Independent practitioners' limited assurance report on FBD Holdings plc's Sustainability Statement

## To the Directors of FBD Holdings plc

### Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated Sustainability Statement of FBD Holdings plc (the "Group"), included in the Sustainability Statement section of the Report of the Directors (the "Sustainability Statement"), as at 31 December 2025 and for the year then ended, prepared in accordance with Part 28 of the Companies Act 2014.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the Sustainability Statement. These are cross referenced from the Sustainability Statement and are identified as subject to limited assurance.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with Part 28 of the Companies Act 2014, including:

- compliance of the sustainability reporting with the European Sustainability Reporting Standards ("ESRS");
- the process carried out by the Group to identify the information reported pursuant to the sustainability reporting standards (the "Process"), is in accordance with the description set out in the section titled 'Double Materiality Assessment Process' on page 125 to page 131; and
- compliance of the disclosures in subsection 'EU Taxonomy Regulation' within the 'Environmental' section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

### Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (Ireland) 3000, Assurance engagements other than audits or reviews of historical financial information - assurance of sustainability reporting in Ireland ("ISAE (Ireland) 3000"), issued by the Irish Auditing & Accounting Supervisory Authority (IAASA). The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Practitioners' responsibilities section of our report.

### *Our independence and quality management*

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the independence requirements of the Companies Act 2014 and the Code of Ethics issued by Chartered Accountants Ireland that are relevant to our limited assurance engagement of the Sustainability Statement in Ireland.

The firm applies International Standard on Quality Management (Ireland) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Responsibilities for the Sustainability Statement

As explained more fully in the Statement of Directors' Responsibilities for the Sustainability Statement as set out on page 105, the Directors' are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section 'Double Materiality Assessment Process' on page 125 to page 131 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Directors are further responsible for the preparation of the Sustainability Statement, in accordance with Part 28 of the Companies Act 2014, including:

- compliance with the ESRS;
- preparing the disclosures in subsection 'EU Taxonomy Regulation' within the 'Environmental' section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that the Directors determine is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

### Inherent limitations in preparing the Sustainability Statement

Certain metrics reported within the Sustainability Statement may be subject to inherent limitations, for example, value chain information relating to emissions data provided by third parties (as discussed in section 'Environmental', subsection 'Gross Scopes 1, 2, 3 and Total GHG emissions', and subsection 'Key estimates and judgements' within the 'General Basis for Preparation' section of the Sustainability Statement).

In reporting forward-looking information in accordance with ESRS, the Directors of FBD Holdings plc are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

### Practitioners' responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE (Ireland) 3000 we exercise professional judgement and maintain professional scepticism throughout the engagement. Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in section 'Double Materiality Assessment Process' on page 125 to page 131.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents) and reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in section 'Double Materiality Assessment Process' on page 125 to page 131.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Performed inquiries of relevant personnel on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the Annual Report;

- Evaluated the methods assumptions and data for developing estimates and forward-looking information; and
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

### Other Matter – Compliance with the requirement to mark-up the Sustainability Statement

Section 1613(3)(c) of the Companies Act 2014 requires us to report on the compliance by the Group with the requirement to mark-up the Sustainability Statement in accordance with Section 1600 of that Act. Section 1600 of the Companies Act 2014 requires that the Directors' Report is prepared in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and that the directors shall mark-up the Sustainability Statement. However, at the time of issuing our limited assurance report, the electronic reporting format has not been specified nor become effective by Delegated Regulation. Consequently, the Group is not required to mark-up the Sustainability Statement. Our conclusion is not modified in respect of this matter.

### Other Matter - References to external sources or websites

The references to external sources or websites in the Sustainability Statement are not part of the Sustainability Statement and therefore are not within the scope of our limited assurance engagement.

### Use of this report

Our report is made solely in accordance with Section 1613 of the Companies Act 2014 to the Directors of FBD Holdings plc.

Our assurance work has been undertaken so that we might state to the Directors those matters we are required to state to them in a limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than FBD Holdings plc and its Directors, as a body, for our limited assurance work, for this report, or for the conclusions we have formed.



Padraig Osborne

for and on behalf of PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

Dublin

5 March 2026



# FBD - Ireland's Local Community Supporter



Since our inception FBD has been invested in communities throughout Ireland. We believe farmers, businesses, retail customers and wider society feel real economic and social benefits as a result of our business activities. For over 50 years we have been providing insurance at a grassroots level and our sponsorships and initiatives reflect our brand promise of support.

## Funding, Backing, Donating

In 2025 we wanted to shine a much larger light on, and make it easy for people to digest, how FBD supports over 350 Community Initiatives across Ireland annually. As Ireland's homegrown local insurer with 34 branches nationwide, FBD is at the heart of hundreds of communities. As an organisation we are full of people who care about where they're from and the people around them. So, when a local initiative or community could use some support, we Fund them, we Back them and we Donate to them. Why? Support. It's what we do.

As part of our Funding, Backing Donating programme a hero concept video and 13 individual initiative videos formed part of an extensive Digital campaign to demonstrate the depth of our support across multiple areas including the likes of:

- The Men's Sheds Association.
- Blarney Caravan and Camping Park.
- Coolmine Musical Society.
- Mezze.
- Grow it Yourself.
- St Martin's GAA Club.
- UCD.
- Macra na Feirme.
- Good Food Ireland.
- The Women in Agriculture Conference.
- Teagasc FBD Environmental.
- Rush Musical Society.
- Teagasc FBD Student of the Year Award.

All of these stories can be found on our website ([www.fbd.ie/communities](http://www.fbd.ie/communities)).

## GAA Clubs & FBD Semple Stadium

Through our branch network we support many GAA clubs nationwide which brings people together, fosters community pride, and nurtures young talent. We hope our support contributes to the development of players and clubs, ensuring the continuation of a rich cultural tradition that unites people across the country.

FBD continues to be the naming rights partner of the historic Semple Stadium. This iconic venue staged a number of high profile games in 2025 and also played host for the homecoming of the All Ireland Champions, Tipperary in July. FBD Semple also hosted the hugely popular "FBD Family Day" in August where the stars of tomorrow got to test their skills with some intercounty stars.



Picture of the homecoming event for the All Ireland winning Tipperary Senior Hurlers at FBD Semple Stadium.

## Newstalk Changemaker Business Awards

In 2025, FBD partnered with Ireland's leading business media brand Newstalk to launch the first Newstalk Changemaker Business awards that celebrate the changemakers in Irish business. Spanning nine categories and including FBD's very own category, 'The FBD Local Business Award', the awards celebrate individuals and teams that demonstrate innovative mindset, collaborative leadership and empathetic problem-solving skills that result in transformation and real impact in the workplace. The awards will continue to take place annually with FBD Insurance proudly the Title Sponsors.

## FBD's Support Local Business Campaign

FBD has always supported SME's and our aim throughout 2024 and 2025 was to help small businesses make a big impact. As part of this initiative we ran an innovative competition that allowed 18 lucky businesses to win a significant advertising package tailored to them and featured in their local areas to help drive their business. Each business has received an advertising and marketing package worth €20,000-€25,000 that included:

- A suite of video and photo ads promoting their business.
- Regional advertising including billboard, newspaper and radio.
- Digital advertising targeting local customers.
- National coverage through 'The Sunday Independent Weekend Magazine'.
- Photoshoot and visual assets.
- Advertising in their local FBD sales office.

The stories behind these businesses across a diverse range of industries, including retail, restaurants, pubs, food, and manufacturing were captured in beautifully shot print and digital campaigns.

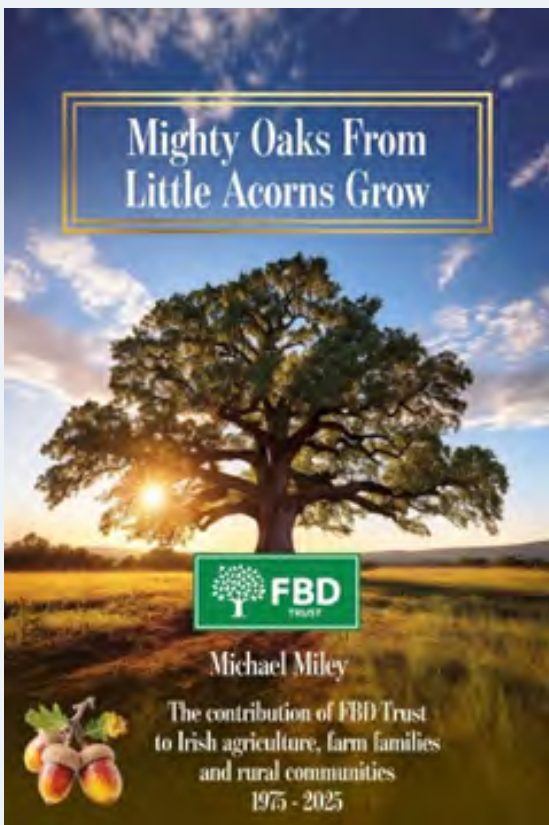


## The FBD Trust

FBD Trust CLG ("FBD Trust") was established over fifty years ago to advance the interests of farm families and the Agricultural sector generally in Ireland with income generated from shares in FBD allocated by the original farmer investors in the Group. This support is given primarily through financing research, educational scholarships, training and development and support of groups and organisations representing and advocating effectively for Irish Agriculture and rural communities. Since 1975, FBD Trust has been a company limited by guarantee, which does not have shareholders, but whose members' liability is limited to the nominal amount of the guarantee given by them. FBD Trust derives its income primarily from its interests in the Group.

FBD Trust is proud to partner with FBD to support a wide range of research, educational and social initiatives and knowledge transfer which benefit rural communities, Irish farmers, and the food industry. FBD Trust's philanthropic objectives are directed towards strengthening the competitiveness, environmental sustainability and profitability of Irish agriculture.

In 2025 FBD Trust celebrated its 50th anniversary. To mark this milestone a book chronicling the FBD Trust story fittingly titled "Mighty Oaks From Little Acorns Grow" has been published.



FBD Trust contributes approximately €2 million annually to projects which include:

## Teagasc / FBD Student of the Year Awards

Teagasc / FBD Student of the Year awards are presented to the highest achieving graduates of the previous year from Teagasc agricultural colleges across the country. Nominees for these awards are the next generation of farm leaders and innovators. FBD has supported the Student of the Year Awards since their inception by providing a bursary to the winner, category winners and finalists.



Pictured at the Teagasc/FBD Student of the Year 2024 awards ceremony (Left to Right): Michael Berkery (FBD Trust Chair), Dr Anne Marie Butler (Head of Education, Teagasc), Liam Herlihy (Teagasc Chair), Kate Curran (award winner) and Emer O'Byrne (FBD).

## Nuffield Scholarships

Nuffield Ireland is part of Nuffield International, a global network which includes organisations in eight countries. The Nuffield Farming Scholarship is a leadership development programme, in which scholars are given a bursary to travel, research and present a report on their chosen topic. Nuffield Ireland identifies future leaders in the Irish agricultural sector and supports them to reach their full potential through scholarships, international travel, and global connections. Nuffield Ireland's Annual Conference features panel discussions from industry experts along with presentations from graduating scholars. FBD supports both the Nuffield scholarship fund and the Nuffield conference to promote excellence by developing and supporting these individuals.

## The FBD Young Farmer of the Year Awards

The FBD Young Farmer of the Year is a national competition held in conjunction with Macra. The purpose of these awards is to identify and recognise young farmer excellence and to inspire and empower the next generation of young farmers in Ireland. Adjudication is based on several criteria including business initiative, sustainability and innovation on the farm alongside enterprise quality, farm safety, environmental protection awareness, agricultural knowledge and community involvement. The 2025 FBD Young Farmer of the Year Awards marked a historic milestone as Cork dairy farmer Aileen Sheehan became the first woman to win the prestigious title in the competitions 27-year history.



FBD Young Farmer of the Year, Aileen Sheehan, pictured at the awards ceremony.

## Women & Agriculture

FBD is the main sponsor of the annual 'Women & Agriculture Conference'. The 2025 event took place in Sligo in October and once again celebrated the role of women in agriculture while highlighting gender issues in farming and the agri-food sector. The continuing objective of the conference is to acknowledge the essential role that women play on farms across the country and more widely in the Agri sector as a whole.

## AHI CellCheck Awards

The annual Animal Health Ireland CellCheck Milking for Quality awards has been sponsored by FBD since they were established in 2014. The purpose of the CellCheck Awards is to recognise and reward farmers who have demonstrated excellence in the field of dairy herd health management, such as cell counting, and achieved excellent herd health and milk production results.

## Teagasc FBD Environmental Sustainability Awards

The 2nd Teagasc FBD Environmental Sustainability Awards were held in September 2025. The competition was established to promote environmentally sustainable farming practices and highlight the progress that Irish farmers are making in their efforts to work with nature while continuing to produce high-quality, nutritious food in a profitable manner. Five enterprise awards and four category awards were presented. The overall winner in 2025 was Don Somers from Co Wexford.



Pictured at the Teagasc/FBD Environmental Sustainability awards (Left to Right): Michael Berkery (FBD Trust Chair), Timmy Dooley TD (Minister of State at the Department of Agriculture, Food and Marine), Don Somers (Overall Winner), Gillian Somers and Dr. Tom O'Dwyer (Teagasc).

# CONSTRUCTION BEGINS ON THE PADRAIG WALSHE CENTRE FOR SUSTAINABLE ANIMAL AND GRASSLAND RESEARCH



Pictured at Teagasc Moorepark, to mark the commencement of works on the Padraig Walshe Centre for Sustainable Animal and Grassland Research: (Left to Right) Jim Bergin, FBD Group Chair; Liam Herlihy, Chair of Teagasc; Pat Murphy, Chair of Farmer Business Developments plc; Martin Heydon T.D., Minister for Agriculture, Food and the Marine; Professor Frank O'Mara, Director of Teagasc; Ella Walshe, Co. Laois; Tomás Ó Midheach, FBD Group CEO and Michael Berkery, Chair FBD Trust.

**The €12m Padraig Walshe centre is funded through a €6m contribution from FBD Holdings plc, FBD Trust CLG and Farmer Business Developments plc, matched by €6m in funding from the Department of Agriculture, Food and the Marine.**

The new Centre will provide state-of-the-art laboratory and animal metabolism facilities to support research aimed at reducing greenhouse gas emissions

and nutrient losses from grassland-based livestock systems, improving productivity and resilience, and enhancing the environmental sustainability and competitiveness of Ireland's agri-food sector. FBD's connection with farming and rural Ireland is central to who we are. Supporting initiatives like this reflects our shared commitment to sustainable agriculture, and ultimately to the long-term viability of the farming sector. It is especially fitting that this new centre bears the name of Padraig Walshe. Padraig meant a

great deal to us at FBD both as a very supportive colleague and member of the Insurance Board. Above all he made a massive contribution to Irish agriculture through his leadership, vision and commitment to innovation and progress in farming. It ensures that his contribution will continue to be remembered and that future generations of researchers and farmers alike will be inspired by the standards he set and the values he stood for.

*"science based work that helps farmers"*

"FBD is proud to support this important project and to see construction begin. The research enabled by this Centre will help advance climate related solutions for farming. At FBD Insurance we believe it is essential to support practical, science based work that helps farmers meet the emissions reduction challenges ahead."

**Tómas Ó Midheach**  
Group Chief Executive Officer



# FINANCIAL STATEMENTS

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**SUPPORT.**

**IT'S WHAT WE DO.**

PICTURED: TABLE 45,  
FBD BUSINESS INSURANCE CUSTOMER  
Part of FBD's Support Local Business Campaign

**"Having FBD's insurance and business-support advice gave us the confidence to make bolder decisions—from hiring our team to taking on the building lease. Knowing we were covered allowed us to invest time and money into growth rather than worrying about risks."**

**Daniel Kavanagh**  
Co-founder - Table 45  
12/08/25

# Independent auditors' report to the members of FBD Holdings plc

## Report on the audit of the financial statements

### Opinion

In our opinion, FBD Holdings plc's consolidated financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the group's and the company's assets, liabilities and financial position as at 31 December 2025 and of the group's profit and the group's and the company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and, as regards the company's financial statements, as applied in accordance with the provisions of the Companies Act 2014; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the consolidated financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated and Company Statements of Financial Position as at 31 December 2025;
- the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated and Company Statements of Cash Flows for the year then ended;
- the Consolidated and Company Statements of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that other services prohibited by IAASA's Ethical Standard were not provided.

Other than those disclosed in note 8 to the financial statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

## Our audit approach

### Overview

#### Audit scope

- We performed a full scope audit of the complete financial information of the group's principal operating entity, FBD Insurance plc, and the holding company. We performed audit procedures on certain balances and transactions of the group's shared services entity, FBD Corporate Services Limited.
- Taken together, the entities where we performed a full scope audit of the complete financial information and those selected balances at the group's shared services entity on which we performed audit procedures accounted for in excess of 95% of group revenues, 90% of group profit before taxation and 95% of the group's total assets.

#### Key audit matters

- Methodologies and assumptions applied in the valuation of the liability for incurred claims ("LIC") (Group)
- Recoverability of Investments in Subsidiaries (Company)

#### Materiality

- Overall group materiality: €4.9m (2024: €4.4m) based on circa 1% of insurance revenue.
- Overall company materiality: €1.0m (2024: €1.1m) based on circa 1% of equity attributable to equity holders of the parent.
- Performance materiality: €3.7m (2024: €3.3m) (group) and €0.75m (2024: €0.83m) (company).

### *The scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Key audit matters*

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

**Key audit matter****How our audit addressed the key audit matter****Methodologies and assumptions applied in the valuation of the liability for incurred claims ("LIC") (Group)**

Refer to Note 3 (E) (ii) - 'Summary of material accounting policies - Insurance contracts - Insurance and reinsurance contracts accounting treatment', Note 3 (X) - 'Summary of material accounting policies - Critical accounting estimates and judgements in applying accounting policies', Note 16 - 'Insurance and reinsurance contracts', and Note 37(g) - Financial Risk Management - Insurance Risk' to the consolidated financial statements.

The liabilities for incurred claims represent the cost of claims outstanding. The calculation of reserves is particularly sensitive to the actuarial best estimate of the ultimate cost of claims, in particular for the long tail classes of business. The actuarial best estimate is determined using actuarial calculations and requires the consideration of appropriate methodologies, complex assumptions and significant judgements. Long tail lines of business are generally more difficult to project and subject to greater uncertainties than short tail, higher frequency claims.

Methodologies and assumptions vary by class of business. The key items underlying the valuation include past claims development patterns, assumptions in respect of expected loss ratios and the expected frequency and severity of claims.

We determined the valuation of the actuarial best estimate to be a key audit matter due to the judgements and level of estimation involved in the measurement thereof.

Based on the results of our risk assessment, we selected certain long tail classes of business for independent valuation of the actuarial best estimate by PwC actuarial specialists. This involved consideration of key assumptions including expected loss ratios and the frequency and severity of claims informed by the group's historical claims experience and developments in the Irish claims environment.

The independent estimates by reserving classes were compared to the group's valuation of the actuarial best estimate and we understood the reasoning behind any significant differences.

In respect of other classes of business, we assessed the reasonableness of the group's actuarial best estimate with the assistance of our actuarial specialists. This involved:

- Assessing the reasonableness of assumptions and methodologies underpinning management's actuarial valuation; and
- Considering the development of prior years estimates and analysis of current accident year estimate including consideration of the group's historical claims experience and developments in the Irish claims environment for these classes of business.

Based on the results of these procedures we concluded that the valuation of the actuarial best estimate included within the group's liability for incurred claims is reasonable. We also assessed the appropriateness of the disclosures of the key methodologies and assumptions as disclosed in the financial statements.

**Recoverability of Investments in Subsidiaries (Company)**

Refer to Note 3 (C) - 'Summary of material accounting policies - Investments in Subsidiaries (Company only)', and Note 32 - 'Principal Subsidiaries' to the consolidated financial statements.

The company has investments in subsidiaries of €91.8 million as at 31 December 2025 which are stated at cost less accumulated impairment.

We determined this to be a key audit matter as investments in subsidiaries are the principal assets held by the company.

We considered management's assessment as to whether there were any indicators of impairment at year end taking into account the market capitalisation of the Company.

Based on our procedures we determined that management's conclusion that there are no impairment indicators was reasonable.

*How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group consists of the holding company, FBD Insurance plc (an insurance provider), five other entities (four of which are non-trading) and a group shared services entity, FBD Corporate Services Limited. All group entities are managed and reported on from a single head office. The consolidated financial statements are a consolidation of these individual entities. On the basis of the group structure all audit procedures were performed by the group audit engagement team. We performed a full scope audit of the complete financial information of FBD Insurance plc and the holding company. Specific audit procedures on certain balances and transactions were performed in respect of FBD Corporate Services Limited. We also tested the consolidation process. This gave us the desired level of audit evidence for our opinion on the consolidated financial statements as a whole. This gave us coverage in excess of 95% of group revenues, 90% of group profit before taxation and 95% of the group's total assets.

*Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Consolidated financial statements	Company financial statements
<b>Overall materiality</b>	€4.9m (2024: €4.4m).	€1.0m (2024: €1.1m).
<b>How we determined it</b>	Circa 1% of insurance revenue.	Circa 1% of equity attributable to equity holders of the parent.
<b>Rationale for benchmark applied</b>	We have applied this benchmark as it provides a more stable measure as the group's result can fluctuate. We also assessed the appropriateness of this benchmark by reference to other potential benchmarks and determined the overall materiality level to be appropriate.	We have applied this benchmark as it is considered appropriate given the company's activity as a holding company.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to €3.7m (2024: €3.3m) for the group audit and €0.75m (2024: €0.83m) for the company audit.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €245,000 (group audit) (2024: €220,000) and €50,000 (company audit) (2024: €55,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating management's going concern assessment and underlying forecasts for the period of the going concern assessment (being the period of 12 months from the date on which the financial statements are authorised for issue);
- testing the mathematical integrity of the forecasts and the models, and reconciling these to Board approved budgets;
- considering the projected solvency position of FBD Insurance plc under a number of stress scenarios set out in the group's Own Risk and Solvency Assessment and comparing these to the group's regulatory solvency capital requirement; and
- considering the group's liquidity position for the period of assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's or the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the Irish Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

We are required to report if the directors' statement relating to going concern in accordance with Rule 6.111(1)(a) of the Listing Rules of Euronext Dublin is materially inconsistent with our knowledge obtained in the audit. We have nothing to report in respect of this responsibility.

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

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the Companies Act 2014 (excluding the information included in the "Non Financial Statement" and the sustainability reporting required by that Act on which we are not required to report) have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors (excluding the information included in the "Non Financial Statement" and the sustainability reporting on which we are not required to report) for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors (excluding the information included in the "Non Financial Statement" and the sustainability reporting on which we are not required to report).
- In our opinion, based on the work undertaken in the course of the audit of the financial statements,
  - the description of the main features of the internal control and risk management systems in relation to the financial reporting process; and
  - the information required by Section 1373(2)(d) of the Companies Act 2014; included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2) of the Companies Act 2014.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process and the information required by section 1373(2)(d) of the Companies Act 2014 included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of the audit of the financial statements, the information required by section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 and regulation 6 of the European Union (Disclosure of Non-Financial and Diversity Information

by certain large undertakings and groups) Regulations 2017 is contained in the Corporate Governance Statement.

## Corporate Governance Statement

The Listing Rules and ISAs (Ireland) require us to review the directors' statements in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the company's compliance with the provisions of the Irish Corporate Governance Code (the "Code") specified for our review. Our additional responsibilities with respect to the Corporate Governance Statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the Irish Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

## Responsibilities for the financial statements and the audit

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Irish insurance laws and regulations and in particular the Solvency II Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with the Audit Committee, management and internal audit, including consideration of whether there are known or suspected instances of non-compliance with laws and regulation and fraud;
- Inspecting relevant correspondence with the Central Bank of Ireland ('CBI'), including those in relation to compliance with laws and regulations;
- Reading relevant meeting minutes including those of the Board, Audit Committee and Risk Committee;
- Challenging assumptions made by management in accounting estimates and judgements, in particular in relation to the methodologies and assumptions applied in the valuation of the liability for incurred claims as described in the related key audit matter;
- Identifying and testing journal entries based on risk criteria; and
- Designing audit procedures to incorporate unpredictability in our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud

may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: [https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### **Companies Act 2014 opinions on other matters**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the company financial statements to be readily and properly audited.
- The Company Statement of Financial Position is in agreement with the accounting records.

### **Other exception reporting**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

#### *Prior financial year Non Financial Statement*


We are required to report if the company has not provided the information required by Regulation 5(2) to 5(7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 in respect of the prior financial year. We have nothing to report arising from this responsibility.

#### *Prior financial year Remuneration Report*

We are required to report if the company has not provided the information required by Section 1110N of the Companies Act 2014 in respect of the prior financial year. We have nothing to report arising from this responsibility.

## Appointment

We were appointed by the directors on 10 August 2016 to audit the financial statements for the year ended 31 December 2016 and subsequent financial periods. The period of total uninterrupted engagement is 10 years, covering the years ended 31 December 2016 to 31 December 2025.



Padraig Osborne

for and on behalf of PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

Dublin

5 March 2026

# Consolidated Income Statement

For the financial year ended 31 December 2025

	Note	2025 €000s	2024 €000s
Insurance revenue	4(a)	486,751	441,005
Insurance service expenses	4(c)	(428,325)	(278,452)
Reinsurance expense		(33,463)	(34,082)
Change in amounts recoverable from reinsurers for incurred claims		67,684	(17,371)
<b>Net income/(expense) from reinsurance contracts held</b>	4(a)	<b>34,221</b>	<b>(51,453)</b>
<b>Insurance service result</b>	4(a)	<b>92,647</b>	<b>111,100</b>
<b>Total investment return</b>	5	<b>24,659</b>	<b>26,087</b>
Finance expense from insurance contracts issued	6	(7,659)	(7,459)
Finance income from reinsurance contracts held	6	775	1,225
<b>Net insurance finance expenses</b>		<b>(6,884)</b>	<b>(6,234)</b>
<b>Net insurance and investment result</b>		<b>110,422</b>	<b>130,953</b>
Other finance costs		(2,567)	(2,556)
Non-attributable expenses	4(c)	(40,621)	(37,804)
Other provision charges	25	(7,173)	(6,695)
Revenue from contracts with customers	4(a)	2,600	3,667
Financial services income and expenses	4(a)	(8,502)	(10,600)
(Impairment)/revaluation of property, plant and equipment	4(a)	(3)	100
<b>Profit before taxation</b>		<b>54,156</b>	<b>77,065</b>
Income taxation charge	10	(6,993)	(9,860)
<b>Profit for the period</b>		<b>47,163</b>	<b>67,205</b>
<b>Attributable to:</b>			
Equity holders of the parent		47,163	67,205

## Earnings per share

	Note	2025 Cent	2024 Cent
Basic	12	130	186
Diluted <sup>1</sup>	12	127	183

<sup>1</sup> Diluted earnings per share reflects the potential vesting of share-based payments.

The 'A' ordinary shares of €0.01 each that are in issue have no impact on the earnings per share calculation.

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 5 March 2026.

# Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2025

		2025	2024
	Note	€000s	€000s
<b>Profit for the period</b>		<b>47,163</b>	<b>67,205</b>
<u>Items that will or may be reclassified to profit or loss in subsequent periods:</u>			
Movement on investments in debt securities measured at FVOCI	5	7,030	18,426
Movement transferred to the Consolidated Income Statement on disposal during the period	5	820	605
Finance expense from insurance contracts issued	6	(2,832)	(6,197)
Finance income from reinsurance contracts held	6	391	927
Income tax relating to these items		(677)	(1,720)
<u>Items that will not be reclassified to profit or loss:</u>			
Re-measurements of post-employment benefit obligations, before tax	17 (d)	(88)	(699)
Revaluation of owner-occupied property	22	56	5
Income tax relating to these items		(8)	86
<b>Other comprehensive income after taxation</b>		<b>4,692</b>	<b>11,433</b>
<b>Total comprehensive income for the period</b>		<b>51,855</b>	<b>78,638</b>
<b>Attributable to:</b>			
Equity holders of the parent		51,855	78,638

The accompanying notes form an integral part of the financial statements.

# Consolidated Statement of Financial Position

At 31 December 2025

		2025	2024
	Note	€000s	€000s
<b>Assets</b>			
Cash and cash equivalents	13(a)	170,042	152,320
Equity and debt instruments at fair value through profit or loss	14	105,973	132,767
Debt instruments at fair value through other comprehensive income	14	893,192	891,956
<b>Investment assets</b>		<b>999,165</b>	<b>1,024,723</b>
Current taxation asset		1,802	—
Other receivables	15	22,465	22,631
Loans		439	386
Reinsurance contract assets	16	82,705	75,096
Retirement benefit surplus	17	6,471	6,393
Intangible assets	18	42,781	36,789
Policy administration system	19	3,567	10,750
Investment property	20	10,800	11,300
Right of use assets	21	3,179	2,741
Property, plant and equipment	22	26,352	23,139
<b>Total assets</b>		<b>1,369,768</b>	<b>1,366,268</b>

Consolidated Statement of Financial Position (continued)

At 31 December 2025

		2025	2024
	Note	€000s	€000s
<b>Liabilities</b>			
Current taxation liabilities		—	1,429
Other payables	24(a)	39,104	43,066
Other provisions	25(a)	7,349	14,398
Reinsurance contract liabilities	16	—	73
Insurance contract liabilities	16	792,586	767,779
Subordinated debt	26	49,839	49,780
Lease liabilities	21	3,447	3,056
Deferred taxation liabilities	23	163	560
<b>Total liabilities</b>		<b>892,488</b>	<b>880,141</b>
<b>Equity</b>			
Called up share capital presented as equity	27	21,963	21,768
Capital reserves	28(a)	13,283	27,932
Retained earnings		446,101	445,263
Other reserves	29	(6,990)	(11,759)
<b>Shareholders' funds - equity interests</b>		<b>474,357</b>	<b>483,204</b>
Preference share capital	30	2,923	2,923
<b>Total equity</b>		<b>477,280</b>	<b>486,127</b>
<b>Total liabilities and equity</b>		<b>1,369,768</b>	<b>1,366,268</b>

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 5 March 2026.

They were signed on its behalf by:



**Jim Bergin**  
Chair



**Tomás Ó Midheach**  
Group Chief Executive Officer

# Consolidated Statement of Cash Flows

For the financial year ended 31 December 2025

	Note	2025 €000s	2024 €000s
<b>Cash flows from operating activities</b>			
Profit before taxation		54,156	77,065
Adjustments for:			
Movement on investments classified as fair value		(7,442)	(10,125)
Interest and dividend income		(18,903)	(18,023)
Depreciation/amortisation of property, plant and equipment, intangible assets and policy administration system	18, 19, 22	15,903	15,287
Depreciation on right of use assets	21	682	762
Fair value movement on investment property	20	500	600
Impairment/(revaluation) of property, plant and equipment	22	3	(100)
Other non-cash adjustments		5,094	3,520
<b>Operating cash flows before movement in working capital</b>		<b>49,993</b>	<b>68,986</b>
Movement on insurance and reinsurance contract liabilities/assets		14,685	9,605
Movement on other provisions	25	(7,049)	(5,685)
Movement on receivables		(2,852)	(6,489)
Movement on payables		2,059	9,625
<b>Cash generated from operations</b>		<b>56,836</b>	<b>76,042</b>
Interest and dividend income received		20,103	19,230
Income taxes paid		(11,220)	(11,142)
<b>Net cash generated from operating activities</b>		<b>65,719</b>	<b>84,130</b>
<b>Cash flows from investing activities</b>			
Purchase of investments classified as fair value through profit or loss		(24,249)	(12,071)
Sale of investments classified as fair value through profit or loss		59,003	52,070
Purchase of investments classified as FVOCI	37(d)	(189,912)	(126,185)
Sale of investments classified as FVOCI	37(d)	196,065	107,791
Purchase of property, plant and equipment	22	(5,523)	(4,606)
Sale of investment property	20	—	53
Purchase of intangible assets	18	(12,349)	(14,772)
Maturities of deposits invested with banks		—	2,885
<b>Net cash generated from investing activities</b>		<b>23,035</b>	<b>5,165</b>
<b>Cash flows from financing activities</b>			
Ordinary and preference dividends paid	31	(63,675)	(72,080)
Purchase of own shares		(4,009)	—
Purchase and cancellation of own shares		—	(4,000)
Interest payment on subordinated debt	26	(2,500)	(2,500)
Principal elements of lease payments	21	(831)	(924)
<b>Net cash used in financing activities</b>		<b>(71,015)</b>	<b>(79,504)</b>
Net increase in cash and cash equivalents		17,739	9,791
<b>Cash and cash equivalents at the beginning of the year</b>	13(a)	<b>152,320</b>	<b>142,399</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>(17)</b>	<b>130</b>
<b>Cash and cash equivalents at the end of the year</b>	13(a)	<b>170,042</b>	<b>152,320</b>

The accompanying notes form an integral part of the financial statements.

# Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2025

	Called up share capital presented as equity	Capital reserves	Other reserves	Retained earnings	Attributable to ordinary shareholders	Preference share capital	Total equity
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
<b>Balance at 1 January 2024</b>	21,744	34,479	(23,804)	444,617	477,036	2,923	479,959
Profit after taxation	—	—	—	67,205	67,205	—	67,205
<b>Other comprehensive income/(expense) for the period</b>	—	—	12,045	(612)	11,433	—	11,433
<b>Total comprehensive income for the period</b>	—	—	12,045	66,593	78,638	—	78,638
Dividends paid and approved on ordinary and preference shares	—	—	—	(72,080)	(72,080)	—	(72,080)
Purchase of own shares	—	(4,000)	—	—	(4,000)	—	(4,000)
Cancellation of own shares	(190)	4,190	—	(4,000)	—	—	—
Issue of ordinary shares <sup>1</sup>	214	1,650	—	(1,864)	—	—	—
Recognition of share-based payments	—	3,610	—	—	3,610	—	3,610
Transfer of share-based payments to retained earnings	—	(11,997)	—	11,997	—	—	—
<b>Balance at 31 December 2024</b>	21,768	27,932	(11,759)	445,263	483,204	2,923	486,127
<b>Balance at 1 January 2025</b>	21,768	27,932	(11,759)	445,263	483,204	2,923	486,127
Profit after taxation	—	—	—	47,163	47,163	—	47,163
<b>Other comprehensive income/(expense) for the period</b>	—	—	4,769	(77)	4,692	—	4,692
<b>Total comprehensive income for the period</b>	—	—	4,769	47,086	51,855	—	51,855
Dividends paid and approved on ordinary and preference shares	—	—	—	(63,675)	(63,675)	—	(63,675)
Purchase of own shares	—	—	—	(4,009)	(4,009)	—	(4,009)
Unclaimed dividends write back	—	—	—	1,912	1,912	—	1,912
Issue of ordinary shares <sup>1</sup>	195	508	—	(703)	—	—	—
Recognition of share-based payments	—	5,070	—	—	5,070	—	5,070
Transfer of share premium to retained earnings	—	(20,227)	—	20,227	—	—	—
<b>Balance at 31 December 2025</b>	21,963	13,283	(6,990)	446,101	474,357	2,923	477,280

<sup>1</sup> In 2024 and 2025 new ordinary shares were allotted to employees of FBD Holdings plc as part of the FBD Performance Share Plan ("LTIP").

<sup>2</sup> In 2025, the High Court of Ireland made an Order confirming the special resolution of the shareholders of the Company (as passed on 8 May 2025) approving the reduction of the company capital of FBD Holdings plc by the cancellation and extinguishment of the entire amount standing to the credit of the share premium account of the Company (being €20,227,185), such that the reserve resulting from such cancellation be treated as profits available for distribution

# Company Statement of Financial Position

At 31 December 2025

	Note	2025 €000s	2024 €000s
<b>Assets</b>			
Investments			
Investment in subsidiaries	32	91,832	91,832
<b>Financial assets</b>		1	1
		<b>91,833</b>	<b>91,833</b>
Cash and cash equivalents	13(b)	4,493	15,833
Retirement benefit surplus		1,402	1,386
Other receivables		7,311	5,581
<b>Total assets</b>		<b>105,039</b>	<b>114,633</b>
<b>Equity and liabilities</b>			
Equity			
Called up share capital presented as equity	27	21,963	21,768
Capital reserves	28(b)	13,283	27,932
Retained earnings		64,194	54,732
<b>Shareholders' funds – equity interests</b>		<b>99,440</b>	<b>104,432</b>
<b>Preference share capital</b>	30	<b>2,923</b>	<b>2,923</b>
<b>Equity attributable to equity holders of the parent</b>		<b>102,363</b>	<b>107,355</b>
<b>Liabilities</b>			
Other payables	24(b)	2,501	7,105
Deferred taxation liability		175	173
<b>Total equity and liabilities</b>		<b>105,039</b>	<b>114,633</b>

The profit attributable to shareholders in the financial statements of the holding company for the year ended 31 December 2025 was €55,042,000 (2024: €74,549,000). As permitted by Section 304 of the Companies Act 2014, the Income Statement of the Company has not been separately presented in these financial statements.

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 5 March 2026.

They were signed on its behalf by:



**Jim Bergin**  
Chair



**Tomás Ó Midheach**  
Group Chief Executive Officer

# Company Statement of Cash Flow

For the financial year ended 31 December 2025

	2025	2024
	€000s	€000s
Cash flows from operating activities		
Profit before taxation	54,429	74,132
Adjustments for:		
Share-based payment expense	5,070	3,610
<b>Operating cash flows before movement in working capital</b>	<b>59,499</b>	<b>77,742</b>
Movement on receivables	(1,109)	(379)
Movement on payables	(2,748)	1,769
<b>Net cash generated from operating activities</b>	<b>55,642</b>	<b>79,132</b>
<b>Net cash generated from investing activities</b>	<b>—</b>	<b>—</b>
Cash flows from financing activities		
Ordinary and preference dividends paid	(63,675)	(72,080)
Purchase of own shares	(4,009)	(4,000)
Proceeds of re-issue of ordinary shares	703	1,709
<b>Net cash used in financing activities</b>	<b>(66,981)</b>	<b>(74,371)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(11,340)</b>	<b>4,761</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>15,833</b>	<b>11,072</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4,493</b>	<b>15,833</b>

The accompanying notes form an integral part of the financial statements.

# Company Statement of Changes in Equity

For the financial year ended 31 December 2025

	Called up share capital presented as equity	Capital reserves	Retained earnings	Attributable to ordinary shareholders	Preference share capital	Total equity
	€000s	€000s	€000s	€000s	€000s	€000s
<b>Balance at 1 January 2024</b>	21,744	34,479	44,593	100,816	2,923	103,739
Profit after taxation	—	—	74,549	74,549	—	74,549
Other comprehensive expense after taxation	—	—	(172)	(172)	—	(172)
<b>Total comprehensive income for the year</b>	—	—	74,377	74,377	—	74,377
Purchase of own shares	—	(4,000)	—	(4,000)	—	(4,000)
Cancellation of own shares	(190)	4,190	(4,000)	—	—	—
Issue of ordinary shares <sup>1</sup>	214	1,650	(155)	1,709	—	1,709
Dividends paid and approved on ordinary and preference shares	—	—	(72,080)	(72,080)	—	(72,080)
Recognition of share-based payments	—	3,610	—	3,610	—	3,610
Transfer of share-based payments to retained earnings	—	(11,997)	11,997	—	—	—
<b>Balance at 31 December 2024</b>	21,768	27,932	54,732	104,432	2,923	107,355
<b>Balance at 1 January 2025</b>	21,768	27,932	54,732	104,432	2,923	107,355
Profit after taxation	—	—	55,042	55,042	—	55,042
Other comprehensive expense after taxation	—	—	(35)	(35)	—	(35)
<b>Total comprehensive income for the year</b>	—	—	55,007	55,007	—	55,007
Purchase of own shares	—	—	(4,009)	(4,009)	—	(4,009)
Issue of ordinary shares <sup>1</sup>	195	508	—	703	—	703
Dividends paid and approved on ordinary and preference shares	—	—	(63,675)	(63,675)	—	(63,675)
Unclaimed dividends write back	—	—	1,912	1,912	—	1,912
Recognition of share-based payments	—	5,070	—	5,070	—	5,070
Transfer of share premium to retained earnings <sup>2</sup>	—	(20,227)	20,227	—	—	—
<b>Balance at 31 December 2025</b>	21,963	13,283	64,194	99,440	2,923	102,363

<sup>1</sup> In 2024 and 2025 new ordinary shares were allotted to employees of FBD Holdings plc as part of the FBD Performance Share Plan ("LTIP").

<sup>2</sup> In 2025, the High Court of Ireland made an Order confirming the special resolution of the shareholders of the Company (as passed on 8 May 2025) approving the reduction of the company capital of FBD Holdings plc by the cancellation and extinguishment of the entire amount standing to the credit of the share premium account of the Company (being €20,227,185), such that the reserve resulting from such cancellation be treated as profits available for distribution

# Notes to the Financial Statements

## 1. GENERAL INFORMATION

FBD Holdings plc is an Irish registered public limited company. The registration number of the Company is 135882. The address of the registered office is FBD House, Bluebell, Dublin 12, Ireland. FBD is one of Ireland's largest property and casualty insurers, looking after the insurance needs of farmers, businesses and retail customers. Established in the 1960s by farmers for farmers, FBD has built on those roots in agriculture to become a leading general insurer serving the needs of its direct agricultural, business and retail customers throughout Ireland. It has a network of 34 branches nationwide.

## 2. GOING CONCERN

The Directors have, at the time of approving the financial statements, satisfied themselves and consider it appropriate that the Company and the Group is a going concern, and have not identified any material uncertainties that cast doubt on the Company's and Group's ability to continue as a going concern over a period of at least 12 months from the date of this report.

In making this assessment the Directors considered up to date solvency, liquidity and profitability projections for the Group. The basis of this assessment was the Budget 2026 and projections for 2027 which reflect the latest assumptions used by the Group. The economic environment may impact on premiums including potential reductions in exposures, new business and retention levels. Expense assumptions can change depending on the level of premiums as discretionary spend and resources are adjusted. There were a number of scenario projections run as part of the ORSA process as well as a number of more extreme stress events and in all scenarios the Group's capital ratio remained in excess of the Solvency Capital Requirement and in compliance with liquidity policies.

The Directors considered the liquidity requirements of the business to ensure it is projected to have cash resources available to pay claims and other expenditure as they fall due. The Group is expected to have adequate cash resources available to support business requirements. In addition, the Group has a highly liquid investment portfolio with over 75% of the portfolio invested in corporate and sovereign bonds with an average rating of A.

On the basis of the projections for the Group, the Directors are satisfied that there are no material uncertainties which cast significant doubt on the ability of the Group or Company to continue as a going concern over the period of assessment being not less than 12 months from the date of this report. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### Basis of preparation

The Group and Company financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation. The Group and Company financial statements are prepared in compliance with the Companies Act 2014.

#### Consideration of climate change

In preparing the financial statements the Directors have considered the impact of climate change. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- future cash flow forecasts supporting the conclusion of the going concern basis of accounting;
- cash flow forecasts included in the impairment testing; and
- valuation of the investment property on page 267 and owner-occupied property on pages 269 to 270.

The Directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against estimates and judgements made in preparation of the Group's financial statements.

#### Adoption of new and revised International Financial Reporting Standards ("IFRSs")

##### *Standards adopted during the period*

In the current year, the Group has adopted or applied amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025, unless otherwise stated.

- Lack of Exchangeability (Amendments to IAS 21) and

The adoption of these new and amended standards did not have a material impact on FBD Group's accounting policies, financial position, or performance. Consequently, the FBD Group has not made any significant changes to its accounting policies or disclosures.

##### *New standards and interpretations not yet adopted*

The following new standards and amendments have been issued but are not yet effective for the financial year ended 31 December 2025. The Group has not early adopted these pronouncements. Based on current assessment, no material impact is expected unless otherwise stated.

Effective: 1 January 2026

- IFRS 9 & IFRS 7 — Classification and Measurement Amendments
  - Adds guidance on SPPI assessment.
  - Introduces disclosures for ESG-linked features.
  - Updates FVOCI equity instrument disclosures.
  - Clarifies recognition/derecognition timing.
- Annual Improvements to IFRS (Volume 11) - Minor clarifications to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.
- IFRS 19 — Subsidiaries Without Public Accountability: Disclosures - Provides reduced disclosure framework for eligible subsidiaries.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Effective: 1 January 2027

- IFRS18 — Presentation and Disclosure in Financial Statements -  
Significant changes to structure and presentation, including:
  - New profit or loss categories and potential changes to operating profit;
  - Revised requirements for derivatives classification;
  - New disclosures on management-defined performance measures; and
  - Revised cash flow classification for interest (financing for interest paid; investing for interest received).Retrospective application required; comparatives for 2026 will be restated.  
Impact: Presentation changes expected; no effect on recognition or measurement.

### Accounting policies

The principal accounting policies adopted by the Board are detailed below. All accounting policies are applicable to the consolidated and Company financial statements unless stated otherwise.

#### A) ACCOUNTING CONVENTION

The consolidated and Company financial statements are prepared under the historical cost convention as modified by the revaluation of property, investments classified as fair value through profit and loss, investments classified as fair value through Other Comprehensive Income and investment property, which are measured at fair value and insurance contracts and reinsurance contracts have been measured in accordance with accounting policies described in Note 3 E).

#### B) BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings to 31 December. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over an investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all the relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any transaction costs incurred are expensed in the period in which they occur. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups), that are classified as held for sale in accordance with IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs of sale.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the Consolidated Income Statement.

When the Group loses control of a subsidiary, the profit or loss on the sale is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in the Consolidated Statement of Comprehensive Income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities are disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, costs on initial recognition of an investment in an associate or jointly controlled entity.

### C) INVESTMENTS IN SUBSIDIARIES (Company only)

Investments in subsidiaries are accounted for at cost less accumulated impairment losses. The Company reviews whether there is any indication of impairment at each reporting date. Impairment testing involves comparing the carrying amount of the investment to its recoverable amount. The recoverable amount is higher of the fair value less costs of disposal and its value in use. If impairment occurs, this loss is recognised in the Income Statement.

Dividend income from investments in subsidiaries is recognised when the Company's right to receive has been established.

### D) REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received or receivable on the following:

- Insurance revenue – insurance revenue is accounted for in accordance with policy (E).
- Investment income, included within 'Total investment return', is accounted for as per below.
  - Interest income is accrued on a time basis with reference to the principal outstanding at the effective interest rate applicable.
  - Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.
  - Rental income is recognised on a straight-line basis over the period of the lease.
- 'Revenue from contracts with customers' comprises broking commission which is recognised as the Group satisfies its performance obligations. The Group's performance obligation in relation to broking commissions is satisfied at the point in time when the underlying policy has been contractually agreed between the insured and the provider. The transaction price is the expected

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

commission income receivable by the Group for the satisfaction of this performance obligation. The transaction price includes a variable consideration estimation on the basis that elements of commissions receivable are dependent on the outcome of future events, namely the underlying policies sold remaining in force, and are paid in future periods. Thus, an expected level of lapses is applied to policies sold in order to calculate an appropriate commission receivable in relation to the satisfaction of the performance obligation. Variable consideration is only recognised to the extent that it is highly probable that a significant reversal of revenue would not occur.

## E) INSURANCE CONTRACTS

### (i) Definition and classification

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include Motor, Property, Liability and Personal Accident which are classified into Motor and Non-Motor for reporting. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of an insured event occurring.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

### (ii) Insurance and reinsurance contracts accounting treatment

#### Separating components from insurance and reinsurance contract

Before the Group accounts for an insurance contract based on the guidance of IFRS 17, it assesses whether the contract contains distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Group applies IFRS 17 to all remaining components of the insurance contract. Currently, engineering inspection risk, which is not material, is the only non-insurance component which forms part of any insurance contracts that requires unbundling.

#### Level of aggregation/Unit of account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. FBD assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. There are currently no contracts grouped into 'no significant possibility of becoming onerous', due to the nature of the insurance risks covered by the Group. All of the contracts issued have a maximum claim pay-out potential that is greater than the premium received.

#### Recognition, modification and de-recognition

The Group recognises groups of insurance contracts it issues from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

### 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

The Group derecognises insurance contracts when:

- the rights and obligations relating to the contract are extinguished (i.e. discharged, cancelled or expired), or
- the contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification of the contract as an adjustment to the relevant liability for remaining coverage (LRC).

#### Contract boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when the Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

#### Initial and subsequent measurement - groups of contracts measured under the PAA

The Group applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds. The PAA is an optional simplified measurement model in IFRS 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria.

The Group is eligible to apply the PAA because the following criteria are met at initial recognition:

- insurance contracts and losses-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less; and
- risk-attaching reinsurance contracts: The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the measurement that would be produced applying the general measurement model (GMM).

The estimates of future cash flows:

- are based on a probability weighted mean of the full range of possible outcomes;
- are determined from the perspective of the Group;
- reflect conditions existing at the measurement date; and
- include a separate estimate for non-financial risk.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as, but not limited to, Chain Ladder, Bornheutter-Ferguson, Initial Expected Loss Ratio and frequency-severity methods.

The main assumption underlying these techniques is that a group's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by significant business lines and claim types. Large claims are separately

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

addressed, separately projected in order to reflect their future development. Explicit assumptions are made regarding future rates of claims inflation or loss ratios. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

In its claims incurred assessments, the Group uses internal and market data. Internal data is derived mostly from the Group's claims reports. This information is used to develop scenarios related to the latency of claims that are used for the projections of the ultimate number of claims.

As part of the claims settlement process, under some of the insurance contracts that have been written in the property line of business where there are salvageable items, the Group will dispose or sell such items. The Group also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include delays in settlement and inflation rates.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims (LIC).

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts. The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result. Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Summary of Accounting Policies 3 (X).

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage period of contracts, which is one year or less. The estimates of future cash flows related to incurred claims are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity characteristics of the insurance contracts. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

The Group estimates certain fulfilment cash flows (FCF) at the portfolio level or higher and then allocates such estimates to groups of contracts.

### Insurance acquisition cash flows

The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

- costs directly attributable to individual contracts and groups of contracts; and
- costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

For all groups, insurance acquisition cash flows will be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in non-attributable expenses as incurred.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

**Initial measurement**

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- the LRC; and
- the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

The Group estimates the LIC as the FCF related to incurred claims.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in the Consolidated Income Statement for the net outflow, resulting in the carrying amount of the liability for the group being equal to the FCF. A loss component is established by the Group for the LRC for such onerous groups depicting the losses recognised and included in the LRC.

**Subsequent measurement**

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

The FCF associated with incurred claims, therefore the LIC, is updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

If a group of contracts becomes onerous, the Group increases the carrying amount of the LRC by the addition of a loss component provision. The inclusion of a loss component provision sets the value of the LRC equal to the value that would be measured if the GMM was used as the measurement model. The amount of the loss component is recognised in insurance service expenses. The loss component is amortised over the remaining coverage period of the contracts within the onerous group. If subsequent facts and circumstances indicate that the expected fulfilment cash flows for the LRC of the onerous group has changed, then the Group will remeasure the FCF and readjust the loss component accordingly.

**Reinsurance contracts held**

Reinsurance contracts held are measured on the same basis as insurance contracts, except that:

- the adoption of the PAA is adapted to reflect the features of reinsurance contracts that differ from insurance contracts; and
- references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract. By the nature of the Group's reinsurance treaties currently in effect, there are no reinsurance contracts held that are a net gain on initial recognition nor that are deemed as having no significant possibility of being a gain.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- the beginning of the coverage period of the group of reinsurance contracts held. (However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held); and
- the date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Reinsurance held cash flows are defined to be within the contract boundary of the reinsurance contract if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The excess of loss reinsurance contracts held provide coverage for claims incurred during an accident year.

All cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

On initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid. The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- the remaining coverage; and
- the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Instead of at initial recognition, where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

At each of the subsequent reporting dates, the remaining coverage is:

- increased for ceding premiums paid in the period; and
- decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

Where a loss component provision has been established for a group of onerous insurance contracts then a corresponding loss-recovery component may be established for any expected reinsurance recovery in respect of those onerous contracts. The loss-recovery component shall not exceed the portion of the loss component that the entity expects to recover from the relevant group of reinsurance contracts held.

### Methods used and judgements applied in determining the IFRS 17 transition amounts

The Group has been able to apply the fully retrospective approach with the exception of using the modified retrospective approach for the choice of initial recognition yield curves for underwriting years 2015 and prior.

For underwriting years 2015 and prior, the Group did not have reasonable and supportable information to determine discount rates applicable on the date of initial recognition of the group of contracts, the Group estimated the discount rates using an observable yield curve.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

**(iii) Amounts recognised in comprehensive income****Insurance revenue**

The insurance revenue for the period is the amount of expected premium receipts allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

**Insurance service expenses**

Insurance service expenses include the following:

- incurred claims and benefits excluding investment components;
- other incurred insurance acquisition expenses;
- amortisation of insurance acquisition cash flows;
- changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
- changes that relate to future service (i.e. losses/reversals of onerous groups of contracts from changes in the loss components).

For the contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

**Net income/(expense) from reinsurance contracts held**

The Group presents separately on the face of the Consolidated Income Statement, the change in amounts recoverable from reinsurers and the reinsurance expense. Re-instatement premiums contingent on claims on the underlying contracts are treated as part of the claims that are expected to be reimbursed under the reinsurance contracts held. Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

**Finance income/ (expense) from insurance contracts issued**

Insurance finance income or expense comprise the change in the carrying amount of the group of insurance contracts arising from:

- interest accreted on the LIC; and
- the effect of changes in interest rates and other financial assumptions.

The Group disaggregates insurance finance income or expenses on insurance contracts issued between the Consolidated Income Statement and the statement of comprehensive income. The impact of changes in market interest rates on the value of the insurance contract liabilities are reflected in the Consolidated OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities.

The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the group of contracts. In determining the constant rate, the Group estimates the expected insurance finance income or expenses over the remaining duration of the group that is partly implicit in the estimated cash flows.

The Group's financial assets backing the insurance portfolios are predominantly measured at fair value through Other Comprehensive Income (FVOCI).

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

## F) OTHER PROVISIONS

Other provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the provision can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at management's best estimate, at the balance sheet date, of the expenditure required to settle the obligation.

## G) PROPERTY, PLANT AND EQUIPMENT

### (i) Property

Owner-occupied property in the supply of services or for administrative purposes is stated at revalued amounts, being the fair value at the date of revaluation which is determined by professional valuers, less subsequent depreciation for buildings. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date. Any revaluation increase arising on the revaluation of such property is recognised in Other Comprehensive Income and credited to the revaluation reserve within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised. A decrease on revaluation is charged as an expense to the Consolidated Income Statement to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to previous revaluation of that asset.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement and any associated revaluation surplus is transferred to retained earnings.

### (ii) Computer equipment and fixtures and fittings

Computer equipment and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

### (iii) Depreciation

Depreciation is provided in respect of computer equipment and fixtures and fittings, and is calculated in order to write off the cost or valuation of the assets over their expected useful lives on a straight line basis over a three to ten year period. Depreciation on assets under development commences when the assets are ready for their intended use.

Buildings are depreciated to their residual value over the useful economic life of the building, on a straight line basis. Land is not depreciated.

The assets' residual values, useful lives and methods of depreciation are reviewed at least each financial year end and adjusted if appropriate.

The estimated useful lives of property, plant and equipment are as follows:

Buildings: 30 years

Computer equipment: 3-5 years

Fixtures and fittings: 10 years

## H) POLICY ADMINISTRATION SYSTEM

The policy administration system is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided in respect of the policy administration system and is calculated in order to write off the costs incurred to date, over its remaining useful life which is determined to be 0.5 years on a straight line basis.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

## I) INTANGIBLE ASSETS

### Internally Generated Intangible Assets

#### *Research and Development Costs*

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if the Group can demonstrate all of the following (the "Capitalisation Criteria"):

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- intention to complete the intangible asset and use or sell it;
- ability to use or sell the intangible asset;
- probability of future economic benefits (e.g., the existence of a market or internal usefulness);
- availability of adequate resources (technical, financial, and otherwise) to complete the development; and
- reliable measurement of the expenditure attributable to the asset during its development.

#### *Measurement and Composition of Costs*

The expenditure capitalised includes the cost of materials, direct labour, and overhead costs directly attributable to preparing the asset for its intended use. Borrowing costs directly attributable to the development of qualifying intangible assets are capitalised as part of the cost of the asset.

Other development expenditure is recognised in profit or loss as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

#### *Subsequent Expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

#### *Amortisation*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives. Amortisation only commences when the asset is available for use.

Intangible assets comprise computer software and these assets are amortised over a three to five year period.

## J) INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is recognised initially at cost and stated at fair value at the reporting date being the value determined by qualified independent professional valuers. Gains or losses arising from changes in the fair value are recognised in the Consolidated Income Statement for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Income Statement for the period in which the property is derecognised.

## K) FINANCIAL INSTRUMENTS

### a. Recognition, classification and measurement

Financial assets and financial liabilities are recognised in the Statement of Financial Position when, and only when, the Group becomes party to the contractual provisions of the instrument.

The Group classifies its financial assets, subsequent to initial recognition, at either:

- amortised cost;

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

- fair value through Other Comprehensive Income (FVOCI); or
- fair value through profit and loss (FVTPL).

The Group determines the appropriate classification based on:

- (i) the business model for managing the financial assets: how the Group manages its financial assets in order to generate cash flows—either by collecting contractual cash flows, selling the asset or both; and
- (ii) the contractual cash flow characteristics of the financial asset: the Solely Payments of Principal and Interest (SPPI) test - whether the contractual terms of the financial asset give rise to, on specified dates, cash flows that are solely payments of principal and interest.

A financial asset is measured at amortised cost if both the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset give rise on specific dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset is measured at FVOCI if both the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the financial asset give rise on specific dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset is measured at fair value through profit and loss (FVTPL), unless it is measured using either of the above two methods – amortised cost or FVOCI.

### Investments at FVOCI

FVOCI investments relate to quoted debt securities. These investments pass the SPPI test and are classified as FVOCI as they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. They are recognised on a trade date basis at fair value, and are subsequently revalued at each reporting date to fair value, with gains and losses being included directly in the Statement of Comprehensive Income until the investment is disposed of or determined to be impaired, at which time the cumulative gain or loss previously recognised in the Statement of Comprehensive Income, is included in the Consolidated Income Statement for the year.

Interest revenue using the effective interest method and foreign exchange gains and losses on the financial asset are recognised in the Consolidated Income Statement.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount.

The Expected Credit Loss (ECL) on debt instruments measured at FVOCI does not reduce the carrying amount of the asset in the statement of financial position, which remains at fair value. Instead an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in Consolidated OCI with a corresponding charge to provision for credit losses in the Consolidated Income Statement.

### Investments at FVTPL

Investments at FVTPL are stated at fair value and include quoted shares, collective investment schemes and unquoted investments. These investments are classified as FVTPL as they do not pass the SPPI test. They are recognised on a trade date basis at fair value and are revalued at subsequent reporting dates at fair value, with gains and losses being included in the Consolidated Income Statement in the period in which they arise. Any dividend or interest earned on FVTPL investments is also recognised in the Consolidated Income Statement.

### Loans

Loans are recognised on a trade date basis at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method. When it is not possible to

### 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

estimate reliably the cash flows or the expected life of a loan, the projected cash flows over the full term of the loan are used to determine fair value.

#### Other receivables

Other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost, after recognising a loss allowance for ECLs (note 3 K (c)).

#### Deposits with banks

Term deposits with banks comprise cash held for the purpose of investment. Short term deposits with banks are held for operating purposes and included in cash and cash equivalents. Deposits with banks and cash and cash equivalents are valued at amortised cost.

#### Subordinated debt

Subordinated debt issued by the Group comprise callable dated deferrable subordinated notes. This is callable by FBD Insurance plc. The subordinated debt is measured at amortised cost using the effective interest rate method. Interest and amortisation relating to the financial liability is recognised in the Consolidated Income Statement.

### b. Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows of the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability to the extent of its continuing involvement in the financial asset. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

### c. Impairment of financial instruments

The Group recognises loss allowances for ECLs at each balance sheet date for the following financial instruments that are not measured at FVTPL;

- financial assets at FVOCI
- financial assets at amortised cost

#### Financial assets at FVOCI

The Group categorises financial instruments classified as FVOCI into the following categories at each reporting date.

Stage 1: 12-month expected credit losses (not credit-impaired)

These are financial instruments where there has not been a significant increase in credit risk since initial recognition. An impairment loss allowance equal to the 12-month ECL is recognised, which is the portion of the lifetime ECL resulting from default events that are possible within the next 12 months.

Stage 2: Lifetime expected credit losses (not credit-impaired)

These are financial instruments where there has been a significant increase in credit risk since initial recognition but which are not credit-impaired. The Group assesses whether the risk of default over the remaining expected life of the financial instrument is significantly higher than had been anticipated at initial recognition. The credit risk is always considered as significantly increased if any contractual payments are more than 30 days past due. An impairment loss allowance equal to the lifetime ECL is recognised, being the ECL resulting from all possible default events over the expected life of the financial instrument.

Stage 3: Lifetime expected credit losses (credit-impaired)

These are financial instruments which are credit-impaired at the reporting date but were not credit-impaired at initial recognition. If the financial instrument is more than 90 days past due or if there is

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

other evidence of financial distress (for example, a legal bankruptcy or default), the instrument is classified as credit-impaired (stage 3) which means the impairment loss has to reflect the lifetime ECL as in stage 2. The interest, for Stage 3 assets, is calculated by applying the effective interest rate (EIR) to their carrying value; if the asset is no longer credit-impaired, the calculation of interest income reverts to the gross basis.

**Financial assets at amortised cost**

The Group calculates a loss allowance for financial assets at amortised cost. The Group considers the best reasonable and supportable information when considering ECLs for 'Loans' and 'Other receivables'. The Group calculates ECL on loans at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months (stage 1). It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs (stage 2) or where significant increase in credit risk has occurred and the asset is credit-impaired (stage 3). For 'Other receivables' the Group uses the simplified approach, and therefore does not track the changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. Impairment loss allowances for ECL on financial assets at amortised cost are presented as a reduction in the gross carrying amount in the Statement of Financial Position.

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant inputs used.

**L) LEASES****(i) The Group as Lessor**

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the operating lease term.

**(ii) The Group as Lessee**

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use; and
- the Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

**Measurement and recognition of leases as a lessee**

At lease commencement date, the lease liability is measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. The right of use asset is recognised as an amount equal to the lease liability, adjusted for amount of any prepaid or accrued lease payments relating to the lease.

The Group depreciates the right of use assets 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 Group also assesses the right of use assets for impairment when such indicators exist.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

## M) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits and money market funds with maturities of 95 days or less held for the purpose of meeting short-term cash commitments rather than for investment or other purposes and subject to an insignificant risk of changes in value. Deposits with banks and cash and cash equivalents are valued at amortised cost. The money market funds are valued at fair value through profit and loss.

The Group classifies cash flows related to the purchase and sale of equity and debt instruments and deposits with banks as investing cash flows. In the Group's view, this gives more useful information to the users of the financial statements given the nature and scope of the activities of the Group.

The Group has chosen to present interest paid and interest received on debt and equity instruments as operating cash flows. The group classifies cash flows related to interest on subordinated debt as financing activities. In the Group's view, this gives more useful information to the users of the financial statements given the nature and scope of the activities of the Group.

## N) TAXATION

Income tax expense or credit represents the sum of income tax currently payable and deferred income tax. Income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are not taxable or deductible.

The Group's liability for income tax is calculated using rates that have been enacted or substantively enacted at the reporting date. Income tax is recognised in the Consolidated Income Statement except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity.

Accounting adjustments to opening reserves as a result of the adoption of IFRS 9 and IFRS 17 (i.e. the retrospective effect of adopting the accounting standard recognised in opening reserves) have been brought into account as a transitional adjustment and spread over 5 years for tax purposes.

Deferred income tax is provided, using the liability method, on all differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realised or the liability to be settled.

Deferred tax assets are recognised for all deductible differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit would be available to allow all or part of the deferred income tax asset to be utilised.

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to set off current taxation assets against current taxation liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle on a net basis.

## O) RETIREMENT BENEFITS

The Group provides either defined benefit or defined contribution retirement benefit schemes for the majority of its employees.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

**(i) Defined benefit scheme**

A full actuarial valuation of the scheme is undertaken every three years and is updated annually to reflect current conditions in the intervening periods for the purposes of preparing the financial statements.

The liability or asset recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. 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 approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Income Statement.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Statement of Financial Position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Income Statement as past service costs.

**(ii) Defined contribution schemes**

Costs arising in respect of the Group's defined contribution retirement benefit schemes are charged to the Consolidated Income Statement in line with the service received.

**P) CURRENCY**

For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in Euro, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

On consolidation, the assets and liabilities of the Group's non Euro-zone operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly, in which case the exchange rates at the date of transactions are used. Exchange differences that are classified as equity are transferred to the translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed.

**Q) SHARE-BASED PAYMENTS AND LONG TERM INCENTIVE PLANS**

The Group operates a long-term incentive plan based on non-market vesting conditions. The fair value of the non-market based awarded shares is determined with reference to the share price of the Group at the date of grant. The cost is expensed in the Consolidated Income Statement over the vesting period at the conclusion of which the employees become unconditionally entitled to the shares once performance conditions are met. The corresponding amount to the expense is credited to a separate reserve in the Statement of Financial Position. At each period end, the Group reviews its estimate of the number of shares that it expects to vest and any adjustment relating to current and past vesting periods is brought to the Consolidated Income Statement. The share awards are all equity settled.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

**R) TREASURY SHARES**

Where any Group company purchases the Company's equity share capital, the consideration paid is shown as a deduction from ordinary shareholders' equity. Consideration received on the subsequent sale or issue of treasury shares is credited to ordinary shareholders' equity. Treasury shares are excluded when calculating earnings per share.

**S) IMPAIRMENT OF ASSETS****(i) Impairment of tangible and intangible assets**

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows attributable to the asset (or cash-generating unit) are discounted to their present value using a pre-taxation discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where a revaluation loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no revaluation loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of a revaluation loss, other than in relation to goodwill, is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the revaluation loss is treated as a revaluation increase.

**(ii) Impairment of financial assets**

Note 3 (K) (c) outlines the policy for accounting for impairment of financial assets.

**T) OTHER PAYABLES**

Other payables are recognised initially at their fair value and subsequently measured at amortised cost which approximates to fair value given the short-term nature of these liabilities.

**U) CALLED UP SHARE CAPITAL**

Ordinary shares are classified in shareholders' equity when there is no obligation to transfer cash or other assets to the holders.

**V) CAPITAL RESERVES**

Capital reserves represents transfers from share capital, retained earnings and other reserves in accordance with relevant transactions throughout the reporting period.

**W) PREFERENCE SHARE CAPITAL**

Preferred shares issued by the Group are recorded as equity when there is no contractual obligation to redeem and there is no contractual obligation to deliver cash or other financial assets.

**X) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The principal accounting policies adopted by the Group are set out on pages 219 to 237. In the application of these accounting policies, the Directors are required to make judgements, estimates and

### 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The key sources of judgement and estimation in the preparation of the financial statements are detailed below. The judgements and estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting judgements and estimates are recognised in the period in which the judgement or estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### **Estimates of future cash flows to fulfil insurance / reinsurance contracts**

The Group estimates insurance liabilities in relation to claims incurred. In estimating future cash flows, the Group incorporate, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal information and external historical data about claims and other experience, updated to reflect current expectations of future events.

Uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding final claim settlement amounts leading to claims and claims-handling expenses growth. This is particularly the case for long tail classes of insurance. As a result of the uncertainties noted, the Group holds a risk adjustment for non-financial risk in the insurance contracts liabilities to reflect the uncertainty relating to all non-financial risks.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

#### **Methods used to measure the LIC**

The Group estimates insurance liabilities and reinsurance assets in relation to claims incurred on a risk basis. Estimates are performed on an accident year basis with further allocation to annual cohorts of portfolios based on available data. Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the claims incurred. In certain instances, different techniques or a combination of techniques have been selected for individual accident years or groups of accident years within the same type of contracts.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as, but not limited to, Chain Ladder, Bornheutter-Ferguson, Initial Expected Loss Ratio and frequency-severity methods.

The liabilities for incurred claims represent the cost of claims outstanding. Actuarial techniques, based on statistical analysis of past experience, are used to calculate the estimated cost of claims outstanding at the period end.

The estimation of outstanding claims also includes factors such as the potential for inflation and the impact of the Personal Injuries Guidelines. Provisions for more recent claims make use of techniques that incorporate expected loss ratios and average claims costs (adjusted for inflation) and frequency methods. The average claims cost and frequency methods are particularly relevant when calculating the ultimate cost of the current accident year.

The calculation of reserves is particularly sensitive to the actuarial best estimate of the ultimate cost of claims, in particular for the long tail classes of business. Actual claims experience may differ from the assumptions on which the actuarial best estimate is based and the cost of settling individual claims may exceed that assumed.

The actual amount recovered from reinsurers is sensitive to the same uncertainties as the underlying claims. To the extent that the underlying claim settles at a lower or higher amount than that assumed this will have an influence on the associated reinsurance asset.

To minimise default exposure, the Group's policy is that all reinsurers should have a credit rating of A- or better or have provided alternative satisfactory security.

## 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

**Discount rates**

The Group is required to discount future cash flows related to incurred claims as the weighted time to settlement is greater than one year from the date claim occurred.

The Group determines the discount rate using a bottom-up approach. Under this approach, the discount rate is determined as the risk-free yield curve adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an illiquidity premium).

The Group uses the Euro denominated EIOPA prescribed rates under Solvency II as the risk-free yield. The EIOPA EUR spot rates are derived from market observable EUR swap rates for durations one to twenty years.

The illiquidity premium is determined by reference to observable market rates. The reference asset portfolio for the Group's liabilities is the sovereign and corporate bond portfolio. The liquidity profile of the assets is similar to the liquidity profile of the liabilities. The Group's approach to determining the illiquidity premium in the bond portfolio is to determine the yield reference asset portfolio and deduct the equivalent risk-free rate after adjusting for credit risk. The yield curves used to discount the estimates of future cash flows are as follows:

	Currency	1 year	3 years	5 years	10 years	15 years	20 years
31 Dec 2025	EUR	2.2 %	2.4 %	2.6 %	3.0 %	3.2 %	3.3 %
31 Dec 2024	EUR	2.5 %	2.4 %	2.4 %	2.6 %	2.6 %	2.5 %

**Methods used to measure the risk adjustment for non-financial risk**

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. As the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates. Diversification benefits were considered to account for the low probability of all unfavourable outcomes occurring at the same time and the correlation (or lack thereof) of some possible outcomes.

The risk adjustment is calculated at the entity level and then allocated down to each group of contracts in accordance with their risk profiles. Allocations of the risk adjustment to each underwriting year (annual cohort) of contracts and over portfolios are made based on a systematic approach using management judgement. This typically involves allocating a higher proportion of risk adjustment to longer tailed lines and more recent underwriting years that are less developed and therefore more uncertain, compared to the proportion of risk adjustment allocated to older, more developed years. A confidence level approach is used to derive the overall risk adjustment for non-financial risk. The Group aim to target a risk adjustment within a range between the 75th and 80th percentiles. At year-end 2025, the risk adjustment for non-financial risk was at the 80th percentile, and was unchanged from year-end 2024.

As the Group is using the PAA method, a risk adjustment for non-financial risk is only required for the LIC and not the LRC (unless there is an onerous group).

To determine the risk adjustment for non-financial risk for reinsurance contracts, the Group will apply these techniques both gross and net of reinsurance and derive the amount of risk transferred to the reinsurer as the difference between the two results. The methods used to determine the risk adjustment for non-financial risk were unchanged for year-end 2025.

## 4. SEGMENTAL INFORMATION

### (a) Operating segments

#### *Basis of Organisation*

The Group determines its reportable segments based on the internal reports regularly reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance. The Group has identified its operating segments by considering the nature of its business activities, the way it manages these activities and the financial information available for decision-making.

In the front part of the Annual Report, the Group provides a discussion of performance across various sectors (Farmer, Business and Retail) as part of its narrative reporting. This analysis is based solely on a sales view of gross written premium (GWP) and is intended to provide insight into the Group's business activities and market dynamics.

However, in accordance with IFRS 8, these sectors do not qualify as operating segments. The determination of operating segments is based on the internal reports reviewed by the CODM for resource allocation and performance assessment. The CODM reviews and manages the Group's underwriting activities as a single portfolio under the General insurance segment. No discrete financial information is prepared or no resource allocation is performed at the sector level.

This approach ensures that the disclosed operating segments reflect the manner in which the business is managed internally.

The Group is organised around two primary business activities:

- General insurance: This includes all underwriting activities for motor and non-motor products.
- Other services: Comprises all non-underwriting activities, including administrative functions and financial services.

These segments reflect the way management internally reviews performance and allocates resources.

### Factors Used to Identify Reportable Segments

#### Nature of Products and Services

The *General insurance* segment encompasses underwriting operations for motor and non-motor insurance portfolios, while the *Other services* segment relates to non-underwriting activities, such as administrative costs and financial services and are presented as *All other segments* as these business units do not meet the quantitative thresholds as per IFRS 8 - Operating segments.

#### Review by the CODM

The CODM, identified as the Executive Management Team, reviews financial and operational data for the *General insurance* and *Other services* segments. Although GWP is reviewed by sector and product internally, resource allocation decisions are made for the underwriting and non-underwriting businesses activities as a whole.

#### Availability of Discrete Financial Information

Discrete financial information is available at the level of *General insurance* (underwriting) and *Other services* (non-underwriting). This includes detailed financial results, such as revenue, expenses, and profitability metrics.

4 SEGMENTAL INFORMATION (continued)

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments:

2025	General insurance	All other segments	Total
	€000s	€000s	€000s
Insurance revenue	486,751	—	486,751
Insurance service expenses	(428,325)	—	(428,325)
Net income from reinsurance contracts held	34,221	—	34,221
<b>Insurance service result</b>	<b>92,647</b>	<b>—</b>	<b>92,647</b>
Total investment return	24,314	345	24,659
Net insurance finance expenses	(6,884)	—	(6,884)
<b>Net insurance and investment result</b>	<b>110,077</b>	<b>345</b>	<b>110,422</b>
Other finance costs	(2,567)	—	(2,567)
Non-attributable expenses	(40,621)	—	(40,621)
Other provision charges	(7,173)	—	(7,173)
Revenue from contracts with customers	—	2,600	2,600
Financial services income and expenses	(53)	(8,449)	(8,502)
Impairment of property, plant and equipment	(3)	—	(3)
<b>Profit/(loss) before taxation</b>	<b>59,660</b>	<b>(5,504)</b>	<b>54,156</b>
Income taxation (charge)/credit	(7,518)	525	(6,993)
<b>Profit/(loss) for the period</b>	<b>52,142</b>	<b>(4,979)</b>	<b>47,163</b>
<b>Other information</b>			
Insurance acquisition expenses	(93,804)	—	(93,804)
Depreciation/amortisation	(16,585)	—	(16,585)
Impairment of other assets	(553)	—	(553)
Capital additions	17,939	1,053	18,992
<b>Statement of financial position</b>			
Segment assets	1,344,036	25,732	1,369,768
Segment liabilities	(886,705)	(5,783)	(892,488)

## 4 SEGMENTAL INFORMATION (continued)

2024	General insurance	All other segments	Total
	€000s	€000s	€000s
Insurance revenue	441,005	—	441,005
Insurance service expenses	(278,452)	—	(278,452)
Net expense from reinsurance contracts held	(51,453)	—	(51,453)
<b>Insurance service result</b>	<b>111,100</b>	<b>—</b>	<b>111,100</b>
Total investment return	25,554	533	26,087
Net insurance finance expenses	(6,234)	—	(6,234)
<b>Net insurance and investment result</b>	<b>130,420</b>	<b>533</b>	<b>130,953</b>
Other finance costs	(2,556)	—	(2,556)
Non-attributable expenses	(37,804)	—	(37,804)
Other provision charges	(6,695)	—	(6,695)
Revenue from contracts with customers	—	3,667	3,667
Financial services income and expenses	475	(11,075)	(10,600)
Revaluation of property, plant and equipment	100	—	100
<b>Profit/(loss) before taxation</b>	<b>83,940</b>	<b>(6,875)</b>	<b>77,065</b>
Income taxation (charge)/credit	(10,433)	573	(9,860)
<b>Profit/(loss) for the period</b>	<b>73,507</b>	<b>(6,302)</b>	<b>67,205</b>
<b>Other information</b>			
Insurance acquisition expenses	(84,633)	—	(84,633)
Depreciation/amortisation	(16,049)	—	(16,049)
Impairment of other assets	(500)	—	(500)
Capital additions	7,041	788	7,829
<b>Statement of financial position</b>			
Segment assets	1,333,453	32,815	1,366,268
Segment liabilities	(870,209)	(9,932)	(880,141)

The Group's reportable segment derives revenue from various products and services, offering insurance cover for Motor, Employers' and Public Liability, and Property. Refer to Note 16 Insurance and Reinsurance contracts for split of Insurance revenue by portfolio of products.

The Group's customer base is diverse and it has no reliance on any major customer. Insurance risk is not concentrated on any area or on any one line of business.

The accounting policies of the reportable segments are the same as the Group accounting policies. Segment profit represents the profit earned by each segment. Central administration costs and Directors' salaries are allocated based on actual activity.

Income taxation is a direct cost of each segment.

In monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments. Assets used jointly by reportable segments are allocated on the basis of activity by each reportable segment; and
- all liabilities are allocated to reportable segments. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

## (b) Geographical segments

The Group's operations are located in Ireland.

4 SEGMENTAL INFORMATION (continued)

**(c) Insurance service expenses**

Insurance service expenses, in the General Insurance segment, comprise the following:

	2025	2024
	€000s	€000s
Incurring claims and other expenses	(372,016)	(266,747)
Changes that relate to past service - changes in FCF relating to the LIC	37,495	72,928
Amortisation of insurance acquisition cash flows	(93,804)	(84,633)
<b>Total</b>	<b>(428,325)</b>	<b>(278,452)</b>

Total insurance acquisition and non-attributable expenses, in the General Insurance segment, comprise the following:

	2025	2024
	€000s	€000s
Amortisation of insurance acquisition cash flows	(93,804)	(84,633)
Non-attributable expenses	(40,621)	(37,804)
<b>Total expenses</b>	<b>(134,425)</b>	<b>(122,437)</b>

The below tables provide further details of the expenses of the Group by reportable segments.

	2025				
	Amortisation of insurance acquisition cash flows	Non-attributable	Total General insurance	All other segments	Total
	€000s	€000s	€000s	€000s	€000s
Employee benefit expense	45,959	22,365	68,324	4,787	73,111
Depreciation	1,696	1,343	3,039	—	3,039
Amortisation	12,217	1,329	13,546	—	13,546
Other	33,932	15,584	49,516	3,662	53,178
<b>Total</b>	<b>93,804</b>	<b>40,621</b>	<b>134,425</b>	<b>8,449</b>	<b>142,874</b>

	2024				
	Amortisation of insurance acquisition cash flows	Non-attributable	Total General insurance	All other segments	Total
	€000s	€000s	€000s	€000s	€000s
Employee benefit expense	42,337	21,058	63,395	4,487	67,882
Depreciation	1,373	1,782	3,155	—	3,155
Amortisation	12,060	834	12,894	—	12,894
Other	28,863	14,130	42,993	6,588	49,581
<b>Total</b>	<b>84,633</b>	<b>37,804</b>	<b>122,437</b>	<b>11,075</b>	<b>133,512</b>

## 5. TOTAL INVESTMENT RETURN

The net gain or loss for each class of financial instrument by measurement category is as follows:

2025	Amortised Cost	FVOCI	FVTPL	FVTPL	Total
	€000s	Designated €000s	Designated €000s	Mandatory €000s	€000s
<b>Interest income from financial assets</b>					
Cash and cash equivalents	1,065	—	—	1,949	3,014
Government bonds	—	2,623	—	—	2,623
Other debt securities	—	12,542	—	—	12,542
	1,065	15,165	—	1,949	18,179
<b>Net gain on FVTPL investments</b>					
Collective investment scheme	—	—	—	7,858	7,858
Unquoted investments	—	—	—	43	43
	—	—	—	7,901	7,901
<b>Other</b>					
Expenses, net of income, from investment properties	—	—	—	(60)	(60)
Unrealised loss on investment properties	—	—	—	(500)	(500)
Net credit impairment loss	—	(41)	—	—	(41)
Net gain on FVOCI debt securities	—	7,030	—	—	7,030
	—	6,989	—	(560)	6,429
Recognised in Consolidated Income Statement	1,065	14,304	—	9,290	24,659
Recognised in Consolidated OCI	—	7,850	—	—	7,850
<b>Recognised in total comprehensive income</b>	<b>1,065</b>	<b>22,154</b>	<b>—</b>	<b>9,290</b>	<b>32,509</b>

During the period to 31 December 2025 a realised loss of €820,000 (2024: loss of €605,000) on FVOCI investments was reclassified from Other Comprehensive Income to the Consolidated Income Statement.

## 5 TOTAL INVESTMENT RETURN (continued)

2024	Amortised Cost	FVOCI	FVTPL	FVTPL	Total
	€000s	Designated €000s	Designated €000s	Mandatory €000s	€000s
<b>Interest income from financial assets</b>					
Cash and cash equivalents	1,918	—	—	2,599	4,517
Government bonds	—	1,347	—	—	1,347
Other debt securities	—	9,769	—	—	9,769
	1,918	11,116	—	2,599	15,633
<b>Net gain on FVTPL investments</b>					
Collective investment scheme	—	—	—	11,744	11,744
Unquoted investments	—	—	—	32	32
	—	—	—	11,776	11,776
<b>Other</b>					
Expenses, net of income, from investment properties	—	—	—	(58)	(58)
Unrealised loss on investment properties	—	—	—	(600)	(600)
Net credit impairment loss	—	(59)	—	—	(59)
Net gain on FVOCI debt securities	—	18,426	—	—	18,426
	—	18,367	—	(658)	17,709
Recognised in Consolidated Income Statement	1,918	10,452	—	13,717	26,087
Recognised in Consolidated OCI	—	19,031	—	—	19,031
<b>Recognised in total comprehensive income</b>	<b>1,918</b>	<b>29,483</b>	<b>—</b>	<b>13,717</b>	<b>45,118</b>

During the year to 31 December 2024 a realised loss of €605,000 on FVOCI investments was reclassified from Other Comprehensive Income to the Consolidated Income Statement.

## 6. FINANCE INCOME/(EXPENSE) RECOGNISED IN COMPREHENSIVE INCOME

The Group disaggregates finance income or expense on insurance contracts issued and reinsurance contracts held between Consolidated Income Statement and Consolidated OCI. The impact of changes in market interest rates on the value of the insurance liabilities are reflected in Consolidated OCI, in order to minimise accounting mismatches between the accounting for financial assets and (re)insurance assets and liabilities.

The Group adopts a conservative investment strategy to ensure that its insurance contract liabilities net of the reinsurance contract assets/liabilities are backed with fixed interest assets of similar currency and duration. All of the Group's fixed interest securities are classified as FVOCI whereby accumulated mark to market gains or losses are reclassified to the profit and loss account on liquidation.

The tables below detail:

- the element of interest accretion on the LIC from the prior reporting period; and
- the effect of changes in interest rates and other financial assumptions during the period on the finance income/(expense) recognised in comprehensive income.

6 FINANCE INCOME/(EXPENSE) RECOGNISED IN COMPREHENSIVE INCOME (continued)

Total investment return during the period is detailed in note 5 including the corresponding mark to market gains or losses on FVOCI recognised.

Finance (expense)/income from insurance contracts issued recognised in comprehensive income:	2025	2024
	€000s	€000s
Interest accreted	(10,742)	(15,018)
Effect of changes in interest rates and other financial assumptions during the period	251	1,362
<b>Total</b>	<b>(10,491)</b>	<b>(13,656)</b>
Represented by:		
Amounts recognised in Consolidated Income Statement	(7,659)	(7,459)
Amounts recognised in Consolidated OCI	(2,832)	(6,197)

Finance income /(expense) from reinsurance contracts held recognised in comprehensive income:	2025	2024
	€000s	€000s
Interest accreted	1,426	2,429
Effect of changes in interest rates and other financial assumptions during the period	(260)	(277)
<b>Total</b>	<b>1,166</b>	<b>2,152</b>
Represented by:		
Amounts recognised in Consolidated Income Statement	775	1,225
Amounts recognised in Consolidated OCI	391	927

## 7. PROFIT BEFORE TAXATION

	2025	2024
	€000s	€000s
<b>Profit before taxation has been stated after charging:</b>		
Depreciation and amortisation	16,585	16,049

The remuneration of the Directors is disclosed in the audited section of the Report on Directors' Remuneration on pages 80 to 102. These disclosures form an integral part of the financial statements.

## 8. INFORMATION RELATING TO AUDITORS' REMUNERATION

An analysis of fees payable to the statutory audit firm is as follows:

Description of service	2025		2024	
	Company	Group	Company	Group
	€000s	€000s	€000s	€000s
Audit of statutory financial statements	165	552	167	548
Other assurance services	240	365	268	375
<b>Total auditors remuneration</b>	<b>406</b>	<b>917</b>	<b>435</b>	<b>923</b>

Fees payable by the Company are included with the fees payable by the Group in each category.

## 8 INFORMATION RELATING TO AUDITORS' REMUNERATION (continued)

Other assurance services relate to CSRD limited assurance, Solvency II audit, the audit of the defined contribution scheme, an agreed upon procedures engagement in respect of the MIBI return, and the review of the Group's interim report.

## 9. STAFF COSTS AND NUMBERS

The average number of persons employed by the Group was as follows:

	2025	2024*
	No.	No.
Underwriting	1,068	1,035
Financial services	21	23
<b>Total</b>	<b>1,089</b>	<b>1,058</b>

\*During 2025, the Group changed its reporting of employee numbers approach to include employees who may not be in receipt of payment. This change in approach allows for greater consistency with CSRD reporting within the Sustainability Statement section of this report while still aligning with reporting requirements under the Companies Act. Under the new approach the average number of employees reported for 2024 is 1,058, previously reported as 1,038 in 2024.

The aggregate employee benefit expense was as follows:	2025	2024
	€000s	€000s
Wages and salaries	72,994	62,735
Social welfare costs	7,774	6,966
Pension costs	5,731	5,200
Share-based payments	5,070	3,610
<b>Total employee benefit expense</b>	<b>91,569</b>	<b>78,511</b>

Employee costs capitalised	2025	2024
	€000s	€000s
Computer equipment	267	315
Computer software	6,953	7,242
<b>Total employee costs capitalised</b>	<b>7,220</b>	<b>7,557</b>

## 10. INCOME TAXATION CHARGE

	2025	2024
	€000s	€000s
Irish corporation taxation charge	(7,915)	(10,547)
Adjustments in respect of prior financial years	(160)	106
Current taxation charge	(8,075)	(10,441)
Deferred taxation credit	1,082	581
<b>Income taxation charge</b>	<b>(6,993)</b>	<b>(9,860)</b>

## 10 INCOME TAXATION CHARGE (continued)

The taxation charge in the Consolidated Income Statement is higher (2024: higher) than the standard rate of corporation taxation in Ireland. The differences are explained below:

	2025	2024
	€000s	€000s
Profit before taxation	54,156	77,065
Corporation taxation charge at standard rate of 12.5% (2024: 12.5%)	(6,770)	(9,633)
Effects of:		
Non-taxable income/unrealised gains/losses or expenses not deductible for tax purposes	(50)	(320)
Higher rates of taxation on other income	(13)	(13)
Adjustments in respect of prior financial years	(160)	106
<b>Income taxation charge</b>	<b>(6,993)</b>	<b>(9,860)</b>
<b>Taxation as a percentage of profit before taxation</b>	<b>12.9 %</b>	<b>12.8 %</b>

In addition to the amount charged to the Consolidated Income Statement, the following taxation amounts have been recognised directly in the Consolidated Statement of Comprehensive Income:

	2025	2024
	€000s	€000s
Deferred taxation on:		
Actuarial movement on retirement benefit obligations	10	87
Insurance/reinsurance finance expenses/income from contracts	304	659
Revaluation of owner-occupied property	(18)	(1)
Unrealised gains on FVOCI investments	(981)	(2,379)
<b>Total income taxation charge recognised directly in the Consolidated Statement of Comprehensive Income</b>	<b>(685)</b>	<b>(1,634)</b>

## 11. PROFIT FOR THE YEAR (COMPANY ONLY)

FBD Holdings plc (Company only) profit for the financial year determined in accordance with IFRS, as adopted by the European Union, is €55,042,000 (2024: €74,549,000). The Company's other comprehensive expense for the financial year is €35,000 (2024 other comprehensive expense: €172,000).

In accordance with section 304 of the Companies Act 2014 the Company is availing of the exemption from presenting its individual Income Statement to the AGM and from filing it with the Registrar of Companies.

## 12. EARNINGS PER €0.60 ORDINARY SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary shareholders is based on the following data:

Number of shares	2025	2024
	No.	No.
Weighted average number of ordinary shares for the purpose of basic earnings per share (excludes treasury shares)	36,070,472	35,954,427
Weighted average number of ordinary shares for the purpose of diluted earnings per share (excludes treasury shares)	36,866,560	36,624,115
	Cent	Cent
<b>Basic earnings per share</b>	<b>130</b>	<b>186</b>
<b>Diluted earnings per share</b>	<b>127</b>	<b>183</b>

The 'A' ordinary shares of €0.01 each that are in issue have no impact on the earnings per share calculation. See note 27 for a description of the 'A' ordinary shares.

The below table reconciles the profit attributable to the parent entity for the year to the amounts used as the numerators in calculating basic and diluted earnings per share for the year and the comparative year including the individual effect of each class of instruments that affects earnings per share:

	2025	2024
	€000s	€000s
Profit attributable to the equity holder of the parent entity for the year	47,163	67,205
2025 dividend of 8.4 cent (2024: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	(113)	(113)
2025 dividend of 4.8 cent (2024: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	(169)	(169)
<b>Profit for the year for the purpose of calculating basic and diluted earnings</b>	<b>46,881</b>	<b>66,923</b>

The below table reconciles the weighted average number of ordinary shares used as the denominator in calculating basic earnings per share to the weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share including the individual effect of each class of instruments that affects earnings per share:

	2025	2024
	No.	No.
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	36,070,472	35,954,427
Potential vesting of share-based payments	796,088	669,688
<b>Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share</b>	<b>36,866,560</b>	<b>36,624,115</b>

## 13. CASH AND CASH EQUIVALENTS

### (a) GROUP

	2025	2024
	€000s	€000s
Short term deposits	52,479	60,446
Money market fund	96,020	71,181
Cash on hand	21,543	20,693
<b>Total cash and cash equivalents</b>	<b>170,042</b>	<b>152,320</b>

### (b) COMPANY

	2025	2024
	€000s	€000s
Money market fund	4,018	15,432
Cash on hand	475	401
<b>Total cash and cash equivalents</b>	<b>4,493</b>	<b>15,833</b>

## 14. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

### (a) Financial Instruments

	2025	2024
	€000s	€000s
<b>Financial Assets</b>		
<b>At amortised cost:</b>		
Cash and cash equivalents	74,022	81,139
Other receivables	22,465	22,631
Loans	439	386
<b>At fair value:</b>		
Cash and cash equivalents	96,020	71,181
Quoted equity and debt instruments at FVTPL - mandatory	104,795	131,619
Unquoted equity and debt instruments at FVTPL - mandatory	1,178	1,148
Debt instruments at FVOCI - designated	893,192	891,956
<b>Financial Liabilities</b>		
<b>At amortised cost:</b>		
Other payables	39,104	43,066
Lease liabilities	3,447	3,056
Subordinated debt (note 26)	49,839	49,780

An ECL for 'Debt instruments at FVOCI' of €550,000 (31 December 2024: €517,000) does not reduce the carrying amount of the asset in the Statement of Financial Position, which remains at fair value.

## 14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

Instead an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in Consolidated OCI with a corresponding charge to a provision for credit losses in the Consolidated Income Statement.

An ECL of €10,000 (31 December 2024: €53,000) has reduced the carrying value of 'Other receivables' and an ECL of €7,000 (31 December 2024: €8,000), has reduced the carrying value of 'Loans'.

**(b) Fair value measurement**

The following table compares the carrying value of financial instruments not held at fair value with the fair value of those assets and liabilities:

	2025		2024	
	Fair value	Carrying value	Fair value	Carrying value
	€000s	€000s	€000s	€000s
<b>Assets</b>				
Loans	527	439	463	386
<b>Financial liabilities</b>				
Subordinated debt	49,697	49,839	48,860	49,780

The carrying amount of the following assets and liabilities is considered a reasonable approximation of their fair value:

- Cash and cash equivalents;
- Deposits;
- Other receivables;
- Other payables and
- Lease liabilities.

Certain assets and liabilities are measured in the Consolidated Statement of Financial Position at fair value using a fair value hierarchy of valuation inputs. The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 Fair value measurements derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Debt instruments at fair value through Other Comprehensive Income – quoted debt securities are fair valued using latest available closing bid price.
- Collective investment schemes, fair value through profit or loss (Level 1) are valued using the latest available closing NAV of the fund.

Level 2 Fair value measurements derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). There are no assets/liabilities deemed to be held at this level at end of the periods disclosed.

14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

Level 3 Fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Valuation techniques used are outlined below:

- Collective investment schemes, fair value through profit or loss (Infrastructure Equity, Global Impact and Senior Private Debt funds) are valued using the most up-to-date valuations calculated by the fund administrator allowing for any additional investments made up until period end. These collective investment schemes are fund-of-funds and typically apply the International Private Equity and Venture Capital Valuation Guidelines (IPEV) as well as other industry guidance and standards. Valuations are subject to external audit at both the underlying fund and fund-of-funds level. It is not possible to provide quantitative information about the significant unobservable inputs as this information is not provided by the underlying funds.
- Unquoted investments, fair value through profit or loss, are classified as Level 3 as they are not traded in an active market.
- Investment property and owner-occupied property were fair valued by independent external professional valuers at year end 2025. Group occupied properties have been valued using the investment method on a vacant possession basis by applying hypothetical 10-year leases and assumptions of void and rent free periods, market rents, capital yields and purchase costs which are derived from comparable transactions and adjusted for property specific factors as determined by the valuer. Group investment properties have been valued using the investment method based on the long leasehold interest in the subject property, the contracted values of existing tenancies, assumptions of void and rent free periods and market rents for vacant lots, and capital yields and purchase costs which are derived from comparable transactions and adjusted for property specific factors as determined by the valuer. The independent external valuers considered the impact of sustainability factors on the valuation of both the investment property and owner-occupied property, including physical / climate risk. The table below shows the unobservable inputs used in fair value measurements of the properties.

	Fair Value €000s	Valuation Technique	Unobservable Input	Range
Properties	24,821	Investment Method	Capitalisation Yield Estimated Rental Value (per square foot)	8.25% - 10.5% €8.36 - €44.45

## 14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

2025	Level 1	Level 2	Level 3	Total
	€000s	€000s	€000s	€000s
<b>Assets</b>				
Investment property	—	—	10,800	10,800
Owner-occupied property	—	—	14,022	14,022
<b>Financial assets</b>				
Cash and cash equivalents	96,020	—	—	96,020
Investments at fair value through profit or loss - collective investment schemes	47,672	—	57,123	104,795
Investments at fair value through profit or loss - unquoted investments	—	—	1,178	1,178
Investments at fair value through Other Comprehensive Income - quoted debt securities	893,192	—	—	893,192
<b>Total assets</b>	<b>1,036,884</b>	<b>—</b>	<b>83,123</b>	<b>1,120,007</b>
<b>Total liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

2024	Level 1	Level 2	Level 3	Total
	€000s	€000s	€000s	€000s
<b>Assets</b>				
Investment property	—	—	11,300	11,300
Owner-occupied property	—	—	14,074	14,074
<b>Financial assets</b>				
Cash and cash equivalents	71,181	—	—	71,181
Investments at fair value through profit or loss - collective investment schemes	80,656	—	50,963	131,619
Investments at fair value through profit or loss - unquoted investments	—	—	1,148	1,148
Investments at fair value through Other Comprehensive Income - quoted debt securities	891,956	—	—	891,956
<b>Total assets</b>	<b>1,043,793</b>	<b>—</b>	<b>77,485</b>	<b>1,121,278</b>
<b>Total liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

A reconciliation of Level 3 fair value measurement of financial assets is shown in the table below:

	2025	2024
	€000s	€000s
At 1 January	77,485	73,947
Additions	6,141	4,341
Disposals	(2,041)	(2,996)
Revaluation	1,642	2,298
Unrealised loss recognised in the Consolidated Income Statement	(105)	(105)
<b>At 31 December</b>	<b>83,122</b>	<b>77,485</b>

## 14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

The Directors review the inputs to assess fair value measurement at least annually to determine the appropriate level to be disclosed. A sensitivity analysis of the Level 3 assets is completed in note 37(f).

## 15. OTHER RECEIVABLES

	2025	2024
	€000s	€000s
Prepayments and accrued income	14,344	12,774
Other debtors	7,820	9,322
Accrued interest and rent	301	535
<b>Total other receivables</b>	<b>22,465</b>	<b>22,631</b>

The Directors consider that the carrying amount of receivables is approximate to their fair value. All receivables are due within one year and none are past due.

## 16. INSURANCE AND REINSURANCE CONTRACTS

The breakdown of groups of insurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	2025			2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	€000s	€000s	€000s	€000s	€000s	€000s
<b>Total insurance contracts issued</b>	—	(792,586)	(792,586)	—	(767,779)	(767,779)
<b>Total reinsurance contracts held</b>	82,705	—	82,705	75,096	(73)	75,023

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for major product lines are disclosed in the tables below:

<b>2025</b>					
<b>Total insurance contracts issued</b>	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	140,629	—	561,201	65,949	767,779
Insurance contract assets as at 01/01	—	—	—	—	—
<b>Net insurance contract liabilities as at 01/01</b>	<b>140,629</b>	<b>—</b>	<b>561,201</b>	<b>65,949</b>	<b>767,779</b>
<b>Insurance revenue</b>	<b>(486,751)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(486,751)</b>
Incurred claims and other directly attributable expense	—	—	355,350	16,666	372,016
Amortisation of insurance acquisition cash flows	93,804	—	—	—	93,804
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(19,848)	(17,647)	(37,495)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
<b>Insurance service expenses</b>	<b>93,804</b>	<b>—</b>	<b>335,502</b>	<b>(981)</b>	<b>428,325</b>
<b>Insurance service result</b>	<b>(392,947)</b>	<b>—</b>	<b>335,502</b>	<b>(981)</b>	<b>(58,426)</b>
<b>Insurance finance expenses</b>	<b>—</b>	<b>—</b>	<b>10,491</b>	<b>—</b>	<b>10,491</b>
<b>Total amounts recognised in comprehensive income</b>	<b>(392,947)</b>	<b>—</b>	<b>345,993</b>	<b>(981)</b>	<b>(47,935)</b>
Premium received	501,872	—	—	—	501,872
Claims and other directly attributable expenses paid	—	—	(332,008)	—	(332,008)
Insurance acquisition cash flows	(97,122)	—	—	—	(97,122)
<b>Total cash flows</b>	<b>404,750</b>	<b>—</b>	<b>(332,008)</b>	<b>—</b>	<b>72,742</b>
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	152,432	—	575,186	64,968	792,586
Insurance contract assets as at 31/12	—	—	—	—	—
<b>Net insurance contract liabilities as at 31/12</b>	<b>152,432</b>	<b>—</b>	<b>575,186</b>	<b>64,968</b>	<b>792,586</b>

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

Motor insurance contracts issued	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	63,857	—	270,008	33,179	367,044
Insurance contract assets as at 01/01	—	—	—	—	—
<b>Net insurance contract liabilities as at 01/01</b>	<b>63,857</b>	<b>—</b>	<b>270,008</b>	<b>33,179</b>	<b>367,044</b>
<b>Insurance revenue</b>	<b>(226,407)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(226,407)</b>
Incurred claims and other directly attributable expense	—	—	136,769	8,899	145,668
Amortisation of insurance acquisition cash flows	44,493	—	—	—	44,493
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(920)	(7,825)	(8,745)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
<b>Insurance service expenses</b>	<b>44,493</b>	<b>—</b>	<b>135,849</b>	<b>1,074</b>	<b>181,416</b>
<b>Insurance service result</b>	<b>(181,914)</b>	<b>—</b>	<b>135,849</b>	<b>1,074</b>	<b>(44,991)</b>
Insurance finance expenses	—	—	5,152	—	5,152
<b>Total amounts recognised in comprehensive income</b>	<b>(181,914)</b>	<b>—</b>	<b>141,001</b>	<b>1,074</b>	<b>(39,839)</b>
Premium received	234,217	—	—	—	234,217
Claims and other directly attributable expenses paid	—	—	(122,259)	—	(122,259)
Insurance acquisition cash flows	(46,249)	—	—	—	(46,249)
<b>Total cash flows</b>	<b>187,968</b>	<b>—</b>	<b>(122,259)</b>	<b>—</b>	<b>65,709</b>
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	69,911	—	288,750	34,253	392,914
Insurance contract assets as at 31/12	—	—	—	—	—
<b>Net insurance contract liabilities as at 31/12</b>	<b>69,911</b>	<b>—</b>	<b>288,750</b>	<b>34,253</b>	<b>392,914</b>

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2025	Liability for remaining coverage		Liability for incurred claims		Total	
	Non - motor insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows		Risk Adjustment
Insurance contract liabilities as at 01/01	76,772	—	291,193	32,770	400,735	
Insurance contract assets as at 01/01	—	—	—	—	—	
<b>Net insurance contract liabilities as at 01/01</b>	<b>76,772</b>	<b>—</b>	<b>291,193</b>	<b>32,770</b>	<b>400,735</b>	
<b>Insurance revenue</b>	<b>(260,344)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(260,344)</b>	
Incurred claims and other directly attributable expense	—	—	218,581	7,767	226,348	
Amortisation of insurance acquisition cash flows	49,311	—	—	—	49,311	
Losses on onerous contracts and reversals of those losses	—	—	—	—	—	
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(18,928)	(9,822)	(28,750)	
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—	
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—	
Investment components	—	—	—	—	—	
<b>Insurance service expenses</b>	<b>49,311</b>	<b>—</b>	<b>199,653</b>	<b>(2,055)</b>	<b>246,909</b>	
<b>Insurance service result</b>	<b>(211,033)</b>	<b>—</b>	<b>199,653</b>	<b>(2,055)</b>	<b>(13,435)</b>	
Insurance finance expenses	—	—	5,339	—	5,339	
<b>Total amounts recognised in comprehensive income</b>	<b>(211,033)</b>	<b>—</b>	<b>204,992</b>	<b>(2,055)</b>	<b>(8,096)</b>	
Premium received	267,655	—	—	—	267,655	
Claims and other directly attributable expenses paid	—	—	(209,749)	—	(209,749)	
Insurance acquisition cash flows	(50,873)	—	—	—	(50,873)	
<b>Total cash flows</b>	<b>216,782</b>	<b>—</b>	<b>(209,749)</b>	<b>—</b>	<b>7,033</b>	
Net insurance contract liabilities as at 31/12:						
Insurance contract liabilities as at 31/12	82,521	—	286,436	30,715	399,672	
Insurance contract assets as at 31/12	—	—	—	—	—	
<b>Net insurance contract liabilities as at 31/12</b>	<b>82,521</b>	<b>—</b>	<b>286,436</b>	<b>30,715</b>	<b>399,672</b>	

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024						
Total insurance contracts issued	Liability for remaining coverage		Liability for incurred claims		Total	
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment		
	€000s	€000s	€000s	€000s		
Insurance contract liabilities as at 01/01	126,971	—	578,490	69,461	774,922	
Insurance contract assets as at 01/01	—	—	—	—	—	
<b>Net insurance contract liabilities as at 01/01</b>	<b>126,971</b>	<b>—</b>	<b>578,490</b>	<b>69,461</b>	<b>774,922</b>	
<b>Insurance revenue</b>	<b>(441,005)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(441,005)</b>	
Incurred claims and other directly attributable expense	—	—	251,289	15,458	266,747	
Amortisation of insurance acquisition cash flows	84,633	—	—	—	84,633	
Losses on onerous contracts and reversals of those losses	—	—	—	—	—	
Changes that relate to past service—Changes in FCF relating to the LIC	—	—	(53,958)	(18,970)	(72,928)	
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—	
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—	
Investment components	—	—	—	—	—	
<b>Insurance service expenses</b>	<b>84,633</b>	<b>—</b>	<b>197,331</b>	<b>(3,512)</b>	<b>278,452</b>	
<b>Insurance service result</b>	<b>(356,372)</b>	<b>—</b>	<b>197,331</b>	<b>(3,512)</b>	<b>(162,553)</b>	
Insurance finance expenses	—	—	13,656	—	13,656	
<b>Total amounts recognised in comprehensive income</b>	<b>(356,372)</b>	<b>—</b>	<b>210,987</b>	<b>(3,512)</b>	<b>(148,897)</b>	
Premium received	459,971	—	—	—	459,971	
Claims and other directly attributable expenses paid	—	—	(228,276)	—	(228,276)	
Insurance acquisition cash flows	(89,941)	—	—	—	(89,941)	
<b>Total cash flows</b>	<b>370,030</b>	<b>—</b>	<b>(228,276)</b>	<b>—</b>	<b>141,754</b>	
Net insurance contract liabilities as at 31/12:						
Insurance contract liabilities as at 31/12	140,629	—	561,201	65,949	767,779	
Insurance contract assets as at 31/12	—	—	—	—	—	
<b>Net insurance contract liabilities as at 31/12</b>	<b>140,629</b>	<b>—</b>	<b>561,201</b>	<b>65,949</b>	<b>767,779</b>	

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024						
Motor insurance contracts issued	Liability for remaining coverage		Liability for incurred claims		Total	
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment		
	€000s	€000s	€000s	€000s		
Insurance contract liabilities as at 01/01	58,033	—	279,702	36,156	373,891	
Insurance contract assets as at 01/01	—	—	—	—	—	
<b>Net insurance contract liabilities as at 01/01</b>	<b>58,033</b>	<b>—</b>	<b>279,702</b>	<b>36,156</b>	<b>373,891</b>	
<b>Insurance revenue</b>	<b>(204,756)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(204,756)</b>	
Incurring claims and other directly attributable expense	—	—	117,104	7,416	124,520	
Amortisation of insurance acquisition cash flows	40,357	—	—	—	40,357	
Losses on onerous contracts and reversals of those losses	—	—	—	—	—	
Changes that relate to past service—Changes in FCF relating to the LIC	—	—	(24,913)	(10,393)	(35,306)	
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—	
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—	
Investment components	—	—	—	—	—	
<b>Insurance service expenses</b>	<b>40,357</b>	<b>—</b>	<b>92,191</b>	<b>(2,977)</b>	<b>129,571</b>	
<b>Insurance service result</b>	<b>(164,399)</b>	<b>—</b>	<b>92,191</b>	<b>(2,977)</b>	<b>(75,185)</b>	
Insurance finance expenses	—	—	6,864	—	6,864	
<b>Total amounts recognised in comprehensive income</b>	<b>(164,399)</b>	<b>—</b>	<b>99,055</b>	<b>(2,977)</b>	<b>(68,321)</b>	
Premium received	212,650	—	—	—	212,650	
Claims and other directly attributable expenses paid	—	—	(108,749)	—	(108,749)	
Insurance acquisition cash flows	(42,427)	—	—	—	(42,427)	
<b>Total cash flows</b>	<b>170,223</b>	<b>—</b>	<b>(108,749)</b>	<b>—</b>	<b>61,474</b>	
Net insurance contract liabilities as at 31/12:						
Insurance contract liabilities as at 31/12	63,857	—	270,008	33,179	367,044	
Insurance contract assets as at 31/12	—	—	—	—	—	
<b>Net insurance contract liabilities as at 31/12</b>	<b>63,857</b>	<b>—</b>	<b>270,008</b>	<b>33,179</b>	<b>367,044</b>	

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024					
Non-motor insurance contracts issued	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	68,938	—	298,788	33,305	401,031
Insurance contract assets as at 01/01	—	—	—	—	—
<b>Net insurance contract liabilities as at 01/01</b>	<b>68,938</b>	<b>—</b>	<b>298,788</b>	<b>33,305</b>	<b>401,031</b>
<b>Insurance revenue</b>	<b>(236,249)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(236,249)</b>
Incurring claims and other directly attributable expense	—	—	134,185	8,042	142,227
Amortisation of insurance acquisition cash flows	44,276	—	—	—	44,276
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service—Changes in FCF relating to the LIC	—	—	(29,045)	(8,577)	(37,622)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
<b>Insurance service expenses</b>	<b>44,276</b>	<b>—</b>	<b>105,140</b>	<b>(535)</b>	<b>148,881</b>
<b>Insurance service result</b>	<b>(191,973)</b>	<b>—</b>	<b>105,140</b>	<b>(535)</b>	<b>(87,368)</b>
Insurance finance expenses	—	—	6,792	—	6,792
<b>Total amounts recognised in comprehensive income</b>	<b>(191,973)</b>	<b>—</b>	<b>111,932</b>	<b>(535)</b>	<b>(80,576)</b>
Premium received	247,321	—	—	—	247,321
Claims and other directly attributable expenses paid	—	—	(119,527)	—	(119,527)
Insurance acquisition cash flows	(47,514)	—	—	—	(47,514)
<b>Total cash flows</b>	<b>199,807</b>	<b>—</b>	<b>(119,527)</b>	<b>—</b>	<b>80,280</b>
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	76,772	—	291,193	32,770	400,735
Insurance contract assets as at 31/12	—	—	—	—	—
<b>Net insurance contract liabilities as at 31/12</b>	<b>76,772</b>	<b>—</b>	<b>291,193</b>	<b>32,770</b>	<b>400,735</b>

## 16 INSURANCE AND REINSURANCE CONTRACTS (continued)

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising on property and liability insurance ceded to reinsurers is disclosed in the tables below:

2025					
Total reinsurance contracts held	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Reinsurance contracts held that are liabilities as at 01/01	(73)	—	—	—	(73)
Reinsurance contracts held that are assets as at 01/01	(4,341)	—	72,658	6,779	75,096
<b>Net reinsurance contracts held as at 01/01</b>	<b>(4,414)</b>	<b>—</b>	<b>72,658</b>	<b>6,779</b>	<b>75,023</b>
Reinsurance expense	(33,463)	—	—	—	(33,463)
Change in amounts recoverable for incurred claims and other directly attributable expense	—	—	71,837	1,143	72,980
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	—	—	(4,705)	(576)	(5,281)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Effect of changes in risk of reinsurers' non-performance	—	—	(15)	—	(15)
<b>Net income/(expense) from reinsurance contracts held</b>	<b>(33,463)</b>	<b>—</b>	<b>67,117</b>	<b>567</b>	<b>34,221</b>
Finance income from reinsurance contracts held	—	—	1,166	—	1,166
<b>Total amounts recognised in comprehensive income</b>	<b>(33,463)</b>	<b>—</b>	<b>68,283</b>	<b>567</b>	<b>35,387</b>
Premiums paid, net of commission ceded	33,939	—	—	—	33,939
Recoveries from reinsurance	—	—	(61,644)	—	(61,644)
<b>Total cash flows</b>	<b>33,939</b>	<b>—</b>	<b>(61,644)</b>	<b>—</b>	<b>(27,705)</b>
Net reinsurance contract assets/(liabilities) held as at 31/12:					
Reinsurance contracts held that are liabilities as at 31/12	—	—	—	—	—
Reinsurance contracts held that are assets as at 31/12	(3,938)	—	79,297	7,346	82,705
<b>Net reinsurance contracts held as at 31/12</b>	<b>(3,938)</b>	<b>—</b>	<b>79,297</b>	<b>7,346</b>	<b>82,705</b>

## 16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024						
Total reinsurance contracts held	Assets for remaining coverage		Amounts recoverable on incurred claims		Total	
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment		
	€000s	€000s	€000s	€000s		
Reinsurance contracts held that are liabilities as at 01/01	(502)	—	21	1	(480)	
Reinsurance contracts held that are assets as at 01/01	(3,473)	—	91,547	9,446	97,520	
<b>Net reinsurance contracts held as at 01/01</b>	<b>(3,975)</b>	<b>—</b>	<b>91,568</b>	<b>9,447</b>	<b>97,040</b>	
Reinsurance expense	(34,082)	—	—	—	(34,082)	
Change in amounts recoverable for incurred claims and other directly attributable expense	—	—	9,684	932	10,616	
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	—	—	(24,389)	(3,600)	(27,989)	
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—	
Effect of changes in risk of reinsurers' non-performance	—	—	2	—	2	
<b>Net income/(expense) from reinsurance contracts held</b>	<b>(34,082)</b>	<b>—</b>	<b>(14,703)</b>	<b>(2,668)</b>	<b>(51,453)</b>	
Finance income from reinsurance contracts held	—	—	2,152	—	2,152	
<b>Total amounts recognised in comprehensive income</b>	<b>(34,082)</b>	<b>—</b>	<b>(12,551)</b>	<b>(2,668)</b>	<b>(49,301)</b>	
Premiums paid, net of commission ceded	33,642	—	—	—	33,642	
Recoveries from reinsurance	—	—	(6,359)	—	(6,359)	
<b>Total cash flows</b>	<b>33,642</b>	<b>—</b>	<b>(6,359)</b>	<b>—</b>	<b>27,283</b>	
Net reinsurance contract assets/(liabilities) held as at 31/12:						
Reinsurance contracts held that are liabilities as at 31/12	(73)	—	—	—	(73)	
Reinsurance contracts held that are assets as at 31/12	(4,341)	—	72,658	6,779	75,096	
<b>Net reinsurance contracts held as at 31/12</b>	<b>(4,414)</b>	<b>—</b>	<b>72,658</b>	<b>6,779</b>	<b>75,023</b>	

## 17. RETIREMENT BENEFIT SURPLUS

### Defined Contribution Pension

The Group operates a defined contribution retirement benefit plans for qualifying employees who opt to join. The assets of the plans are held separately from those of the Group in funds under the control of Trustees. The Group recognised an expense of €5,702,290 (2024: €5,052,549) relating to these pension schemes during the year ended 31 December 2025.

### Defined Benefit Pension

The Group also operates a legacy funded defined benefit retirement pension scheme for certain qualifying employees. This scheme was closed to new members in 2005 and closed to future accrual in

17 RETIREMENT BENEFIT SURPLUS (continued)

2015. The defined benefit pension scheme is administered by a separate Trustee Company that is legally separated from the entity. The Trustee Company, who is responsible for ensuring compliance with the Pensions Act 1990 and other relevant legislation, is composed of an independent Trustee and representatives from both the employers and current and former employees. The Trustees are required by law and by its Articles of Association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. deferred members, retirees and employers. They are responsible for the investment policy with regard to the assets of the scheme.

Under the defined benefit pension scheme, qualifying members are entitled to retirement benefits of 1/60th of final salary for each year of service on attainment of a retirement age of 65. A full actuarial valuation of the defined benefit pension scheme was carried out as at 1 July 2025. This valuation was carried out using the projected unit credit method. The minimum funding standard was updated to 31 December 2025 by the schemes' independent and qualified actuary. This confirms that the Scheme continues to satisfy the minimum funding standard. The next full actuarial valuation of the scheme is expected to be completed no later than as at 1 July 2028.

The long-term investment objective of the Trustees and the Group is to limit the risk of the assets failing to meet the liabilities of the scheme over the long term, and to maximise returns consistent with an acceptable level of risk so as to control the long-term costs of the scheme. To meet these objectives, the scheme's assets are primarily invested in bonds with a smaller level of investment in diversified growth funds and property. These reflect the current long-term asset allocation ranges, having regard to the structure of liabilities within the scheme. The scheme typically exposes the Group to actuarial risks such as: investment risk, interest rate risk and longevity risk.

**(a) Assumptions used to calculate scheme liabilities**

	2025	2024
	%	%
Inflation rate	2.10	2.10
Pension payment increase	0.00	0.00
Discount rate	3.90	3.30

**(b) Mortality Assumptions**

	2025	2024
	Years	Years
The average life expectancy of current and future retirees used in the scheme at age 65 is as follows:		
Male	23.7	23.6
Female	25.7	25.6

When taking into account members who have not yet retired and those who are currently in receipt of pensions, the weighted average duration of the expected benefit payments from the scheme is circa 12 years.

As required by IAS 19 'Employee Benefits'; the discount rate is set by reference to yields available at 31 December 2025 on high quality corporate bonds having regard to the duration of the schemes liabilities. The actual return on the scheme assets for the year was a loss of €1,659,000 (2024: profit of €507,000).

17 RETIREMENT BENEFIT SURPLUS (continued)

**(c) Consolidated Income Statement**

	2025	2024
	€000s	€000s
Charged to Consolidated Income Statement:		
Service cost: employer's part of current service cost	242	380
Net interest credit	(213)	(233)
<b>Charge to Consolidated Income Statement</b>	<b>29</b>	<b>147</b>

Charges to the Consolidated Income Statement have been included in insurance service expenses, non-attributable and financial services income and expenses.

**(d) Analysis of amount recognised in Group Statement of Comprehensive Income**

	2025	2024
	€000s	€000s
Net actuarial (gains)/losses in the year due to:		
Remeasurements in the year due to:		
– Changes in financial assumptions	(4,030)	(933)
– Changes in demographic assumptions	—	—
– Experience adjustments on benefit obligations	263	(96)
Actual return less interest on scheme assets	3,855	1,728
Total amount recognised in Consolidated OCI before taxation	88	699
Deferred taxation credit	(10)	(87)
<b>Actuarial loss net of deferred taxation</b>	<b>78</b>	<b>612</b>

## 17 RETIREMENT BENEFIT SURPLUS (continued)

**(e) History of experience gains and losses**

	2025	2024	2023	2022	2021
	€000s	€000s	€000s	€000s	€000s
Present value of defined benefit obligations	56,533	61,734	64,204	62,671	86,693
Fair value of plan assets	63,004	68,127	71,248	71,170	97,594
Net pension asset	(6,471)	(6,393)	(7,044)	(8,499)	(10,901)
Experience (losses)/gains on scheme liabilities	(263)	96	(652)	(386)	(520)
<b>Total amount recognised in Consolidated OCI before taxation</b>	<b>(88)</b>	<b>(699)</b>	<b>(1,608)</b>	<b>(2,272)</b>	<b>280</b>

The cumulative charge to the Consolidated Statement of Other Comprehensive Income is €106,867,000 (2024: €106,779,000).

**(f) Assets in scheme at market value**

	2025	2024
	€000s	€000s
Managed bond funds - fair value at quoted prices	50,036	52,467
Managed unit trust funds - fair value at quoted prices	2,441	3,960
Managed infrastructure fund - fair value at quoted prices	7,813	7,732
Managed equity fund - fair value at quoted prices	1,934	1,682
Managed liquidity fund - fair value at quoted prices	443	1,425
Cash deposits and other - at amortised cost	337	861
Scheme assets	63,004	68,127
Actuarial value of liabilities	(56,533)	(61,734)
<b>Net pension surplus</b>	<b>6,471</b>	<b>6,393</b>

The assets are part of unitised funds which have a broad geographical and industry type spread with no significant concentration in any one geographical or industry type.

**(g) Movement in net surplus during the year**

	2025	2024
	€000s	€000s
Net surplus in scheme at 1 January	6,393	7,044
Current service cost	(242)	(380)
Employer contributions	195	195
Interest on scheme liabilities	(1,983)	(2,002)
Interest on scheme assets	2,196	2,235
Total amount recognised in Consolidated OCI before taxation	(88)	(699)
<b>Net surplus at 31 December</b>	<b>6,471</b>	<b>6,393</b>

17 RETIREMENT BENEFIT SURPLUS (continued)

**(h) Movement on assets and liabilities**

	2025	2024
	€000s	€000s
<b>Assets</b>		
Assets in scheme at 1 January	68,127	71,248
Actual return less interest on scheme assets	(3,855)	(1,728)
Employer contributions	195	195
Interest on scheme assets	2,196	2,235
Benefits paid	(3,659)	(3,823)
<b>Assets in scheme at 31 December</b>	<b>63,004</b>	<b>68,127</b>
<b>Liabilities</b>		
Liabilities in scheme at 1 January	61,734	64,204
Experience gains and losses on scheme liabilities	263	(96)
Changes in financial assumptions	(4,030)	(933)
Changes in demographic assumptions	—	—
Current service cost	242	380
Interest on scheme liabilities	1,983	2,002
Benefits paid	(3,659)	(3,823)
<b>Liabilities in scheme at 31 December</b>	<b>56,533</b>	<b>61,734</b>

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as follows:

- A 1% increase in the discount rate would reduce the value of the scheme liabilities by €5.8 million.
- A 1% reduction in the discount rate would increase the value of the scheme liabilities by €7.0 million.
- A 1% increase in inflation would increase the value of the scheme liabilities by €1.4 million.
- A 1% reduction in inflation would reduce the value of the scheme liabilities by €1.2 million.
- The effect of assuming all members of the scheme will live one year longer would increase the scheme's liabilities by €1.7 million.
- The current best estimate of 2026 contributions to be made by the Group to the pension fund is €0.2million (2025: €0.2million).

## 18. INTANGIBLE ASSETS

<b>Computer Software</b>		<b>€000s</b>
<b>Cost:</b>		
At 1 January 2024		34,498
Additions		3,223
Assets under development		11,549
<b>At 31 December 2024</b>		<b>49,270</b>
Additions		1,567
Assets under development		10,782
<b>At 31 December 2025</b>		<b>61,619</b>
<b>Accumulated amortisation:</b>		<b>€000s</b>
At 1 January 2024		6,763
Amortisation charge for the year		5,718
<b>At 31 December 2024</b>		<b>12,481</b>
Amortisation charge for the year		6,357
<b>At 31 December 2025</b>		<b>18,838</b>
<b>Carrying amount</b>		
<b>At 31 December 2025</b>		<b>42,781</b>
<b>At 31 December 2024</b>		<b>36,789</b>

The additions during 2025 to Intangible Assets are 100% internally generated assets (2024: 100% internally generated assets).

Assets under development at 31 December 2025 mainly consist of spend relating to the development of the Claims Replacement system and other spend investing in customised software supporting enterprise IT initiatives. These assets are expected to be operational in 2026 and 2027.

The amortisation charge for the year is included in 'Insurance service expenses' and 'Non-attributable expenses' in the Consolidated Income Statement.

## 19. POLICY ADMINISTRATION SYSTEM

The most significant investment by the Group in recent years was in its underwriting policy administration system. The Group's policy administration system, TIA, is the principal operating and core technology platform of the business.

<b>Policy Administration System</b>		<b>€000s</b>
Cost		
At 1 January 2024		73,239
Additions		—
At 31 December 2024		73,239
Additions		—
<b>At 31 December 2025</b>		<b>73,239</b>
<b>Accumulated amortisation</b>		
<b>€000s</b>		
At 1 January 2024		55,313
Amortisation charge for the year		7,176
At 31 December 2024		62,489
Amortisation charge for the year		7,183
At 31 December 2025		69,672
<b>Carrying amount</b>		
At 31 December 2025		3,567
At 31 December 2024		10,750

There were no additions to the policy administration system in 2024 and 2025.

The amortisation charge for the year is included in 'Insurance service expenses' in the Consolidated Income Statement.

## 20. INVESTMENT PROPERTY

	2025	2024
	€000s	€000s
Fair value of investment property		
At 1 January	11,300	11,953
Net losses from fair value adjustments	(500)	(600)
Disposal of investment property	—	(53)
<b>At 31 December</b>	<b>10,800</b>	<b>11,300</b>

The investment property is a commercial rental property in Dublin City Centre. An immaterial holding of agricultural land in the United Kingdom was sold during 2024.

The investment property was valued at fair value at 31 December 2025 and at 31 December 2024 by independent external professional valuers, CB Richard Ellis, Valuation Surveyors. The valuation was prepared in accordance with RICS Valuation – Global Standards 2022 (Red Book) incorporating the IVSC International Valuation Standards issued January 2022. The valuers confirm that they have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the valuations competently.

In carrying out the valuation of the property, CB Richard Ellis have considered the impact of sustainability factors on the property, including physical / climate risk.

The valuation statement received from the external professional valuers state that the valuation has been prepared on the basis of "Market Value" which they define as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The Directors believe that market value, determined by independent external professional valuers, is not materially different to the fair value.

There was a net decrease in the fair value in 2025 of €500,000 (2024 decrease: €600,000).

The rental income earned by the Group from its investment property amounted to €454,279 (2024: €578,850). Direct operating costs associated with investment property amounted to €514,084 (2024: €636,841).

The historical cost of investment property is as follows:

	2025	2024
	€000s	€000s
Historical cost at 1 January	22,000	22,053
Disposal of investment property	—	(53)
<b>Historical cost at 31 December</b>	<b>22,000</b>	<b>22,000</b>

Maturity analysis - undiscounted non-cancellable operating lease receivables	2025	2024
	€000s	€000s
Less than one year	386	579
One to five years	1,833	2,315
More than five years	—	96
<b>Maturity analysis - undiscounted non-cancellable operating lease receivables</b>	<b>2,219</b>	<b>2,990</b>

Fair value hierarchy disclosures required by IFRS13 Fair Value Measurement have been included in note 14, Financial Instruments and Fair Value Measurement.

## 21. LEASES

Leases held are property leases for office space for the Group's branches and leases for computer equipment. The Group holds a number of property leases with remaining terms ranging from one to twenty years. None of the Group's leases have options for extensions or to purchase. There are no contingent rents payable and all lease payments are fixed and at market rates at inception or renewal of the lease. Additional information on the Group's leases is detailed below:

### Right of use assets

	2025	2024
	€000s	€000s
Balance at 1 January	2,741	3,503
Additions	1,120	—
Depreciation charge for the year	(682)	(762)
<b>Balance at 31 December</b>	<b>3,179</b>	<b>2,741</b>

### Lease liabilities

Maturity analysis - contractual undiscounted cash flows	2025	2024
	€000s	€000s
Less than one year	(873)	(924)
One to five years	(1,811)	(1,820)
More than five years	(1,510)	(1,129)
<b>Total undiscounted lease liabilities at 31 December</b>	<b>(4,194)</b>	<b>(3,873)</b>
Contractual discounted cash flows		
Current	(586)	(516)
Non - current	(2,861)	(2,540)
<b>Lease liabilities included in the statement of financial position at 31 December</b>	<b>(3,447)</b>	<b>(3,056)</b>

Amounts recognised in profit or loss	2025	2024
	€000s	€000s
Depreciation charge on right of use assets (included in insurance service expenses)	(682)	(762)
Interest on lease liabilities (included in insurance service expenses)	(146)	(151)
Expenses related to short-term leases (included in insurance service expenses)	(99)	(50)
Income from sub-leasing right of use assets (included in financial services income and expense)	243	79

Total cash outflows recognised in the period in relation to leases were €831,000 (2024: €924,000).

## 22. PROPERTY, PLANT AND EQUIPMENT

	Property held for own use	Computer Equipment	Fixtures & Fittings	Total
	€000s	€000s	€000s	€000s
Cost or valuation				
<b>At 1 January 2024</b>	24,224	100,861	27,915	153,000
Additions	—	1,883	1,387	3,270
Assets under development	—	1,336	—	1,336
<b>At 31 December 2024</b>	24,224	104,080	29,302	157,606
Additions	—	1,163	1,851	3,014
Assets under development	—	2,509	—	2,509
<b>At 31 December 2025</b>	24,224	107,752	31,153	163,129
Comprising:				
At cost	—	107,752	31,153	138,905
At valuation	24,224	—	—	24,224
<b>At 31 December 2025</b>	24,224	107,752	31,153	163,129

Accumulated depreciation and revaluation	Property held for own use	Computer Equipment	Fixtures & Fittings	Total
	€000s	€000s	€000s	€000s
<b>At 1 January 2024</b>	10,150	98,991	23,038	132,179
Depreciation charge for the year	105	1,364	924	2,393
Revaluation through the Consolidated Income Statement	(100)	—	—	(100)
Revaluation through the Statement of Comprehensive Income	(5)	—	—	(5)
<b>At 31 December 2024</b>	10,150	100,355	23,962	134,467
Depreciation charge for the year	105	1,211	1,047	2,363
Impairment through the Consolidated Income Statement	3	—	—	3
Revaluation through the Statement of Comprehensive Income	(56)	—	—	(56)
<b>At 31 December 2025</b>	10,202	101,566	25,009	136,777
Carrying amount				
<b>At 31 December 2025</b>	14,022	6,186	6,144	26,352
<b>At 31 December 2024</b>	14,074	3,725	5,340	23,139

### Owner-occupied property

Owner-occupied properties held for own use were revalued at effective date 31 December 2025 and 2024. The fair value was determined by independent external professional surveyors CB Richard Ellis, Valuation Surveyors. CB Richard Ellis confirm that the properties have been valued in accordance with RICS Valuation – Global Standards 2022 (Red Book) incorporating the IVSC International Valuation Standards issued January 2022.

In carrying out the valuation of the properties, CB Richard Ellis have considered the impact of sustainability factors on the properties, including physical/climate risk.

The valuation report states that the valuations have been prepared on the basis of "Market Value" which is defined in the report as "the estimated amount for which an asset or liability should exchange

22 PROPERTY, PLANT AND EQUIPMENT (continued)

on valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion". The report also states that the market value "has been primarily derived using comparable recent market transactions on arm's length terms".

The Directors believe that the market value, determined by independent professional valuers is not materially different to fair value.

Had the properties been carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been as follows:

	2025	2024
	€000s	€000s
<b>Owner-occupied property</b>	<b>13,793</b>	<b>13,902</b>

Fair value hierarchy disclosures required by IFRS13 Fair Value Measurement have been included in note 14, Financial Instruments and Fair Value Measurement.

## 23. DEFERRED TAXATION LIABILITY

	Retirement benefit surplus	Unrealised gains on investments & loans	Insurance/ Reinsurance finance reserve	Revaluation surplus on investment properties	Losses carried forward	Other temporary differences	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
At 1 January 2024	(878)	4,800	(1,302)	(1,387)	344	(1,084)	493
Credited/(debited) to the Consolidated Statement of Comprehensive Income	87	(2,379)	659	—	—	(1)	(1,634)
(Debited)/credited to the Consolidated Income Statement	(6)	—	—	—	(344)	931	581
At 31 December 2024	(797)	2,421	(643)	(1,387)	—	(154)	(560)
Credited/(debited) to the Consolidated Statement of Comprehensive Income	10	(981)	304	—	—	(18)	(685)
(Debited)/credited to the Consolidated Income Statement	(21)	—	—	(13)	—	1,116	1,082
At 31 December 2025	(808)	1,440	(339)	(1,400)	—	944	(163)

The offsetting relates entirely to Group entities within Ireland, where both deferred tax assets and liabilities arise under the same tax authority and the Group intends to settle the balances on a net basis.

Temporary differences arising from trading activities are measured using the 12.5% corporation tax rate, while temporary differences arising from revaluations of owner-occupied property are measured using the 33% tax rate applicable to such gains. There were no changes to enacted tax rates during the year that impacted the measurement of deferred tax balances.

## 24. OTHER PAYABLES

### (a) GROUP

	2025	2024
	€000s	€000s
Amounts falling due within one year:		
Payables and accruals	36,736	41,229
PAYE/PRSI	2,368	1,837
<b>Total payables</b>	<b>39,104</b>	<b>43,066</b>

### (b) COMPANY

	2025	2024
	€000s	€000s
Amounts falling due within one year:		
Payables and accruals	2,501	7,105
<b>Total payables</b>	<b>2,501</b>	<b>7,105</b>

Other payables includes an ESG initiative of €1,500,000 for FBD's ESG investment in a new agricultural science centre at UCD Lyons Farm.

## 25. OTHER PROVISIONS

### (a) GROUP

	MIBI Levy	MIICF Contribution	Consequential Payments	State Subsidies	ESG Initiative	Total
	€000s	€000s	€000s	€000s	€000s	€000s
Balance at 1 January 2024	6,507	3,854	1,022	6,200	2,500	20,083
Provided for/(released) in the year	5,675	2,132	(712)	(400)	—	6,695
Net amounts paid	(5,826)	(3,855)	(199)	—	—	(9,880)
Reclassification to accruals	—	—	—	—	(2,500)	(2,500)
Balance at 31 December 2024	6,356	2,131	111	5,800	—	14,398
Provided for/(released) in the year	7,200	—	(27)	—	—	7,173
Net amounts paid	(6,261)	(2,131)	(30)	(5,800)	—	(14,222)
<b>Balance at 31 December 2025</b>	<b>7,295</b>	<b>—</b>	<b>54</b>	<b>—</b>	<b>—</b>	<b>7,349</b>

### MIBI Levy

The Group's share of the Motor Insurers' Bureau of Ireland "MIBI" levy for 2025 is based on its estimated market share in the current year at the Statement of Financial Position date. The total amount provided for at year end is paid in equal instalments throughout the following year.

### MIICF Contribution

The Group's contribution to the Motor Insurers' Insolvency Compensation Fund 'MIICF' for 2024 was based on 1% of its Motor Gross Written Premium from 1 January 2024. Payment was made in the first half of 2025. Since 1 January 2025 there has been no requirement to contribute to the MIICF.

25 OTHER PROVISIONS (continued)

### Consequential Payments

The balance of the provision of €54,000 is based on the best estimate of the Consequential Payments provision in respect of the FSPO decisions and payments are expected to be made to impacted policyholders before the end of 2026.

### State Subsidies

The Group had included a provision of €5,800,000 in the financial statements in respect of our estimate of the cost of a constructive obligation arising from the deduction of State subsidies from Business Interruption claims payments following Covid-19 closures. This amount was settled in July 2025.

### ESG Initiative

In 2023, the Group included a provision of €2,500,000 in the financial statements for FBD's contribution for the ESG initiative to develop the Padraig Walshe Centre for Sustainable Animal and Grassland Research. Following the approval of planning permission and the confirmation of timing and amount certainty, the liability was reclassified to an accrual in 2024. This amount was settled in 2025 financial year.

### (b) COMPANY

	ESG Initiative	Total
	€000s	€000s
Balance at 1 January 2024 *	2,500	2,500
Reclassification to accruals	(2,500)	(2,500)
Net amounts paid	—	—
Balance at 31 December 2024	—	—
Reclassification to accruals	—	—
Net amounts paid	—	—
<b>Balance at 31 December 2025</b>	<b>—</b>	<b>—</b>

## 26. SUBORDINATED DEBT

	2025	2024
	€000s	€000s
Balance at 1 January	49,780	49,721
Amortised during the year	59	59
<b>Balance at 31 December</b>	<b>49,839</b>	<b>49,780</b>

The amount relates to €50,000,000 Callable Dated Deferrable Subordinated Notes due in 2028. The coupon rate on the notes is 5%. Finance costs recognised in the Consolidated Income Statement total €2,567,000 in 2025 (2024: €2,557,000). Finance costs are made up of interest costs associated with the subordinated notes totalling €2,500,000 (2024: €2,500,000) which were incurred and recognised in the year, amortisation of capitalised borrowing costs in the year of €59,000 (2024: €59,000) and adjusted for accrued amounts at each year end, €8,000 in 2025 (2024: €(2,000)).

## 27. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY

	Number	2025 €000s	2024 €000s
(i) Ordinary shares of €0.60 each			
Authorised:			
<b>At the beginning and the end of the year</b>	51,326,000	<b>30,796</b>	30,796
Issued and fully paid:			
At 1 January 2024	36,020,972	—	21,612
Share cancellation	(316,200)	—	(190)
Issued during the year	356,417	—	214
<b>At the end of the year</b>	36,061,189	—	21,636
At 1 January 2025	36,061,189	<b>21,636</b>	—
Issued during the year	325,120	<b>195</b>	—
<b>At the end of the year</b>	36,386,309	<b>21,831</b>	—
(ii) 'A' Ordinary shares of €0.01 each			
Authorised:			
<b>At the beginning and the end of the year</b>	120,000,000	<b>1,200</b>	1,200
Issued and fully paid:			
<b>At the beginning and the end of the year</b>	13,169,428	<b>132</b>	132
<b>Total – issued and fully paid</b>		<b>21,963</b>	21,768

The ordinary shares have a par value of €0.60. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the nominal value of the ordinary shares held by them. On a show of hands, every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and on a poll each share is entitled to one vote.

The 'A' ordinary shares of €0.01 each are non-voting. They are non-transferable except to the Company. Other than a right to a return of paid up capital of €0.01 per 'A' ordinary share in the event of a winding up, the 'A' ordinary shares have no right to participate in the capital or the profits of the Company.

The holders of the two classes of non-cumulative preference shares rank ahead of the two classes of ordinary shares in the event of a winding up but only to the extent of the amounts paid up on the preference shares and any declared but unpaid dividends (see note 30). Before any dividend can be declared on the ordinary shares of €0.60 each, the dividend on the non-cumulative preference shares must firstly be declared.

The weighted average number of ordinary shares of €0.60 each in the earnings per share calculation has been reduced by the number of such shares held in treasury.

All issued shares have been fully paid.

### Treasury shares

The number of ordinary shares of €0.60 each held as treasury shares at the beginning of the year was 164,005 (2024: 164,005). Treasury shares are presented as a deduction from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. The treasury shares were acquired to satisfy future obligations under employee share-based payment scheme.

An amount of 278,442 ordinary shares of €0.60 each were purchased by the Company during the year at a cost of €4,009,491, including directly attributable transaction costs. No ordinary shares were re-issued from treasury shares during the year under the FBD Performance Share Plan ("LTIP").

27 CALLED UP SHARE CAPITAL PRESENTED AS EQUITY (continued)

The number of ordinary shares of €0.60 each held as treasury shares at the end of the year was 442,447 (2024: 164,005). This represented 1.2% (2024: 0.5%) of the shares of this class in issue and had a nominal value of €265,468 (2024: €98,403).

Treasury shares do not carry voting rights, and no dividends are paid on these shares while held by the Company.

## 28. CAPITAL RESERVES

### (a) GROUP

	Share premium	Capital conversion reserve	Capital redemption reserve	Share-based payment reserve	Total
	€000s	€000s	€000s	€000s	€000s
<b>Balance at 1 January 2024</b>	11,702	1,627	4,426	16,724	34,479
Issue of ordinary shares <sup>1</sup>	4,526	—	—	(2,876)	1,650
Recognition of share-based payments	—	—	—	3,610	3,610
Purchase and cancellation of own shares	—	—	190	—	190
Transfer of share-based payment reserve to retained earnings <sup>2</sup>	—	—	—	(11,997)	(11,997)
<b>Balance at 31 December 2024</b>	16,228	1,627	4,616	5,461	27,932
Issue of ordinary shares <sup>1</sup>	3,999	—	—	(3,491)	508
Recognition of share-based payments	—	—	—	5,070	5,070
Transfer of share premium reserve to retained earnings <sup>3</sup>	(20,227)	—	—	—	(20,227)
<b>Balance at 31 December 2025</b>	—	1,627	4,616	7,040	13,283

### (b) COMPANY

	Share premium	Capital conversion reserve	Capital redemption reserve	Share-based payment reserve	Total
	€000s	€000s	€000s	€000s	€000s
<b>Balance at 1 January 2024</b>	11,702	1,627	4,426	16,724	34,479
Issue of ordinary shares <sup>1</sup>	4,526	—	—	(2,876)	1,650
Recognition of share-based payments	—	—	—	3,610	3,610
Purchase and cancellation of own shares	—	—	190	—	190
Transfer of share-based payment reserve to retained earnings <sup>2</sup>	—	—	—	(11,997)	(11,997)
<b>Balance at 31 December 2024</b>	16,228	1,627	4,616	5,461	27,932
Issue of ordinary shares <sup>1</sup>	3,999	—	—	(3,491)	508
Recognition of share-based payments	—	—	—	5,070	5,070
Transfer of share premium reserve to retained earnings <sup>3</sup>	(20,227)	—	—	—	(20,227)
<b>Balance at 31 December 2025</b>	—	1,627	4,616	7,040	13,283

<sup>1</sup>In 2024 and 2025 new ordinary shares were allotted to employees of FBD Holdings plc as part of the FBD Performance Share Plan ("LTIP").

<sup>2</sup>In 2024, a transfer from share-based payment reserves to retained earnings was completed of €11,997,000, representing historical awards vested in prior periods.

<sup>3</sup>In 2025, the High Court of Ireland made an Order confirming the special resolution of the shareholders of the Company (as passed on 8 May 2025) approving the reduction of the company capital of FBD Holdings plc by the cancellation and extinguishment of the entire amount standing to the credit of the share premium account of the Company (being €20,227,185), such that the reserve resulting from such cancellation be treated as profits available for distribution

Capital conversion reserve arises on the redenomination of Company's ordinary shares, 14% non-cumulative preference shares and 8% non-cumulative preference shares of IR£0.50 each into ordinary shares, 14% non-cumulative preference shares and 8% non-cumulative preference shares of 63.4869

## 28. CAPITAL RESERVES (continued)

cent. Each such share was then renominised to an ordinary or a non-cumulative preference share of €0.60, an amount equal to the reduction in the issued share capital being transferred to the capital conversion reserve fund.

Capital redemption reserve arises on the buyback and cancellation of issued share capital. An amount equal to the nominal value of the shares redeemed is transferred from retained earnings to the capital redemption reserve. This reserve ensures that the Company's paid-up share capital is preserved, except in specified circumstances permitted by law.

Share-based payment reserve arises on the recognition of share-based payments. This reserve reflects the Company's commitment to the FBD Performance Share Plan ("LTIP").

## 29. OTHER RESERVES

	Revaluation reserve	FVOCI reserve	Insurance/ Reinsurance finance reserve	Total
	€000s	€000s	€000s	€000s
Balance at 1 January 2024	700	(33,608)	9,104	(23,804)
Other Comprehensive income/(expense)	3	16,653	(4,611)	12,045
<b>Balance at 31 December 2024</b>	<b>703</b>	<b>(16,955)</b>	<b>4,493</b>	<b>(11,759)</b>
Balance at 1 January 2025	703	(16,955)	4,493	(11,759)
Other Comprehensive income/(expense)	37	6,868	(2,136)	4,769
<b>Balance at 31 December 2025</b>	<b>740</b>	<b>(10,087)</b>	<b>2,357</b>	<b>(6,990)</b>

*Revaluation reserve*

Represents the cumulative net increases in the fair value of owner-occupied property arising from periodic revaluations performed in accordance with IAS 16 Property, Plant and Equipment. Increases in the carrying amount of revalued properties are recognised in Other Comprehensive Income and accumulated in this reserve, except to the extent they reverse a revaluation decrease of the same asset previously recognised in profit or loss. On disposal of a revalued property, the related amount in the revaluation surplus is transferred directly to retained earnings and is not recycled through profit or loss.

*FVOCI reserve*

Comprises the cumulative net change in the fair value of financial assets classified as fair value through other comprehensive income (FVOCI).

*Insurance/reinsurance finance reserve*

Finance income or expense from insurance contracts issued represents the change in the carrying amount of the Group's insurance contract liabilities arising from:

- interest accreted on the liability for incurred claims (LIC); and
- the effect of changes in market interest rates and other financial assumptions used to measure the fulfilment cash flows of insurance contract liabilities.

In accordance with the Group's accounting policy, insurance finance income or expense is disaggregated between the Consolidated Income Statement and Other Comprehensive Income (OCI). The impact of changes in market interest rates on the present value of insurance contract liabilities is recognised in OCI in order to minimise accounting mismatches between the measurement of insurance liabilities and the Group's financial assets that back those obligations.

The Insurance / Reinsurance Finance Reserve presented within other reserves comprises the cumulative impact of changes in market interest rates on the measurement of insurance contract liabilities (and corresponding reinsurance contract assets) that has been recognised in OCI.

## 29. OTHER RESERVES (continued)

This reserve will unwind to retained earnings over the coverage period of the underlying insurance and reinsurance contracts as the related finance impacts are released from OCI.

The reconciliation of cumulative amounts of the fair value reserve within Consolidated OCI, for investment assets measured at FVOCI relating to groups of contracts that the Group has applied the retrospective approach to, as at the IFRS 17 transition date, is provided in the table below.

	2025			2024		
	At transition	Post transition	Total	At transition	Post transition	Total
	€000s	€000s	€000s	€000s	€000s	€000s
Opening FVOCI reserve	(14,789)	(2,166)	(16,955)	(31,412)	(2,196)	(33,608)
Net movement during period	7,001	29	7,030	18,392	34	18,426
Net movement reclassified to profit or loss on disposal	820	—	820	606	—	606
Income tax relating to these items	(978)	(4)	(982)	(2,375)	(4)	(2,379)
<b>Closing FVOCI reserve</b>	<b>(7,946)</b>	<b>(2,141)</b>	<b>(10,087)</b>	<b>(14,789)</b>	<b>(2,166)</b>	<b>(16,955)</b>

## 30. PREFERENCE SHARE CAPITAL

	Number	2025	2024
		€000s	€000s
<b>Authorised:</b>			
At the beginning and the end of the year			
14% Non-cumulative preference shares of €0.60 each	1,340,000	804	804
8% Non-cumulative preference shares of €0.60 each	12,750,000	7,650	7,650
<b>Total authorised</b>		<b>8,454</b>	<b>8,454</b>
<b>Issued and fully paid:</b>			
At the beginning and the end of the year			
14% Non-cumulative preference shares of €0.60 each	1,340,000	804	804
8% Non-cumulative preference shares of €0.60 each	3,532,292	2,119	2,119
<b>Total issued and fully paid</b>		<b>2,923</b>	<b>2,923</b>

The rights attaching to each class of share capital are set out in the Company's Articles of Association. In the event of the Group and Company being wound up, the holders of the 14% non-cumulative preference shares rank ahead of the holders of the 8% non-cumulative preference shares, who in turn, rank ahead of the holders of both the 'A' ordinary shares of €0.01 each and the holders of the ordinary shares of €0.60 each.

## 31. DIVIDENDS

	2025	2024
	€000s	€000s
<b>Paid during year:</b>		
2024 dividend of 8.4 cent (2023: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	113	113
2024 dividend of 4.8 cent (2023: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	169	169
2024 final dividend of 100.0 cent (2023: 100.0 cent) per share on ordinary shares of €0.60 each	36,223	35,902
2025 special dividend of 75.0 cent (2024: 100.0 cent) per share on ordinary shares of €0.60 each	27,170	35,896
<b>Total dividends paid</b>	<b>63,675</b>	<b>72,080</b>

	2025	2024
	€000s	€000s
<b>Proposed:</b>		
2025 dividend of 8.4 cent (2024: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	113	113
2025 dividend of 4.8 cent (2024: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	169	169
2025 final dividend of 100.0 cent (2024: 100.0 cent) per share on ordinary shares of €0.60 each	35,944	35,897
<b>Total dividends proposed</b>	<b>36,226</b>	<b>36,179</b>

The proposed dividend excludes any amounts due on outstanding share awards as at 31 December 2025 that are due to vest in April 2026 and is subject to approval by shareholders at the Annual General Meeting to be held on 7 May 2026. The proposed dividend has not been included as a liability in the Consolidated Statement of Financial Position as at 31 December 2025.

## 32. PRINCIPAL SUBSIDIARIES

(a) Subsidiaries	Nature of Operations	% Owned
FBD Insurance plc	Regulated non-life insurance undertaking	100 %
FBD Insurance Group Limited	Regulated intermediary: general insurance, life assurance, investments and pensions	100 %
FBD Corporate Services Limited	Employee services company	100 %

The Registered Office of each of the above subsidiaries is at FBD House, Bluebell, Dublin 12.

All shareholdings are in the form of ordinary shares.

The financial year end for the Group's principal subsidiaries is 31 December.

The Group has carried out an impairment assessment of the parent company's investment in subsidiaries which indicated that no impairment of this asset was required.

FBD Holdings plc is an Irish registered public limited company. The Company's ordinary shares of €0.60 each are listed and traded on Euronext Dublin.

All individual subsidiary's financial statements are prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland with the exception of FBD Insurance plc whose financial statements are prepared in accordance with International Financial Reporting Standards ("IFRSs") adopted by the European Union.

### 33. CAPITAL COMMITMENTS

#### Intangible Asset Commitments

The Group has committed €1.4 million (2024: €4.1 million) for the development of internally generated software, to be paid during 2026.

### 34. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets at either 31 December 2025 or 31 December 2024.

### 35. SHARE-BASED PAYMENTS

#### FBD Performance Share Plan

Conditional awards of ordinary shares are made under the LTIP. The LTIP was last approved by the shareholders of FBD Holdings plc at the 2018 AGM. Conditional awards are solely based on non-market conditions. The extent to which the non-market conditions have been met and any award (or part of an award) has therefore vested will be determined in due course by the Remuneration Committee of the Board of FBD Holdings plc. Further detail on the LTIP is available within the Report on Directors' Remuneration on pages 80 to 102.

#### Accounting charge for share-based payments

Grant date	Number outstanding at 1 January 2025	Granted during year	Dividends	(Under)/Outperformance	Forfeited during year	Vested during year	Number outstanding at 31 December 2025	Performance Period	Earliest vesting date
06.04.2022 LTIP	234,539	—	90,815	(234)	—	(325,120)	—	2022-2024	Mar-25
04.04.2023 LTIP	187,706	—	—	—	(6,005)	—	181,701	2023-2025	Mar-26
12.04.2024 LTIP	231,740	—	—	—	(4,019)	—	227,721	2024-2026	Mar-27
14.04.2025 LTIP	—	282,126	—	—	(4,347)	—	277,779	2025-2027	Mar-28
<b>Total</b>	<b>653,985</b>	<b>282,126</b>	<b>90,815</b>	<b>(234)</b>	<b>(14,371)</b>	<b>(325,120)</b>	<b>687,201</b>		

Grant date	Vesting period (years)	Number outstanding at 31 December 2025	% of shares expected to vest	Share price at grant date	Fair value of share award at grant date	2025	2024
			%	€	€	€000s	€000s
25.03.2021 LTIP	3	—	83 %	6.89	6.89	—	279
06.04.2022 LTIP	3	—	100 %	9.90	9.90	699	1,218
04.04.2023 LTIP	3	181,701	100 %	13.63	13.63	1,129	1,347
12.04.2024 LTIP	3	227,721	114 %	13.45	13.45	1,941	766
14.04.2025 LTIP	3	277,779	118 %	12.93	12.93	1,302	—
<b>Total</b>		<b>687,201</b>				<b>5,071</b>	<b>3,610</b>

During the financial year 325,120 shares of the April 2022 award vested, with a value of €3,491,136. The Directors estimate, 100% of the April 2023 awards will vest, 114% of the April 2024 awards will vest and 118% of the April 2025 awards will vest.

## 36. TRANSACTIONS WITH RELATED PARTIES

FBD Holdings plc is the ultimate parent company of the Group. The Group's shares are held and traded on the Stock Exchange, and no single shareholder or group of shareholders exercises control over the Group.

Farmer Business Developments plc and FBD Trust have a substantial shareholding in the Group at 31 December 2025. Details of their shareholdings are set out in the Report of the Directors on page 39.

Both companies have subordinated debt investment in the Group, Farmer Business Developments plc holds a €21.0m investment and FBD Trust holds a €12.0m investment. During 2025 interest payments of €1.1m and €0.6m were made to Farmer Business Developments plc and FBD Trust respectively. Please refer to note 26 for further details.

At 31 December 2025 the intercompany balances (FBD Holdings plc) with other subsidiaries was a receivable of €6,677,000 (2024: receivable of €5,162,000).

For the purposes of the disclosure requirements of IAS 24, the term "key management personnel" (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises the Board of Directors and Company Secretary of FBD Holdings plc and the Group's primary subsidiary, FBD Insurance plc and the members of the Executive Management Team.

The remuneration of key management personnel ("KMP") during the year was as follows:

	2025	2024
	€000s	€000s
Short term employee benefits <sup>1</sup>	5,395	5,641
Post-employment benefits	301	288
Share-based payments	2,839	2,052
<b>Charge to the Consolidated Income Statement</b>	<b>8,535</b>	<b>7,981</b>

<sup>1</sup> Short term benefits include fees to Non-Executive Directors, salaries and other short-term benefits to all key management personnel.

Full disclosure in relation to the 2025 and 2024 compensation entitlements and share awards of the Board of Directors is provided in the Report on Directors' Remuneration.

Executive directors of the Group may hold insurance policies underwritten by FBD Insurance plc. Such policies are available to executive directors on the same terms as other Group employees' or similar.

At 31 December 2025 KMP had loans to the value of €10,264 payable to the Group (December 2024: €12,600). KMP loans with the Group did not exceed these values at any stage during the year.

In common with all shareholders, KMP received payments/distributions related to their holdings of shares in the Company during the year, amounting in total to €586,000 (2024: €516,000).

## 37. FINANCIAL RISK MANAGEMENT

### (a) Capital management risk

The Group is committed to managing its capital to ensure it is adequately capitalised at all times and to maximise returns to shareholders. The capital of the Group comprises of issued capital, reserves and retained earnings as detailed in notes 27 to 30. The Group has an Investment Committee, a Pricing & Underwriting Committee, a Capital Management Forum, an Audit Committee, a Reserving Committee and Board and Executive Risk Committees, all of which assist the Board in the identification and management of exposures and capital.

The Group maintained its capital position and complied with all regulatory solvency margin requirements throughout both the year 2025 and the prior year. In 2025, the Group maintained its Solvency Capital Requirement (SCR) Ratio coverage above its target range of 150-170% of SCR Ratio.

An experienced Actuarial team is in place with policies and procedures to ensure that Solvency II Technical Provisions are calculated in an appropriate manner and represent a best estimate. Technical Provisions are internally peer reviewed every quarter and subject to external peer review every two years.

An approved Reinsurance Programme is in place to mitigate the solvency impact of Catastrophe events to the Group.

The annual ORSA provides a comprehensive view and understanding of the risks to which the Group is exposed or could face in the future and how they translate into capital needs or alternatively require mitigation actions.

The Group ensures that the implications on the capital position is considered as part of the strategic planning process. The capital position is also considered as part of the strategic decision process.

On at least an annual basis, a target range for its SCR Ratio, developed as part of the annual planning/budgeting process, is approved by the Board as part of the Risk Appetite Statements in the Risk Appetite Framework.

The Group also devotes considerable resources to managing its relationships with the providers of capital within the capital markets, for example, existing and potential shareholders, financial institutions, stockbrokers and corporate finance houses.

37 FINANCIAL RISK MANAGEMENT (continued)

**(b) Liquidity risk**

The Group is exposed to daily calls on its cash resources, mainly for claims payments. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring that the maturity profile of its financial assets is well matched to the maturity profile of its liabilities and maintaining a minimum cash amount available on short term access at all times.

The following tables provide a maturity analysis of the Group's insurance and reinsurance contracts, which reflects the dates on which the cashflows are expected to occur. Liabilities for remaining coverage measured under the PAA have been excluded from this analysis.

2025	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Gross LIC present value of future cashflows	201,817	125,386	90,432	61,505	39,389	56,657	575,186
Reinsurance LIC present value of future cashflows	(35,605)	(11,092)	(8,775)	(6,542)	(4,674)	(12,609)	(79,297)

2024	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Gross LIC present value of future cashflows	197,705	122,576	85,150	58,973	38,752	58,045	561,201
Reinsurance LIC present value of future cashflows	(26,761)	(11,161)	(8,724)	(6,578)	(4,959)	(14,475)	(72,658)

The following tables summarise the maturity profile of financial assets and liabilities of the Group based on remaining undiscounted contractual cash flows, including interest receivable:

2025	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Cash and cash equivalents	170,042	—	—	—	—	—	170,042
Equity and debt instruments at FVTPL	47,671	—	—	—	—	58,302	105,973
Debt instruments at FVOCI	172,377	169,483	174,292	126,598	99,532	260,986	1,003,268
Loans and other receivables	22,904	—	—	—	—	—	22,904
Other payables	39,104	—	—	—	—	—	39,104
Other provisions	7,349	—	—	—	—	—	7,349
Subordinated debt	2,500	2,500	52,500	—	—	—	57,500

37 FINANCIAL RISK MANAGEMENT (continued)

2024	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Cash and cash equivalents	152,320	—	—	—	—	—	152,320
Equity and debt instruments at FVTPL	80,654	—	—	—	—	52,113	132,767
Debt instruments at FVOCI	151,012	211,172	163,356	136,521	80,765	248,469	991,295
Loans and other receivables	23,017	—	—	—	—	—	23,017
Other payables	43,066	—	—	—	—	—	43,066
Other provisions	14,398	—	—	—	—	—	14,398
Subordinated debt	2,500	2,500	2,500	52,500	—	—	60,000

The tables below summarises the expected utilisation or settlement of assets and liabilities:

	2025			2024		
	No more than 12 months	More than 12 months	Total	No more than 12 months	More than 12 months	Total
	€000s	€000s	€000s	€000s	€000s	€000s
<b>Financial assets:</b>	<b>378,989</b>	<b>813,122</b>	<b>1,192,111</b>	<b>379,472</b>	<b>820,588</b>	<b>1,200,060</b>
Cash and cash equivalents	170,042	—	170,042	152,320	—	152,320
Equity and debt instruments at FVTPL	47,671	58,302	105,973	80,654	52,113	132,767
Debt instruments at FVOCI	138,372	754,820	893,192	123,481	768,475	891,956
Loans and receivables	22,904	—	22,904	23,017	—	23,017
<b>Reinsurance contract assets:</b>	<b>34,206</b>	<b>48,499</b>	<b>82,705</b>	<b>24,342</b>	<b>50,754</b>	<b>75,096</b>
Reinsurance contract assets	34,206	48,499	82,705	24,342	50,754	75,096
<b>Insurance/Reinsurance contract liabilities:</b>	<b>377,071</b>	<b>415,515</b>	<b>792,586</b>	<b>361,639</b>	<b>406,213</b>	<b>767,852</b>
Insurance contract liabilities	377,071	415,515	792,586	361,566	406,213	767,779
Reinsurance contract liabilities	—	—	—	73	—	73
<b>Financial liabilities:</b>	<b>48,953</b>	<b>47,339</b>	<b>96,292</b>	<b>59,964</b>	<b>47,280</b>	<b>107,244</b>
Other payables	39,104	—	39,104	43,066	—	43,066
Other provisions	7,349	—	7,349	14,398	—	14,398
Subordinated debt	2,500	47,339	49,839	2,500	47,280	49,780

### (c) Market risk

The Group has invested in term deposits, listed debt securities, investment property and externally managed collective investment schemes which provide exposure to a broad range of asset classes. These investments are subject to market risk, whereby the value of the investments may fluctuate as a result of changes in market prices, changes in market interest rates or changes in the foreign exchange rates of the currency in which the investments are denominated. The extent of the exposure to market risk is managed by the formulation of, and adherence to, an Investment Policy incorporating clearly defined investment limits and rules, as approved annually by the Board of Directors, and employment of appropriately qualified and experienced personnel and external investment management specialists to manage the Group's investment portfolio. The overriding philosophy of the Investment Policy is to protect and safeguard the Group's assets and to ensure its capacity to underwrite is not put at risk.

## 37 FINANCIAL RISK MANAGEMENT (continued)

**Interest rate and spread risk**

Interest rate and spread risk arises primarily from the Group's investments in listed debt securities and deposits and their movement relative to the Group's liabilities. The Group reviews its exposure to interest rate and spread risk on a quarterly basis by conducting an asset liability matching analysis. As part of this analysis it monitors the movement in assets minus liabilities for defined interest rate stresses and ensures that they remain within set limits as laid out in its Asset Liability Management Policy. Similar monitoring is done for spread risk.

At 31 December 2025, the Group held the following listed debt securities:

	2025		2024	
	Market Value	Weighted average interest rate	Market Value	Weighted average interest rate
	€000s	%	€000s	%
<b>Time to maturity</b>				
In one year or less	138,372	1.11	123,481	1.08
In more than one year, but not more than two years	160,596	1.09	190,199	1.01
In more than two years, but not more than three years	153,429	1.66	158,842	1.12
In more than three years, but not more than four years	111,289	2.40	116,887	1.44
In more than four years, but not more than five years	81,871	2.54	61,799	1.99
More than five years	247,635	2.64	240,748	2.71
<b>Total</b>	<b>893,192</b>		<b>891,956</b>	

**Equity price risk**

The Group is subject to equity price risk due to its holdings in collective investment schemes which invest in listed equities.

The amounts exposed to equity price risk at the reporting date are:

	2025	2024
	€000s	€000s
Equity exposure	20,961	33,840

**Foreign currency risk**

The Group does not directly hold investment assets in foreign currencies; however, it does have exposure to non-euro exchange rate fluctuations through its collective investment scheme holdings. The underlying exposure to foreign currency is as follows.

Assets	2025	2024
	€000s	€000s
Emerging Markets*	7,536	12,169
USD	57,123	50,964

\*The Emerging Markets currency exposure is achieved through the collective investment schemes and is highly diversified. The largest exposure to any one currency as at 31 December 2025 was €1.0m in Hong Kong Dollars (2024: €1.3m in Hong Kong Dollars)

The Group did not directly hold any derivative instruments at 31 December 2025 or 31 December 2024.

## 37 FINANCIAL RISK MANAGEMENT (continued)

**(d) Credit risk**

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations.

Financial assets are graded according to current credit ratings issued by the main credit rating agencies. Investment grade financial assets are classified within the range of AAA to BBB ratings. Financial assets which fall outside this range are classified as speculative grade. All of the Group's bank deposits are with financial institutions which have a minimum A- rating. The Group holds the following listed government bonds (average credit rating: A) and listed corporate bonds (average credit rating: A-), with the following credit profile:

	2025		2024	
	Market Value	Weighted Average Duration	Market value	Weighted Average Duration
	€000s	Years	€000s	Years
<b>Government bonds</b>				
AAA	—	—	—	—
AA+	25,540	5.0	26,701	1.3
AA	—	—	11,139	7.0
AA-	66,979	6.0	72,605	3.0
A+	21,092	0.9	—	—
A	—	—	—	—
A-	110,040	1.9	43,773	3.6
BBB+	—	—	65,628	2.4
BBB	33,574	1.7	—	—
BBB-	—	—	29,706	1.9
<b>Total</b>	<b>257,225</b>	<b>3.2</b>	<b>249,552</b>	<b>2.8</b>
<b>Corporate Bonds</b>				
AAA	19,272	4.5	16,352	6.0
AA+	6,839	3.5	8,804	3.6
AA	17,958	3.8	10,050	4.1
AA-	51,243	4.0	47,452	4.6
A+	89,121	3.3	88,651	3.5
A	73,094	3.2	70,503	3.4
A-	149,237	3.5	152,782	3.1
BBB+	151,630	3.4	164,631	3.3
BBB	68,785	2.2	69,806	2.2
BBB-	8,788	1.4	13,373	1.1
<b>Total</b>	<b>635,967</b>	<b>3.3</b>	<b>642,404</b>	<b>3.3</b>

The Group's IFRS 9 policy does not require calculation of an ECL for 'Cash and cash equivalents' and 'Deposits' due to their low risk of default and low risk profile.

All of the Group's current reinsurers either have a credit rating of A- or better. The Group has assessed these credit ratings as being satisfactory in diminishing the Group's exposure to the credit risk of its reinsurance receivables. At 31 December 2025, the maximum balance owed to the Group by an individual reinsurer, including reinsurers' share of insurance contract liabilities not yet called, was €9,953,000 (2024: €7,316,000).

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's most significant exposure to credit risk. There are no financial assets past due but not impaired.

All other receivables are due within one year and none are past due. The carrying value is net of any allowance for expected credit losses (ECL).

## 37 FINANCIAL RISK MANAGEMENT (continued)

**Impairment assessment****Debt instruments at FVOCI**

The Group monitors FVOCI investments in order to determine whether an investment is subject to 12 month ECL (12-month ECL) or Lifetime ECL (LTECL).

At initial recognition, a debt instrument is considered at stage 1 and a loss allowance must be made immediately by recognising the 12-month ECL. The 12-month ECL is the expected credit loss that would result from a default event occurring within the next 12 months.

An increase in credit risk is assessed by a significant increase in the probability of default of a bond, taking into account reasonable and supportable information including forward-looking data. The credit risk is always considered as significantly increased if any contractual payments are more than 30 days past due. In case of a significant increase in credit risk (stage 2), the loss has to reflect the lifetime ECL which are the probability-weighted credit losses occurring over the entire lifetime of the bond.

If the bond is more than 90 days past due or if there is other evidence of financial distress (for example, a legal bankruptcy or default), the instrument is classified as credit-impaired (stage 3) which means the impairment loss has to reflect the lifetime ECL as in stage 2.

All investments are high grade and the ECL applied is the 12-month ECL, as there has been no significant increase in risk in any of the periods.

The ECL for FVOCI debt securities does not change the carrying value of these investments in the Statement of Financial Position, the loss allowance is instead recognised in the Consolidated Income Statement with corresponding credit to Other Comprehensive Income.

The table below shows an analysis of changes in the fair value of FVOCI investments and the corresponding ECL:

	Carrying Value			Related ECL		
	Government Bonds	Corporate Bonds	Total	Government Bonds	Corporate Bonds	Total
	€000s	€000s	€000s	€000s	€000s	€000s
Balance at 1 January 2025	249,552	642,404	891,956	(268)	(249)	(517)
Originated or purchased	36,703	153,209	189,912	(4)	(24)	(28)
Matured or sold	(31,571)	(164,494)	(196,065)	21	26	47
Remeasurement	2,541	4,848	7,389	(10)	(42)	(52)
<b>Balance at 31 December 2025</b>	<b>257,225</b>	<b>635,967</b>	<b>893,192</b>	<b>(261)</b>	<b>(289)</b>	<b>(550)</b>
Balance at 1 January 2024	281,082	574,907	855,989	(253)	(259)	(512)
Originated or purchased	—	126,185	126,185	(5)	(29)	(34)
Matured or sold	(20,000)	(87,791)	(107,791)	3	51	54
Remeasurement	(11,530)	29,103	17,573	(13)	(12)	(25)
<b>Balance at 31 December 2024</b>	<b>249,552</b>	<b>642,404</b>	<b>891,956</b>	<b>(268)</b>	<b>(249)</b>	<b>(517)</b>

**Other receivables and loans**

The Group recognises a loss allowance for expected credit losses that reduces the carrying value of the Other receivables and Loans. Expected credit losses is a forward looking measure of impairment calculated on a probability of credit losses basis. An ECL of €10,000 (2024: €53,000) has reduced the carrying value of Other receivables and an ECL of €7,000 (2024: €8,000), has reduced the carrying value of Loans. The Group has availed of the low credit risk exemption outlined in IFRS 9 and applied this to particular assets included within 'Other receivables'.

37 FINANCIAL RISK MANAGEMENT (continued)

### (e) Concentration risk

Concentration risk is the risk of loss due to over allocation on a singular investment or category of business. The main concentration risks to which the Group is exposed, and how they are mitigated, are as follows:

- Exposure to a single country, counterparty or security as part of its sovereign or corporate bond portfolio. The Group mitigates this risk by placing limits on these exposures with its investment managers which are continuously monitored.
- Exposure to a single counterparty as part of its cash and deposit holdings. The Group mitigates this risk by placing limits on its total exposures to banking counterparties as set out in the Group's Investment Policy, which is approved annually by the Board of Directors.
- While all of the Group's underwriting business is conducted in Ireland, with a significant focus on the farm-sector, it is spread over a wide geographical area with no concentration in any one county or region. The resultant concentration risk from adverse weather events, i.e. floods, storms or freezes in Ireland, are mitigated by a flood mapping solution and an appropriate reinsurance strategy.

Receivables have no significant concentration of risk.

### (f) Sensitivity analysis

The below sensitivity analysis shows the impact on gross and net liabilities, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have an effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis.

### (i) Underwriting risk

Underwriting risk is the risk that underwritten business is less profitable than planned due to insufficient pricing and setting of claims case reserves as a result of higher than expected claims frequency, higher average cost of claims and catastrophic claims. The Group manages this risk through its underwriting strategy, claims reserving and its reinsurance arrangements. The Group underwriting strategy is incorporated in the overall corporate strategy and all risks underwritten are within the Group's underwriting policies. The Group uses statistical and actuarial methods to calculate the quantum of claims provisions and the case reserve estimates are subject to robust controls. The Group purchases reinsurance protection to limit its exposure to single claims and the aggregation of claims from catastrophic events.

The following table presents information on how reasonably possible changes in assumptions by the Group with regard to underwriting risk variables impact on insurance liabilities, profit before tax and equity before and after risk mitigation by reinsurance contracts held. As these contracts are measured under the PAA, only the LIC component of insurance liabilities is impacted.

37 FINANCIAL RISK MANAGEMENT (continued)

	2025				2024			
	LIC as at 31/12	Impact on LIC	Impact on Profit before tax	Impact on Equity	LIC as at 31/12	Impact on LIC	Impact on Profit before tax	Impact on Equity
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities	640,154	—	—	—	627,149	—	—	—
Net reinsurance contract assets	(86,643)	—	—	—	(79,437)	—	—	—
<b>Net insurance contract liabilities</b>	<b>553,511</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>547,712</b>	<b>—</b>	<b>—</b>	<b>—</b>
Unpaid claims and expenses: +10%								
Insurance contract liabilities	—	64,015	(64,448)	(56,013)	—	62,715	(63,431)	(54,876)
Reinsurance contract assets	—	(8,664)	8,828	7,581	—	(7,944)	8,146	6,951
<b>Net insurance contract liabilities</b>	<b>—</b>	<b>55,351</b>	<b>(55,620)</b>	<b>(48,432)</b>	<b>—</b>	<b>54,771</b>	<b>(55,285)</b>	<b>(47,925)</b>

## 37 FINANCIAL RISK MANAGEMENT (continued)

**(ii) Interest rate**

The following table discloses an analysis of how a possible shift in market interest rates of +/- 100bps might impact the insurance contract liabilities (LIC), investment assets at FVOCI, profit before tax and equity.

	2025	2024
	€000s	€000s
Gross insurance liabilities <sup>1</sup>	(575,186)	(561,201)
Reinsurance assets <sup>1</sup>	79,297	72,658
<b>Net insurance liabilities</b>	<b>(495,889)</b>	<b>(488,534)</b>
Investment assets classified as FVOCI <sup>2</sup>	893,192	891,956
<b>+100bps in interest rate</b>		
Impact on:		
Gross insurance liabilities	11,766	11,710
Reinsurance assets	(1,790)	(1,993)
<b>Net insurance liabilities</b>	<b>9,976</b>	<b>9,717</b>
Investment assets classified as FVOCI	(34,084)	(33,374)
Profit before tax <sup>3</sup>	—	—
Decrease in equity	(21,095)	(20,700)
<b>-100bps in interest rate</b>		
Impact on:		
Gross insurance liabilities	(12,374)	(12,339)
Reinsurance assets	1,916	2,140
<b>Net insurance liabilities</b>	<b>(10,458)</b>	<b>(10,199)</b>
Investment assets classified as FVOCI	36,409	35,590
Profit before tax <sup>3</sup>	—	—
<b>Increase in Equity</b>	<b>22,707</b>	<b>22,217</b>

<sup>1</sup> Gross liabilities and reinsurance assets excludes the risk adjustment, as this is not sensitive to interest rate movements, as it reflects uncertainty relating to non-financial risks.

<sup>2</sup> (Re) insurance contract assets and liabilities are backed by cash and fixed interest securities of low risk and similar duration. All of the Group's fixed interest securities are classified as FVOCI. 'Cash and cash equivalents' are not included in the stress test, due to their short term maturity.

<sup>3</sup> A change in the interest rate impacts the LIC, however this impact will be in the Consolidated OCI with no impact on profit before tax as the Consolidated Income Statement is based on initial rate which remains unchanged in these scenarios. Similarly any change in interest rate will impact the FVOCI investments, however will have no impact on profit before tax, instead the impact will go through Consolidated OCI.

**(iii) Other sensitivities**

The table below identifies the Group's other key sensitivity factors. For each sensitivity test, the impact of a change in a single factor is shown, with other assumptions left unchanged.

37 FINANCIAL RISK MANAGEMENT (continued)

Sensitivity factor	Description of sensitivity factor applied
Interest rate and investment return	The impact of a change in the market interest rate by an increase of 1% or a decrease of 0.25%. For example if a current interest rate is 2%, the impact of an immediate change to 3% and 1.75%.
Exchange rates movement	The impact of a change in foreign exchange rates by $\pm 10\%$ .
Equity market values	The impact of a change in equity market values by $\pm 10\%$ .
FVOCI investments	The impact of a change in bond market valuations by $\pm 5\%$ .
Level 3 - investment property	The impact of a change in market rents $\pm 10\%$ .
Level 3 - investment property	The impact of a change in capitalisation yield $\pm 0.5\%$ .
Level 3 - owner-occupied property	The impact of a change in market rents $\pm 10\%$ .
Level 3 - owner-occupied property	The impact of a change in capitalisation yield $\pm 0.5\%$ .
Level 3 - other investments	The impact of a change in valuations by $\pm 10\%$ .

The pre-taxation impacts on shareholders' equity at 31 December 2025 and at 31 December 2024 of each of the sensitivity factors outlined above are as follows:

		2025	2024
		€000s	€000s
Interest rates	1%	(36,506)	(37,566)
Interest rates	(0.25%)	9,610	9,957
FX rates	10%	6,466	6,313
FX rates	(10%)	(6,466)	(6,313)
Equity	10%	2,096	3,384
Equity	(10%)	(2,096)	(3,384)
FVOCI investments	5%	44,660	44,598
FVOCI investments	(5%)	(44,660)	(44,598)
Level 3 - investment property - Market Rent (note 14(b))	10%	1,200	1,400
Level 3 - investment property - Market Rent (note 14(b))	(10%)	(1,200)	(1,300)
Level 3 - investment property - Capitalisation yield (note 14(b))	0.5%	(800)	(800)
Level 3 - investment property - Capitalisation yield (note 14(b))	(0.5%)	900	900
Level 3 - owner-occupied property - Market Rent (note 14(b))	10%	1,337	1,171
Level 3 - owner-occupied property - Market Rent (note 14(b))	(10%)	(1,327)	(1,285)
Level 3 - owner-occupied property - Capitalisation yield (note 14(b))	0.5%	(803)	(898)
Level 3 - owner-occupied property - Capitalisation yield (note 14(b))	(0.5%)	854	830
Level 3 - other investments (note 14(b))	10%	5,830	5,211
Level 3 - other investments (note 14(b))	(10%)	(5,830)	(5,211)

### Limitations of sensitivity analysis

The above tables demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results. The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk. They represent the Group's view of possible near-term market changes that cannot be predicted with any certainty and assume that all interest rates move in an identical fashion.

37 FINANCIAL RISK MANAGEMENT (continued)

## (g) Insurance risk

### Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a gross of reinsurance basis as at 31 December 2025.

Accident year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
<b>Estimate of ultimate claims cost<sup>1</sup>:</b>											
At end of accident year	240,975	230,576	234,845	201,745	359,901	222,509	221,145	232,557	260,840	<b>366,236</b>	
One year later	226,231	213,798	224,166	196,579	367,152	206,018	218,012	229,353	258,569	—	
Two years later	214,276	199,484	213,477	172,845	339,236	217,002	204,142	233,227	—	—	
Three years later	203,629	198,514	206,541	166,682	272,551	213,748	205,120	—	—	—	
Four years later	196,351	195,149	199,397	165,953	259,347	209,687	—	—	—	—	
Five years later	195,903	188,663	190,234	162,781	253,718	—	—	—	—	—	
Six years later	194,234	184,488	188,080	160,875	—	—	—	—	—	—	
Seven years later	192,396	180,942	185,113	—	—	—	—	—	—	—	
Eight years later	187,982	180,558	—	—	—	—	—	—	—	—	
Nine years later	184,920	—	—	—	—	—	—	—	—	—	
Estimate of cumulative claims	184,920	180,558	185,113	160,875	253,718	209,687	205,120	233,227	258,569	<b>366,236</b>	
Cumulative payments <sup>2</sup>	(179,033)	(162,591)	(166,901)	(136,077)	(215,187)	(149,346)	(145,159)	(153,050)	(156,217)	<b>(192,333)</b>	
<b>Claims outstanding at 31.12.25</b>	<b>5,887</b>	<b>17,967</b>	<b>18,212</b>	<b>24,798</b>	<b>38,531</b>	<b>60,341</b>	<b>59,961</b>	<b>80,177</b>	<b>102,352</b>	<b>173,903</b>	582,129
Gross cumulative claims outstanding - prior accident years											25,562
Effect of discounting											(32,505)
Effect of the risk adjustment for non-financial risk											64,968
<b>Gross LIC</b>											<b>640,154</b>

1 Ultimate claims are gross of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.

2 Cumulative payments relate to gross claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

## Net claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a net of reinsurance basis as at 31 December 2025.

Accident year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
<b>Estimate of ultimate claims cost<sup>1</sup>:</b>											
At end of accident year	214,776	201,561	214,844	190,529	257,995	185,527	161,029	216,802	249,865	<b>293,842</b>	
One year later	210,223	193,783	208,259	184,032	242,582	173,277	159,886	218,527	249,392	—	
Two years later	199,853	184,032	200,375	165,425	269,395	176,360	150,538	221,739	—	—	
Three years later	188,762	181,921	198,901	161,579	246,190	174,812	150,617	—	—	—	
Four years later	185,533	180,856	190,299	159,983	240,418	171,937	—	—	—	—	
Five years later	185,023	176,175	183,676	158,102	237,061	—	—	—	—	—	
Six years later	183,706	171,967	181,908	156,361	—	—	—	—	—	—	
Seven years later	181,877	169,228	178,999	—	—	—	—	—	—	—	
Eight years later	178,097	169,172	—	—	—	—	—	—	—	—	
Nine years later	175,351	—	—	—	—	—	—	—	—	—	
Estimate of cumulative claims	175,351	169,172	178,999	156,361	237,061	171,937	150,617	221,739	249,392	<b>293,842</b>	
Cumulative payments <sup>2</sup>	(169,464)	(156,217)	(163,502)	(136,284)	(207,213)	(130,623)	(100,856)	(147,899)	(155,689)	<b>(139,292)</b>	
<b>Claims outstanding at 31.12.25</b>	<b>5,887</b>	<b>12,955</b>	<b>15,497</b>	<b>20,077</b>	<b>29,848</b>	<b>41,314</b>	<b>49,761</b>	<b>73,840</b>	<b>93,703</b>	<b>154,550</b>	497,432
Net cumulative claims outstanding - prior accident years											25,494
Effect of discounting											(27,037)
Effect of the risk adjustment for non-financial risk											57,622
<b>Net LIC</b>											<b>553,511</b>

1 Ultimate claims are net of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.

2 Cumulative payments relate to net claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

## (g) Insurance risk

### Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a gross of reinsurance basis as at 31 December 2024.

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
<b>Estimate of ultimate claims cost<sup>1</sup>:</b>											
At end of accident year	288,726	240,975	230,576	234,845	201,745	359,901	222,509	221,145	232,557	260,840	
One year later	294,585	226,231	213,798	224,166	196,579	367,152	206,018	218,012	229,353	—	
Two years later	314,664	214,276	199,484	213,477	172,845	339,236	217,002	204,142	—	—	
Three years later	309,541	203,629	198,514	206,541	166,682	272,551	213,748	—	—	—	
Four years later	285,638	196,351	195,149	199,397	165,953	259,347	—	—	—	—	
Five years later	281,297	195,903	188,663	190,234	162,782	—	—	—	—	—	
Six years later	280,966	194,234	184,488	188,081	—	—	—	—	—	—	
Seven years later	272,936	192,396	180,942	—	—	—	—	—	—	—	
Eight years later	264,616	187,982	—	—	—	—	—	—	—	—	
Nine years later	262,587	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	262,587	187,982	180,942	188,081	162,782	259,347	213,748	204,142	229,353	260,840	
Cumulative payments <sup>2</sup>	(249,517)	(176,080)	(160,824)	(162,306)	(128,942)	(199,461)	(132,891)	(131,672)	(138,414)	(105,252)	
<b>Claims outstanding at 31.12.24</b>	<b>13,070</b>	<b>11,902</b>	<b>20,118</b>	<b>25,775</b>	<b>33,840</b>	<b>59,886</b>	<b>80,857</b>	<b>72,470</b>	<b>90,939</b>	<b>155,588</b>	<b>564,445</b>
Gross cumulative claims outstanding - prior accident years											28,196
Effect of discounting											(31,440)
Effect of the risk adjustment for non-financial risk											65,948
<b>Gross LIC</b>											<b>627,149</b>

1 Ultimate claims are gross of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.

2 Cumulative payments relate to gross claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

## Net claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a net of reinsurance basis as at 31 December 2024.

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
<b>Estimate of ultimate claims cost<sup>1</sup>:</b>											
At end of accident year	258,197	214,776	201,561	214,844	190,529	257,995	185,527	161,029	216,802	249,867	
One year later	264,220	210,223	193,783	208,259	184,032	242,582	173,277	159,886	218,527	—	
Two years later	275,233	199,853	184,032	200,375	165,425	269,395	176,360	150,538	—	—	
Three years later	270,024	188,762	181,921	198,901	161,579	246,190	174,812	—	—	—	
Four years later	261,250	185,533	180,856	190,299	159,983	240,418	—	—	—	—	
Five years later	258,388	185,023	176,175	183,676	158,102	—	—	—	—	—	
Six years later	258,910	183,706	171,967	181,908	—	—	—	—	—	—	
Seven years later	253,731	181,877	169,228	—	—	—	—	—	—	—	
Eight years later	245,803	178,097	—	—	—	—	—	—	—	—	
Nine years later	244,457	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	244,457	178,097	169,228	181,908	158,102	240,418	174,812	150,538	218,527	249,867	
Cumulative payments <sup>2</sup>	(231,610)	(166,511)	(154,449)	(158,907)	(129,148)	(198,250)	(114,256)	(87,467)	(134,674)	(104,745)	
<b>Claims outstanding at 31.12.24</b>	<b>12,847</b>	<b>11,586</b>	<b>14,779</b>	<b>23,001</b>	<b>28,954</b>	<b>42,168</b>	<b>60,556</b>	<b>63,071</b>	<b>83,853</b>	<b>145,122</b>	<b>485,937</b>
Net cumulative claims outstanding - prior accident years											28,412
Effect of discounting											(25,806)
Effect of the risk adjustment for non-financial risk											59,169
<b>Net LIC</b>											<b>547,712</b>

1 Ultimate claims are net of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.

2 Cumulative payments relate to net claims and other directly attributable expenses relating to claims management paid.

## 38. SUBSEQUENT EVENTS

There have been no subsequent events that would have a material impact on the financial statements.

# Other Information

## ALTERNATIVE PERFORMANCE MEASURES (APMs) (UNAUDITED)

The Group uses the following alternative performance measures: Loss ratio, undiscounted loss ratio, expense ratio, combined operating ratio, undiscounted combined operating ratio, actual investment return ratio, net asset value per share, return on equity, underwriting result and gross written premium. APMs are supplementary and not a substitute for measures defined in IFRS. All APMs refer to past events and do not represent forecasted measures.

The calculation of the APM's is based on the following data:

### Loss ratio

The loss ratio measures the claims incurred net of reinsurance result as a percentage of insurance revenue. It serves as a core indicator of underwriting performance. It helps investors understand the profitability of the Group's core underwriting business. It is a consistent metric across the industry, making it a reliable comparison for performance. The loss ratio is used to evaluate profitability of the Insurance business.

Formula: Loss Ratio = Total claims incurred and movement in other provision charges / Insurance revenue × 100

Components:

- Total claims incurred and movement in other provision charges: Represents the total financial impact recognised during the reporting period due to policyholder claims, related provisions, and associated movements in the insurer's financial obligations. This metric provides a comprehensive view of the Group's claims-related expenses and adjustments affecting its liability position.

The component above includes:

- Incurred claims and other expenses: This includes claims paid during the reporting period and changes in the insurer's best estimate of outstanding claims liabilities. It captures the direct cost of claims (e.g., benefits to policyholders) and associated expenses such as claims handling costs.
- Change that relate to past service (Changes in fulfilment cash flows (FCF) relating to the liability for incurred claims (LIC)): This component reflects adjustments in the present value of future cash flows (fulfilment cash flows) tied to claims already incurred but not yet settled. Changes arise from updated assumptions, experience adjustments, or interest accretion on LIC.
- Net expense from reinsurance contracts held: This represents the net impact of reinsurance recoveries and premiums ceded to reinsurers on claims liabilities. It accounts for the reinsurer's share of claims incurred, offset by the reinsurance premiums paid, and any changes in the value of reinsurance assets or liabilities.
- Movement in other provision charges: This term refers to changes in the Group's liabilities related to insurance contracts not already included in the Insurance Service Result.
- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest earned on Instalment premiums.

	Note	2025 €000s	2024 €000s
Calculation:			
Incurring claims and other expenses	16	372,016	266,747
Changes that relate to past service – changes in FCF relating to the LIC	16	(37,495)	(72,928)
Net (income)/expense from reinsurance contracts held	4(a)	(34,221)	51,453
Movement in other provision charges	25	7,173	6,695
<b>Total claims incurred and movement in other provision charges</b>		<b>307,473</b>	<b>251,967</b>
Insurance revenue	4(a)	486,751	441,005
<b>Loss ratio</b>		<b>63.2 %</b>	<b>57.1 %</b>

### Undiscounted loss ratio

The undiscounted loss ratio is a measure of underwriting performance, as it calculates the ratio of claims incurred net of reinsurance to insurance revenue without discounting for the time value of money. Discounting has been determined in accordance with Summary of Accounting Policies 3 (E). This ratio provides a straightforward view of claims incurred relative to insurance revenue, offering a conservative measure that eliminates the assumptions involved in discounting liabilities and assets. Investors find this metric useful for evaluating short-term cash flow sufficiency and claims management. This APM is valuable when comparing different discounting practices and helps ensure transparency regarding claim liabilities.

Formula: Undiscounted Loss Ratio = Undiscounted total claims incurred and movement in other provision charges / Insurance revenue x 100

Components:

- Undiscounted total claims incurred and movement in other provision charges: See definition for Total Claims Incurred and movement in the other provisions above, without any adjustments for future liability discounting.
- Insurance revenue: See above.

	Note	2025 €000s	2024 €000s
Calculation:			
Incurring claims and other expenses <sup>1</sup>		382,902	276,298
Changes that relate to past service – changes in FCF relating to the LIC <sup>1</sup>		(36,824)	(74,072)
Net (income)/expense from reinsurance contracts held <sup>1</sup>		(35,220)	51,031
Movement in other provision charges	25	7,173	6,695
<b>Total claims incurred and movement in other provision charges</b>		<b>318,031</b>	<b>259,952</b>
<p><i><sup>1</sup>These items cannot be reconciled to the financial statements and therefore we have shown below how the non-directly extractable figures are calculated:</i></p> <p><i>The difference between the undiscounted loss ratio and loss ratio is the effect of discounting only. Discounting involves applying payment patterns to the estimates of future cashflows related to incurred claims and adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cashflows to the extent not included in the estimates of cashflows. Discounting has been determined in accordance with Summary of Accounting Policies 3 (E).</i></p>			
Insurance revenue	4(a)	486,751	441,005
<b>Undiscounted loss ratio</b>		<b>65.3 %</b>	<b>58.9 %</b>

## Expense ratio

The expense ratio represents the proportion of insurance revenue allocated to cover the Group's underwriting expenses, including both acquisition and administrative costs. It is calculated by dividing the sum of amortisation of insurance acquisition cash flow and non-attributable expenses by the insurance revenue. This ratio indicates the percentage of income generated from insurance operations that is utilised for acquiring new or renewing business and managing the Group's administrative functions. The expense ratio reflects the Group's efficiency in managing operational and acquisition-related costs relative to its insurance revenue. A lower ratio signifies better cost control and operational efficiency, which is key for profitability. This APM is widely adopted across the insurance industry. It helps stakeholders understand how effectively the Group manages its cost base, allowing for comparisons with other insurers.

Formula: Expense ratio = Amortisation of insurance cash flow and non-attributable expenses / Insurance revenue x 100

Components:

- Non-attributable expenses: Costs incurred in managing the business, excluding claims costs.
- Amortisation of insurance cash flow: Expenses associated with acquiring new policies, including commissions paid to intermediaries and marketing expenses.
- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest on Instalment premiums.

	Note	2025	2024
		€000s	€000s
Calculation:			
Amortisation of insurance acquisition cash flow	4(c)	93,804	84,633
Non-attributable expenses	4(c)	40,621	37,804
<b>Total insurance acquisition and non-attributable expenses</b>	4(c)	<b>134,425</b>	<b>122,437</b>
Insurance revenue	4(a)	486,751	441,005
<b>Expense ratio</b>		<b>27.6 %</b>	<b>27.8 %</b>

## Combined operating ratio

The combined operating ratio (COR) is a comprehensive measure of underwriting performance, calculated as the sum of the loss ratio and the expense ratio. It assesses the profitability of core insurance operations before considering investment returns. COR provides an overall view of the Group's underwriting and operational performance. A COR below 100% indicates underwriting profitability, while a ratio above 100% indicates underwriting losses. It is reliable due to its broad industry use and comparability across companies. The COR is a key indicator for investors and stakeholders to assess the sustainability and profitability of the Group's insurance operations.

Formula: Combined operating ratio = Loss ratio + Expense ratio

Components:

- The definitions of the components of the loss ratio and expense ratio can be found above.

	2025	2024
	%	%
Calculation:		
Loss ratio	63.2 %	57.1 %
Expense ratio	27.6 %	27.8 %
<b>Combined operating ratio</b>	<b>90.8 %</b>	<b>84.9 %</b>

## Undiscounted combined operating ratio

The undiscounted combined operating ratio (UCOR) is the combined operating ratio calculated without discounting future claim liabilities. The UCOR eliminates the potential distortions of discounting, providing a more conservative view of the Group's performance. It is reliable in assessing short-term operational risks and provides a clearer picture of profitability. Investors who prioritise transparency around future liabilities find this metric particularly valuable for assessing the Group's financial health in the absence of discounting assumptions.

Formula: Undiscounted Combined operating ratio = Undiscounted loss ratio + Expense ratio

Components:

- The definitions of the components of the undiscounted loss ratio and expense ratio can be found above.

	2025	2024
	%	%
Calculation:		
Undiscounted loss ratio	65.3 %	58.9 %
Expense ratio	27.6 %	27.8 %
<b>Undiscounted combined operating ratio</b>	<b>92.9 %</b>	<b>86.7 %</b>

## Actual investment return ratio

Actual investment return ratio measures the profitability of the Company's investment portfolio, expressed as a percentage of the average invested assets over the reporting period. Investment performance is a key driver of profitability for insurance companies, especially given the duration of liabilities. This measure provides a clear understanding of how well the Company is managing its investment portfolio. Actual investment return ratio is useful for assessing the effectiveness of the Company's investment strategy.

Formula: Actual investment return ratio = Actual investment return / Average investment assets

Components:

- Investment return: Total income generated from investments, including interest, dividends, and capital gains.
- Average invested assets: The average value of assets allocated to investments over the reporting period.

	Note	2025	2024
		€000s	€000s
Calculation:			
Investment return recognised in Consolidated Income Statement	5	24,659	26,087
Investment return recognised in Statement of Other Comprehensive Income	5	7,850	19,031
<b>Actual investment return</b>		<b>32,509</b>	<b>45,118</b>
Average investment assets <sup>1</sup>		1,165,058	1,145,451
<b>Actual investment return ratio</b>		<b>2.8 %</b>	<b>4.0 %</b>

<sup>1</sup>This item cannot be reconciled to the financial statements and therefore we have shown below how the non-directly extractable figures are calculated:

The group keeps records of its investment asset values at the end of each day. If these values fluctuate daily, the sum of all daily values is computed over the course of the year. Once all daily values are summed, the total is divided by 365 to get the average investment assets. Calculating average investment assets on a daily basis provides a more precise and smooth reflection of the assets under management, particularly when asset values fluctuate frequently due to market movements or portfolio adjustments. This method ensures that daily variations are factored into the calculation of the actual investment return, giving a more accurate measure of performance over the year

### Net asset value per share (NAV per share)

NAV per share represents the Group's total net assets (equity) divided by the number of outstanding shares at the reporting date, excluding treasury shares. It indicates the intrinsic value of each share based on the Group's financial position. NAV per share is widely used in the insurance industry as a measure of shareholder value. It offers a reliable indication of the Group's equity on a per-share basis, which is crucial for assessing intrinsic value. NAV per share is an important metric for investors to compare the Group's market value to its book value.

Formula: Net asset value per share = Shareholders' funds - equity interests / Closing number of ordinary shares

Components:

- Shareholders' funds - equity interests: Total assets minus liabilities (equity).
- Closing number of ordinary shares: The number of ordinary shares held by shareholders at the reporting date, excluding treasury shares.

	Note	2025	2024
		€000s	€000s
Calculation:			
Shareholders' funds – equity interests		474,357	483,204
<b>Number of shares</b>		<b>No.</b>	<b>No.</b>
Closing number of ordinary shares (excluding Treasury)	27	35,943,862	35,897,184
		<b>Cent</b>	<b>Cent</b>
Net asset value per share		1,320	1,346

### Return on Equity

Return on Equity (ROE) measures the Group's profitability relative to shareholders' equity, indicating how effectively the Group is utilising shareholder capital to generate profits. ROE is a reliable measure of management's effectiveness in using equity to generate returns. It is widely used in the industry to gauge profitability and investment attractiveness. ROE is important for investors who want to assess how efficiently the Group is using its capital to generate profits.

Formula: ROE = Result for the period / Average equity attributable to ordinary shareholders

Components:

- Result for the period: Profit or loss earned by the Group after taxes and other deductions.
- Average equity attributable to ordinary shareholders: The average equity held by shareholders over the reporting period.

	2025	2024
	€000s	€000s
Calculation:		
Average equity attributable to ordinary shareholders <sup>1</sup>	478,781	480,120
Result for the period	47,163	67,205
<b>Return on Equity</b>	<b>10 %</b>	<b>14 %</b>

<sup>1</sup> Average equity is calculated as the opening equity plus closing equity attributable to ordinary shareholders divided by two.

## Underwriting result

The underwriting result reflects the profitability of the Group's core insurance operations, calculated as the difference between the Insurance Service Result and the total of Non-attributable Expenses and Movement in Other Insurance-Related Provisions. The underwriting result is a critical indicator of the Group's ability to price risks effectively and manage its core insurance operations profitably. This APM is vital for assessing the Group's performance in its primary insurance business, giving stakeholders a clear view of how profitable the Group is in its core operations.

Formula: Underwriting result = Insurance service result - Non-attributable expenses - Movement in other provision charges

Components:

- Insurance service result: This represents the profitability of the insurance contracts issued by the Group. It is the net outcome of insurance revenue minus incurred claims and insurance service expenses related to fulfilling those contracts. This result excludes the impact of investment income and reflects the financial performance of core underwriting and claims management activities.
- Non-attributable expenses: Non-attributable expenses refer to costs that cannot be directly linked to specific insurance activities or contracts. These expenses typically encompass general administrative or corporate costs that support the overall operation of the business but do not relate to the underwriting or servicing of individual policies.
- Movement in other provisions charges: This term refers to changes in the Group's liabilities related to insurance contracts not already included in the Insurance Service Result.

	Note	2025	2024
		€000s	€000s
Calculation:			
Insurance service result	4(a)	92,647	111,100
Non-attributable expenses	4(c)	(40,621)	(37,804)
Movement in other provisions	25	(7,173)	(6,695)
<b>Underwriting result</b>		<b>44,853</b>	<b>66,601</b>

## Gross written premium

Gross Written Premium (GWP) refers to the total amount of premiums due from policyholders for insurance contracts written during a specific period, before any deductions for reinsurance. GWP includes all premiums related to insurance coverage, whether received upfront or to be received in the future. GWP is a reliable measure of the Group's revenue-generating capacity and growth potential in

the insurance market. It reflects the demand for the Group's products and services. GWP remains a key metric used to assess the growth and scale of an insurer's business, providing insight into the demand for insurance products.

Formula: Gross written premium = Insurance revenue - Instalment premium + Movement in unearned premium

Components:

- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest on Instalment premiums.
- Instalment premium: When the policyholder opts to pay in instalments (e.g. monthly or quarterly), rather than as a lump-sum upfront annual payment, the Group charges interest on these payments to compensate for the delayed receipt of the full premium. The instalment premium is the interest earned by the insurer over the course of the payment period, and is included in Insurance revenue.
- Movement in unearned premium: This term refers to the change in the balance of unearned premium liabilities from one reporting period to the next. Where the period covered is different to the financial period, there will be a balance in the unearned premium liability at the financial year end. Unearned premiums represent the portion of premiums that have been received but not yet recognised as revenue because the corresponding insurance coverage has not yet been provided. Under IFRS 17, these premiums are deferred and recognised as insurance revenue over time as the insurance coverage is delivered.

	Note	2025 €000s	2024 €000s
<b>Calculation:</b>			
Insurance revenue	4(a)	<b>486,751</b>	441,005
Less: Instalment premium <sup>1</sup>		<b>(5,416)</b>	(5,014)
Add: Movement in unearned premium <sup>1</sup>		<b>20,411</b>	24,228
<b>Gross written premium</b>		<b>501,746</b>	460,219

<sup>1</sup> These items cannot be reconciled to the financial statements and therefore we have shown below how the non-directly extractable figures are calculated:

- Instalment premium: The interest earned as policyholders make instalment payments. Each instalment payment consists of both the gross written premium and an interest component, with the interest reflecting the time value of money for the insurer due to delayed receipt of the full premium and calculated by reference to a service charge. The interest earned is calculated by applying the service charge percentage to the gross written premium on policies paid by instalments.
- Movement in unearned premium: This movement represents the difference between the opening and closing balance of the unearned premium liability.

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