



Simplyhealth Group Ltd

Annual Report and Financial Statements 2025



Simplyhealth



For over 150 years, Simplyhealth has been dedicated to improving access to healthcare across the UK.

As an organisation, we have always invested our profits back into the business and into the community, and we are as determined today as we were then to be a force for good.

Paul Schreier
Chief Executive Officer at Simplyhealth

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At a glance

Simplyhealth is a leading healthcare company, committed to helping everyone access affordable, everyday healthcare services. Our low-cost health plans and dental plans, including the market-leading Denplan, look after over two million customers by helping them find and fund their healthcare. Working with thousands of businesses and partners, we connect people to the high quality healthcare providers so they can stay healthy and live their best lives at home and at work.

We are a company limited by guarantee with no shareholders and, since 1872, we've been led by our purpose of improving access to healthcare for all in the UK. We're investing millions into new health companies to accelerate the development of predictive and preventative healthcare services. Our aim is to support and protect the NHS through the provision of everyday healthcare and reduce workforce sickness rates.

We understand our own health depends on the health of our communities and our planet. Each year, we commit to giving a minimum of £1m to a range of health-related charities and community causes.

In 2022, we became the first health insurer to be awarded B Corp status, in recognition of our high environmental and social ambitions, and continued positive impacts in using our business as a force for good. Our continued commitment to these ambitions has earned us a highly treasured recertification of our B Corp status in 2025.

To find out more, please visit:
www.denplan.co.uk
www.simplyhealth.co.uk

Our purpose

Simplyhealth's purpose ('Our Purpose') is to improve access to healthcare for all in the UK.

Through our low-cost healthcare cover, and dental payment plans, our customers receive support for everyday needs, like doctor's appointments, eye care, physiotherapy, counselling, dental care and diagnostic scans - no matter their age, or pre-existing conditions.

Our business units

Our lines of business

Simplyhealth Group Limited


2.4 million customers



Simplyhealth

Simplyhealth
We provide Healthcare Insurance to individuals, either directly ('Consumers'), through their employer ('Corporate Clients') or via dental services. Our solutions provide cover for everyday healthcare costs, including primary care and outpatients services.

89.9% of revenue
968,600 customers



Denplan
Part of Simplyhealth

Denplan
We provide dentists and their patients with products and services supporting the provision and funding of dental services.

10.0% of revenue
1,477,000 customers



SIMPLYHEALTH VENTURES

Simplyhealth Ventures
We support like-minded organisations, including start-up companies, by providing financial investment and business support in achieving these aims.

9 Investments
£7.2m invested in 2025

Our portfolio

Health Plans
927,900 customers

Simply On Demand
(non-insurance, subscription to digital health services)
40,700 customers
(discounted 'self pay' network of healthcare providers)



Denplan
Part of Simplyhealth

Capitation Plans
1,477,000 customers










Our insurance plans are underwritten by Simplyhealth Access, including insurance products sold via our Denplan operation. Products sold via our Denplan operation provide administration of payment plans, support, guidance, and advice to member dentists. Simplyhealth Access is authorised by the Prudential Regulation Authority ('PRA') and regulated by the Financial Conduct Authority ('FCA') and the Prudential Regulation Authority.



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Simplyhealth customer feedback

We're proud of the many positive comments we've received in our customer feedback for our customer service and claims processing:

“
Quick, easy and very supportive. Great service.”

“
Great service. Easy to use online claiming process and fast reimbursement. Would recommend.”

“
Excellent company. Easy to use website. Customer service excellent.”

“
I've been with Simplyhealth many years, and always been very pleased with the service they provide. The claims policy is clearly laid out and claims are dealt with quickly and efficiently.”

“
Denplan are available and listen with understanding. It gives me confidence and a feeling of wellbeing. Well done Denplan.”



Things to be proud of in 2025

Take-up of new health plan offerings

While we saw a fall in membership across health plan and dental products, in the second half of the year we were pleased to welcome 40,700 new customers onto our new, low-cost, whole-of-workforce product, **Simply OnDemand**, offering discounted access to our network of healthcare providers. We've worked hard on making it easier for more and more businesses to support the health of their entire workforce, rather than limiting the healthcare benefit to only a few.

Increased profit through investment returns

Through the improved performance of our investment portfolio, in both managed listed and unlisted healthcare investments, we delivered a profit before tax of £25.6m, an improvement of £7.6m on the previous year. This improved return will allow us to continue to invest in current and future healthcare activities aligned to our purpose.

Continued rollout of our new operating system

The rollout of our new insurance platform continued, with the majority of consumer business now supported on the platform. The full rollout is scheduled for 2026 and the decommissioning of legacy platforms is to be completed in 2027.

Investing in healthcare

We invested £7.2m in Simplyhealth Ventures in 2025, (increased from £1.8m in 2024), including new investments in Evaro, an AI-powered digital pharmacy (£5.0m), and Karehero, who help to find and fund adult care services (£1.0m).

Business as a force for good

We were incredibly proud to announce that in 2025 we successfully recertified as a B Corp certified business, three years on from our original certification and with an uplifted score of 108.4. This independent assessment of the high standards we are achieving in our social and environmental performance reflects and reinforces the way we use our business as a force for good.

Nowhere is this more evident than through our continued commitment to charitable causes, with a total of £1.2m donated in 2025. Our strategic social impact programme, BrightBites, has reached over 175,000 children since the beginning of our collaboration with Dentaid - The Dental Charity.

In addition, through the support of our employees, we achieved a three-fold increase in colleague volunteering hours compared to 2024, with a total of 3,714 hours donated.



Highlights	2025	2024
Membership	2,445,600	2,482,200
Income	£214.4m	£221.3m
Claims Loss Ratio	67.1%	67.6%
Profit before tax	£25.6m	£18.0m
Adjusted Operating Profit	£18.1m	£21.0m

Case study



Battersea Dogs & Cats Home

Battersea Dogs & Cats Home is world famous for its compassionate care of rescued dogs and cats, rehoming services and animal welfare campaigning.

Simplyhealth has been more than just a provider; they're a true partner in supporting our people.



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More than 600 employees work alongside around 1,000 volunteers to manage centres in central London, Old Windsor in Berkshire and Brands Hatch in Kent, as well as undertaking fundraising activities, offering pet health advice and training and sharing knowledge and resources with rescue organisations around the world.

The charity places a high value on the health and wellbeing of its employees and is keen to support them in the important work they do. It has recently added a Simplyhealth Health Plan to its range of employee benefits to help provide everyday healthcare support.

"At Battersea, we're deeply committed to the wellbeing of our people and introducing the Health Plan through Simplyhealth was a natural extension of our values," explains Battersea's Head of Human Resources, Joanne Stainsby.

"With irregular working hours, we found that our staff often struggled to get a healthcare appointment at a time that was convenient for them and we were looking at ways we could help them to resolve this.

"We also wanted to ensure our employees had access to affordable, everyday healthcare, from dental and optical care to physiotherapy and mental health support. It's a way of recognising the incredible work they do and helping them stay healthy, both physically and emotionally; we felt that Simplyhealth understood our mission and the importance of supporting those who care for others."

Since introducing the Health Plan, Battersea employees have taken up benefits including dental check-ups and treatments; eye tests and prescription glasses; physiotherapy sessions for musculoskeletal issues; health screenings and complimentary therapies and mental health support, including counselling.

"We've already seen a slight uplift in mental wellbeing from our last staff survey and employees have shared positive feedback about being able to access healthcare at a time that suits them, without financial stress," says Joanne. "It's made a real difference in helping our teams stay well and feel valued - which ultimately benefits the animals in our care too."

Joanne and her colleagues have been hugely impressed by the support provided by the Simplyhealth team. "They've been more than just a provider; they're a true partner in supporting our people.

"From onboarding to ongoing communications, they've provided clear guidance and helpful resources. Digital tools, like the SimplyPlan app, make it easy for our employees to access services and manage claims efficiently. We particularly appreciate the MI data, which helps us track usage, identify trends and make informed decisions about employee wellbeing.

"Having access to this level of insight allows us to continuously improve our support and ensure our benefits are making a real difference."

It's made a real difference in helping our teams stay well and feel valued.

Case study



Together Housing Group

One of the largest housing associations in the North of England, Together Housing owns and manages over 38,000 homes across Yorkshire and Lancashire, employing around 1,600 full and part time staff to support over 80,000 residents.



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Providing good quality, responsive housing related services requires hard work and commitment from each and every employee; the Group recognises that to achieve their goal of being the best landlord they can be, their staff are their greatest asset.

"We want to build strong, sustainable relationships with our customers and to work with them to ensure we meet their expectations," explains the group's Change Project Partner, Lesley Sherwin. "To do this, we need every one of our colleagues to feel appreciated and valued, and to be recognised for their achievements."

As part of a wider programme of employee benefits, Together Housing Group introduced a Simplyhealth Health Plan around seven years ago. Their priority was to offer accessible, practical health support to save employees time and hassle.

"Among the key drivers was the need for preventative care to help our staff to remain healthy and reduce absenteeism by early intervention,"

says Lesley. "It was important to us that everyone could manage everyday health expenses without financial strain."

The Health Plan was launched initially through an internal communications programme to all employees, followed by a Q&A session to allow them an opportunity to ask questions about the claims process and the range of benefits available.

Once the company was on board, Simplyhealth has provided ongoing support with regular plan updates, promotional materials and dedicated account management that helps the Group to maintain engagement with their employees and to ensure they make full use of the plan.

"The plan has not only been a great asset, it also forms part of a wider, holistic approach to wellbeing alongside our mental health resources, EAP and flexible benefits programme," says Lesley. "Together, it's an appealing package that has helped us to boost morale and attract

and retain the best staff for our organisation."

Together Housing Group's employees have particularly appreciated the 24-hour access to GP services as well as routine healthcare costs such as dental check-ups, eye tests and physiotherapy.

"We've been delighted with our experience of working with Simplyhealth," says Lesley. "We find them proactive, responsive and highly collaborative, which is exactly what we were looking for from the partnership. Administration of the programme is straightforward, the quality of support is excellent and the speed with which claims are processed for our employees is exceptional."

"The Health Plan really has become an integral part of our wellbeing strategy, helping all our employees to access essential healthcare quickly and affordably."

Chair's Welcome



Among the many things that drew me to the role of Chair at Simplyhealth are the company's unique history, strong sense of purpose and ownership model. In the months since I joined, I've been truly inspired by the commitment of people right across the organisation to make a genuine difference to people's health and wellbeing in the UK. It's a privilege to take up this position at such an important time.

I must pay enormous tribute to my predecessor, Mike Hall, who has given the most extraordinary service to Simplyhealth in both Non-Executive Director and Chair roles over a 13-year period. This has included some of the most challenging economic, social and political times that businesses have encountered in living memory, yet Mike brought stability, expertise and kindness to the Board and to the organisation as a whole and we thank him wholeheartedly.

The welcome I have received from CEO Paul Schreier, the Board and the wider leadership team has been very warm and supportive and it has been very productive and satisfying working together during 2025 to focus on the experience of our customers, on our future strategy and how we can expand cost-effective mutual healthcare for the benefit of all.

Ultimately, our goal is to help create a healthier, happier society in the UK and to do so in the most thoughtful, affordable way. The impact of chronic health conditions on people's mental health, as well as their employment and life prospects, is something I have witnessed both personally and professionally. The disturbingly high rates of workplace sickness and long-term absences are having a significant impact, not only on our nation's productivity, but also on our overall sense of wellbeing and optimism. Being able to offer earlier interventions and preventative care that can keep employees in work is a very worthy part of our mission and one to which we are strongly committed.

I have also long supported initiatives and policies that recognise the proven connection between the environment and people's health and Simplyhealth's authentic approach to sustainability, community and charitable causes is very much in line with those values. The recertification of our B Corp status three years after our initial certification is a fantastic achievement and I am immensely proud to be part of an organisation that works so hard to be a force for good in what is an increasingly fragile and fractured world.

As my recent board background demonstrates, I very much like to work with organisations that are genuinely purpose-led and have mutual values in their model; such organisations are often able to take better, longer-term decisions on behalf of their customers and members and can spend their time on improving the customer experience, rather than being focused on external shareholders.

This difference in priorities is important and I hope to bring my board experience, as well as my background in customer strategy and insights, to support Paul, CFO Nick Potter and the Simplyhealth Board in guiding the organisation through the next stage of its future.

Simplyhealth's mission to provide access to healthcare for all in the UK has never been more important, and we are uniquely placed to make a significant contribution to achieving this.

I would like to express our gratitude and appreciation to all our employees, members, customers and partners for their ongoing support and commitment to Simplyhealth, as well as my personal thanks to the entire team for welcoming me into the fold.

I look forward to an even more successful and productive next year as we work together to deliver our strategy for Simplyhealth and continue to press for a more proactive approach to employee wellbeing and health for all.

With best wishes

Rita Clifton CBE
Chair



CEO's Statement



2025: the year in review

2025 saw the continuation of Simplyhealth's transformation journey by:

- Welcoming over 40,700 new customers to our low-cost whole-of-workforce product, Simply On Demand.
- Launching a new patient onboarding system and practice management information portal for our Denplan clients.
- Continuing the rollout of our new operating system to simplify and improve the customer experience.
- Reasserting our commitment to business as a force for good, as reflected in our B Corp recertification.
- Honouring our pledge to support charitable and community causes, donating over £1.2 million.
- Being globally recognised at #31 in KPMG's 2025/26 Customer Experience Excellence report, and #1 in the healthcare and insurance sectors in the United Kingdom.
- Maintaining our profitability as a business across both Denplan and Healthplan.
- Improving the returns on our investment portfolio so we can continue to reinvest for the long-term.
- Continuing to invest in healthcare businesses aligned to our purpose.

Throughout 2025, we were guided by our clear purpose: to improve access to healthcare for all in the UK. Our strong focus has been to simplify access to workplace healthcare by removing barriers and reducing costs.

In a world where NHS waiting lists and workplace health challenges persist, we offer much needed simplicity and affordable access.

Who we are

As workplace health and wellbeing experts, we provide fast, 24/7 GP and mental health support, wide-ranging health plans and a suite of pay-as-you-go services for our members; all this with no GP referral, no pre-approval required and with all pre-existing conditions covered.

For over 150 years, Simplyhealth has been dedicated to improving access to healthcare across the UK. As an organisation, we have always invested our profits back into the business and into the community, and we are as determined today as we were then to be a force for good.

The team and I were immensely proud to have this commitment recognised again in 2025 through the recertification of our highly valued B Corp status, three years after our original certification. We're also delighted to have risen from #46 to #31 in KPMG's global Customer Experience Excellence report, and to occupy the top position in the healthcare and insurance sectors, which is a significant acknowledgement of the outstanding service we provide to our customers, and of the work right across the business to deliver that.

From our roots in Manchester, Salford and Leeds back in 1872, when workers pooled small contributions in order to access free hospital care, we have continually strived to combine innovation with our vast experience, ensuring every decision we make is anchored in achieving healthier lives for all.

Navigating a shifting landscape

The UK's macro environment continues to present both headwinds and opportunities. The NHS waiting list, although recently reduced for the first time in 17 years (excluding the pandemic), still stands at 7.39 million. It comes as no surprise that sickness absence in UK workplaces rose to a record high of 9.4 days per employee in 2025, up from 5.8 before the pandemic. With 2.8 million people economically inactive due to long-term sickness, the cost to the UK economy is now exceeding £212 billion annually.

Increased pressures from tax rises as well as worldwide instability made this a challenging year for British businesses. Interest rates did start to come down, but slowly, and it is unsurprising that some of our corporate clients have had to tighten their belts a little further, as have we.

Against this backdrop, we are continuing to support business and helping to protect the NHS by providing fast, convenient solutions to everyday healthcare needs, keeping workers as healthy as possible without increasing the load on NHS services. Despite an overall membership decline of 36,600 during 2025, our new whole-of-workforce plan, Simply On Demand, has been extremely well received and we anticipate even greater take-up in the coming year as its cost-effective benefits are more widely recognised and optimism in the economy grows. Our core profitability and a strong performance from our investments have balanced the small drop in membership, leaving us in a very positive position to press on with our plans in 2026.

Investing in innovation, customer experience and impact

We've continued our ambitious programme of digital and product innovation, streamlining benefits payments for our Healthplan customers, providing real-time data to support decision-making for our corporate customers and brokers, and making the joining process far simpler for Denplan patients.

Through our investment programme, Simplyhealth committed £7.2 million to healthcare businesses aligned to our purpose, ensuring that we are not just responding to today's needs, but are playing an important role in driving the future of healthcare innovation.

Advocacy, partnerships and policy leadership

Over the past year, we've provided constructive insight to both businesses and government on how we can improve people's health in the workplace. This has included hosting fringe events to encourage health policy dialogue during the political party conference season, bringing together parliamentarians, clients and industry organisations.

We actively contributed to the Keeping Britain Working Review, led by Sir Charlie Mayfield, and through our continued partnership with the Chartered Institute of Personnel and Development, we shared valuable research that will help employers improve their health and wellbeing strategies.

We've also continued to represent our dental practitioner members through dialogue with MPs, NHS leaders and sector stakeholders, solidifying Denplan's reputation as a driving force in improving Britain's oral health.

Over the next three years, we'll be part of the government's national Keep Britain Working Vanguard to help test and shape workplace health reforms, a strong reflection of our emerging national leadership role.

Purpose in action

None of our achievements would have been possible without the passion, dedication and insight of the entire Simplyhealth team. Their focus on our purpose drives progress, whether responding to customer needs, nurturing our culture of care, or representing us in policy and partner forums.

We are proud to have delivered £1.2 million in charitable support this year and to have led with an approach where every decision is shaped by community benefit and sustainability. Our teams have continued to volunteer, fundraise and drive positive impact within the communities we serve.

The year ahead will no doubt bring more change for businesses and individuals across the UK, however we will remain consistent in our determination to make healthcare accessible, affordable and genuinely barrier-free. With continued investment, leadership in digital and clinical innovation and an unshakeable commitment to wellbeing, we are uniquely positioned to help build a healthier working nation.

Together with our partners, customers and communities, we continue to be a genuine force for good, putting people first and inspiring positive change to enable everyone to thrive.

Paul Schreier,
Chief Executive Officer





Strategy

Purpose-driven strategy

Simplyhealth's strategic focus remains aligned with Our Purpose – improving access to healthcare for all in the UK.

Summary of our strategy

Our strategy is to support a healthier working Britain by delivering outstanding products and services to businesses, individuals and families so they can access the healthcare they need. Our product innovation delivers enhanced customer value as we continue to modernise and embrace technology to deliver an even greater experience for all our customers.

Innovating to continuously improve customer value and experience

During 2025, we have continued to innovate our products, enhancing customer experience through investment in technology and modernisation, offering better value than ever, for even more people.

Product innovation

This year, we have focused on improving our products through innovation, delivering great customer value through the breadth and quality of our partnerships and services. Our Clinical team ensure we are adding the most effective health solution partners to our offering, such as diagnostics with Scan.com and mental health support with Spectrum.Life giving customers access to healthcare without the wait.

We are also excited to have developed an innovative whole-of-workforce proposition. Simply On Demand offers corporate employees discounted access to our network of healthcare providers.

Since launching this year, we have welcomed 40,700 members onto the product, supporting a healthier working Britain.

With our industry-leading Denplan brand, we continue to focus on value and support for our dentists. Our team is dedicated to supporting new private dentists through their transition journey to Denplan. We enhanced our offering to our dentists with the launch of our new patient joining journey, simplifying access to dentistry for patients and providing practices with all the information they need at their fingertips.

Playing a bigger role in the healthcare community

We are proud to play a bigger role in UK healthcare, delivering on Our Purpose.

Advocating for the role of employers in supporting UK healthcare

Over the past year, we have provided useful insight to businesses and government on how we can improve people's health in the workplace. At the Labour Party Conference, we delivered our own session, Workplace Health, National Wealth: Prioritising Prevention for a Healthier Economy, in partnership with Total Politics' Health and Care Forum. We've been active participants in Sir Charlie Mayfield's Keeping Britain Working Review, and through our continued partnership with the Chartered Institute of Personnel and Development, we gain valuable insights into workplace health and wellbeing trends that enables us to help employers improve their individual approaches on health and wellbeing strategies.

The voice of dentistry

We are continuing to engage with government and key policymakers on the issues raised with us by our dental practitioner members, to influence and educate on the role that mixed and private dentistry can play for the UK population, as well as the need to provide people with financial support to help them pay for their care. This is especially important considering that tooth decay remains the number one reason children between the ages of 6 and 10 are admitted to hospital.

Investing in innovative healthcare solutions

As well as continuing to support our existing venture portfolio with further investment, this year we made additional investments through Simplyhealth Venture Capital, including £5.0m in digital pharmacy Evaro and £1.0 in adult care services company Karehero. Focusing on predictive or preventative healthcare companies, we are both diversifying our investments and creating more opportunities to positively impact the health of more people in the UK.

We will continue to invest in and develop innovative healthcare solutions to support a healthier working Britain.

Continuing to be a force for good

We continue to embed all social and environmental impact elements into our business strategy. We successfully recertified as a B Corp business in 2025 – a testament to our achievements in supporting greater sustainability and our approach to responsible business. Our charitable partnerships enable us to deliver our purpose of improving access to healthcare in the UK more powerfully. In 2025, this has included strengthening our impact across our charitable partnerships with Business in the Community, Dentaid – The Dental Charity and the Woodland Trust. More information is provided in our 2025 Sustainability Report pages 36 – 37.



Looking ahead

As we look back on 2025, we are proud of the progress we continue to make, both for our customers and for our community, and we are looking forward to realising the growth opportunities that 2026 will bring.



We will continue investing in modern infrastructure and technology to deliver an even better customer experience. We want to offer 24/7 support to our customers via their channel of preference, process their claims quickly and explore direct settlement options to reduce the need for our customers to pay upfront before being reimbursed.

We recognise the significant role that employers can play in supporting the health and wellbeing of their employees, and therefore the nation, and we are focused on enabling more employers to access affordable healthcare offerings for their respective workforces. In 2025, we've launched Simply On Demand, designed to support working Britons and their families with their physical and mental health by offering discounted access to our network of healthcare providers.

We will continue to build out a trusted community of healthcare providers for all our customers, forging excellent partnerships with best-in-class experts, and by founding more businesses like Practi, that we believe will make a difference for our customers.

Our commitment to doing good has never been stronger. We still aim to be as paperless as possible, reducing both friction for our customers and our impact on the planet. Overall, our paper claim form volumes reduced by 20% in 2025, compared to the previous year, and in 2025 we were delighted to partner with the Woodland Trust for a second year to further incentivise our customers to make the move away from paper.

By 31 December 2025, this campaign had resulted in 30,517 Simplyhealth customers and Denplan patients registering their email addresses with us – bringing the total to 68,927 since our collaboration began. Along with other Woodland Trust supporters, this has enabled 1.1 million trees to be planted in schools and communities across the UK during Autumn 2024 and Spring 2025.

After delivering positive impacts for over 100 unpaid carers to support their health and wellbeing, in 2025 we decided to pivot our Let's Care Together Programme, in partnership with Business in the Community. From 2026, in order to reach more people, we are co-creating a new programme aimed at supporting SMEs with the health and wellbeing of their employees. We've identified that this is an underserved audience and supports our broader ambition to empower workplaces to help reverse the UK sickness epidemic.

Our BrightBites Programme, in partnership with Dentaaid – The Dental Charity, continues to go from strength to strength, having now reached 175,000 school-age children, delivering fun and engaging oral health education sessions to help promote positive oral health habits. With a committed investment of £1.5m, the programme is destined to reach 500,000 children by July 2028, and through it we'll continue to make a tangible difference to children's oral health in the UK.

Through our 'Always on' support, we've also assisted many local projects focused on dental and mental health provision for vulnerable communities. We've match-funded an incredible £29,962 of colleague, and corporate client and dental practice fundraising and, together we've raised £84,871 for good causes.

We're excited to build on the progress we made this year to achieve further growth in 2026. Our goal is to continue making a positive impact on our customers' health outcomes and fulfil our purpose of providing healthcare access to everyone in the UK.

Business review

Business performance

General inflationary pressures, employer national insurance increases, higher minimum wage levels and a subdued economic outlook placed increased strain on corporate and individuals' budgets in 2025.

This was clearly visible in the health plan marketplace, with employers deciding not to proceed with plans to implement health plans for their workforce due to budget constraints. The increased corporatisation of the dental practice market saw some rationalisation across capitation providers, with a much clearer focus on a lower cost service.

Driven on by the pressures our customer base was experiencing, we continued to develop our product offerings to bring improved solutions to our customers across Healthplan, and Denplan.

The Group increased overall profitability through the increased returns on our investment portfolio, through both our fixed income, while our core operating model remained profitable. These profits enable us to continue to support future investment programmes together with potential acquisition opportunities as we seek to deliver on our purpose of improving access to healthcare for all in the UK.

What we delivered

During the year, we continued our programme of widening our healthcare offerings and achieved the following:

1. Expanded our offering through healthcare partners such as Scan.com, offering customers convenient access to discounted CT/MRI scans at over 200 centres nationwide. With a comprehensive range of scans available in one place, no GP referral required and no waiting list, patients can start their diagnostic journey without delay.
2. Launched our new Simply On Demand whole-of-workforce product to enable more people to access everyday healthcare benefits at a low-cost.
3. Introduced Management Information (MI) dashboards for our corporate clients and brokers, providing them with enhanced data access and reporting capabilities to better support their employees' wellbeing.

4. Continued the rollout of our new insurance operating platform, with the majority of consumer policies now supported by the enhanced platform.
5. Honoured our commitment to being a 'force for good' with celebrating our recertification as a B Corp organisation and by donating £1.2m to charities and community causes.

Membership and claims

While competitive pressures resulted in the loss of a small number of large corporate clients, including a large Denplan client with 51,000 members, this was offset by the positive take-up of our newly launched, whole-of-workforce Simply On Demand product, which added 40,700 members across two large Corporate Healthplan clients. The net overall membership decline was therefore 36,600 while total revenue decreased by £6.5m.

At a customer level, however, claiming patterns and average values were largely consistent with the previous year. Overall claims decreased by £5.8m, driven by a reduction in volumes from the fall in membership. Higher dental claim limits across our consumer book in 2025 reflect the increasing cost of dental treatments. We continue to be proactive in ensuring individuals are fully aware of and utilise all benefits within our products.



Further Venture Capital Investments

During the year, we continued our investment in new initiatives.

Simplyhealth Venture Capital increased its investment portfolio by £7.2m, with new and further follow-on investments as well as gains on historical investments as these businesses flourish and grow.

Examples of these investments include £5.0m in Evaro, an AI-powered digital pharmacy, and £1.0m in Karehero, a company that helps to find and fund adult care services. We remain committed to continuing our investments in UK digital healthcare start-ups which will enable them to grow more rapidly and facilitate early access to their healthcare solutions for our customers.

Investments

While economic uncertainty and the implementation of tariffs created volatility during the year, inflation and interest rates have fallen against prior-year highs. This led to increased valuations of our fixed income investments, with a total return of £17.2m (2024: £5.9m). The portfolio remains high quality, with investments being in liquid funds to support our longer-term strategic ambitions.

Returns for the year include a £2.1m gain from the maturity of the convertible loan note against prior year valuations, following the sale of our veterinary business in 2020.

In 2025, recognising that the ESG metrics associated with our investments required improvement, together with the recovery of prior year falls in value, we took the decision to transfer our Pimco investments to an M&G Sustainable Fund. This has strengthened our ESG position, ensuring our investments return value and deliver greater positive impact in the world.

Outcome

As a result of our core profitability, coupled with the investment performance, we ended the year with a comprehensive profit of £19.4m (2024: £14.5m). This also impacted the Company's assets which increased by £17.3m (2024: £6.2m). Through our improved profitability, and changes in investments, the solvency ratio of the Group improved and remained extremely strong at 538.3% (2024: 402.3%).



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KPI

Key Performance Indicators ('KPIs')

The Simplyhealth Group manages its business based on the following key financial and other performance indicators:

	2025	2024	Change
Total customers	2,445,600	2,482,200	(36,600)(-1.5%)
Total technical income	£214.4m	£221.3m	£(6.9)m(-3.1%)
Claims loss ratio (CLR) ¹	67.1%	67.6%	-0.5%
Profit before tax	£25.6m	£18.0m	+£7.6m
Solvency ratio ²	538.3%	402.3%	+136.0%
Customer experience index ³	71.7%	71.3%	+0.4%
Alternative Performance Measures			
Adjusted operating profit ⁴	£18.1m	£21.0m	£(2.9)m(-13.8%)

Notes

1. The claims loss ratio (CLR) is calculated by dividing claims incurred in the statement of comprehensive income by the total technical income.
2. The solvency ratio is defined as eligible own funds divided by the Solvency Capital Requirement. The Group's capital reserves primarily comprise retained profits (page 78 and note 18).
3. The Group uses a customer experience index to track its performance in meeting the needs of our customers and the quality of service they receive.
4. Adjusted operating profit is designed to illustrate the Group's trading performance on its core activities by excluding the results of one-off projects, transactions and items such as goodwill, amortisation and returns on the investment portfolio that are incidental to these activities.

Financial highlights

Technical account

Total technical income decreased by 3.1% to £214.4m.

With the reduced membership and corresponding reduction in claims volumes, we finished the year with a CLR of 67.1% (2024: 67.6%).

With the reduction in membership and average claims values being flat compared to 2024, net technical income decreased to £70.5m (2024: £71.6m).

Non-technical account

Other income relates to our dentist capitation business 'Denplan' which continues to perform well. Other charges represent the cost of operating this business, together with the start-up costs for our strategy.

While we transitioned investment managers, our investment portfolio remained primarily in fixed income markets as we sought to ensure funds remained available to support future strategic initiatives.

The gain on investments, realised and unrealised losses, investment income and investment expenses of £17.2m (2024: £5.9m) gives a final reported UK GAAP profit on ordinary activities before tax of £25.6m (2024: £18.0m), a significant improvement of £7.6m.

Adjusted operating profit

Adjusted operating profit is defined as the surplus on the general business technical account and the income and expenses of running the non-technical business, including central management expenses. It is designed to illustrate the Simplyhealth Group's trading performance on its core activities, one-off projects and transactions, and items such as goodwill, amortisation and returns on the investment portfolio that are incidental to these activities.

The adjusted operating profit is reconciled to the profit before tax in the statement of comprehensive income as follows:

	2025 £m	2024 £m
Statement of comprehensive income:		
Profit on ordinary activities before tax	25.6	18.0
Adjustments		
Add back donations	1.2	1.0
Exclude investment return	(17.2)	(5.9)
Add back Policy 2.0 transformational expenses	1.7	2.1
Add back initial investment in digital	6.8	5.8
Adjusted operating profit	18.1	21.0

The balance on the general business technical account was a £13.3m profit (2024: £14.3m) as a result of reduced levels of income and with costs broadly flat compared to prior year as efficiency savings were offset by inflationary pressures.

The majority of adjustments seen in the table above have already been explained. In addition, our transformation expenses are now focused on our new technology platform, improving the experience for customers while allowing Simplyhealth to streamline operations.

In 2025 we continued to develop our approach for the new digital ventures as referenced in the Strategy section (pages 17 and 18). This will continue in 2026 and will be a key part of the business strategy to innovate and modernise our offerings to the market.

Cash flow

Simplyhealth Group's cash, and cash equivalents, increased by £4.0m during the year (2024: increase £14.4m). Our operations led to a net cash inflow of £4.9m (2024: inflow of £18.3m), primarily as a result of the profitability of core operations, and the maturity of the convertible loan note in the year.

On 31 December 2025, the Group held cash and cash equivalent balances totaling £47.3m (2024: £43.3m). The Group's other financial liabilities, which comprise accruals, trade and other creditors, total £24.9m (2024: £25.6m).



Outlook

Solvency

Our Own Risk and Solvency Assessment ('ORSA') demonstrates a robust capital strength, which would allow us to absorb substantial shocks and still retain significant headroom above our capital holding requirement. We have tested our solvency against a number of scenarios, including large membership lapses, financial market shocks, and various levels of economic downturn, including lapse risk from the general economic downturn. In all these scenarios, our solvency position remains secure.

Solvency position – capital surplus

Simplyhealth Group remains in a strong solvency position at the end of the year with Eligible Own Funds of £270.7m (2024: £250.0m) compared to its Solvency Capital Requirement ('SCR') of £50.3m (2024: £62.1m), giving a solvency ratio of 538.3% (2024: 402.3%). The primary driver for the increase in the solvency ratio is the 2025 profits, coupled with a fall in the capital requirement through changes within the investment portfolio. The ratio is in significant excess of regulatory requirements and these KPIs are clear indicators of a strong, sustainable business. This demonstrates that Simplyhealth can be trusted to support customers with their healthcare needs for the long term.

Capital headroom of £200.3m (2024: £163.0m), an increase of £37.3m (2024: £18.1m increase), as set out in note 4f, continues to give us the capacity to invest for growth and to deliver our strategy, as well as being able to absorb any potential market shocks and other stresses, which are tested through our ORSA. The capital surplus is above our regulatory capital requirements and adjusted for Simplyhealth Group's risk appetite. The risk appetite has been agreed with the Board and includes a capital buffer in excess of the SCR.

Taxation

The Group recorded a tax charge of £6.2m in the year (2024: £3.5m charge). The tax charge is lower than the effective rate of corporation tax of 25% as some costs are not allowable as expenses for tax purposes.

A deferred tax asset of £1.3m (2024: £1.9m) is carried forward with any brought forward tax losses from prior years being fully utilised.



Progress in addressing the crisis in the UK's healthcare system was never likely to be swift; while efforts to reduce waiting lists have yielded some positive news in the last year, data from our partners at the Chartered Institute of Personnel and Development (CIPD) indicates serious, ongoing issues in terms of workforce absences due to ill health.

UK employees were absent from work for an average of 9.4 days in the past year, a sharp rise from 5.8 days before the pandemic and 7.8 days in 2023. Short-term absences were largely down to minor illnesses, mental ill health, stress and caring responsibilities while mental ill health such as anxiety and depression (41%), musculoskeletal issues (31%) and conditions such as cancer (30%) accounted for most longer-term absences.

Awareness of the impact ill health is having on productivity both as a nation and within individual businesses is growing, with 74% of senior business leaders now saying they prioritise employee wellbeing. The CIPD found that, with appropriate training, managers become more confident in spotting mental health issues and are therefore able to put measures in place to assist. They also report that being proactive in employee health and wellbeing results in higher employee engagement, less absence through sickness and enhanced employee performance.

Nevertheless, finding the budget for this kind of support at a time when businesses are being squeezed, including through the employer National Insurance increase, remains challenging. The cost-effectiveness of any measures taken in terms of health-related benefits is therefore paramount, with 56% of organisations saying this is the main factor in their decision-making.

With this in mind, Simplyhealth's approach to simplifying access to workplace healthcare has never been more pertinent, focusing on reducing costs and delivering affordable, targeted care that tackles the main causes of absence. Because no GP referral or pre-approval is needed and pre-existing conditions are not excluded, benefits are simple to provide across the whole workforce, avoiding the complexities that some workplace health schemes impose.

That's why our whole-of-workforce plan, Simply On Demand, has proved to be such an attractive proposition, with 40,700 members signing up to this new product during 2025. We anticipate that many more organisations over the coming year will recognise the value it brings to their employees as well as the contribution that reducing sickness absence makes to productivity.

As part of the Labour Government's NHS 10 Year Health Plan, announced in July 2025, planned reform of NHS dental services includes improved access to care, a focus on prevention and a number of measures highlighting children's oral health, all of which is to be welcomed. Full details of the plan are yet to be fleshed out, however.

In the meantime, extraction due to tooth decay continues to be the number one reason for child hospital admissions in the UK and rates are significantly higher in more deprived communities.

For this reason, our partnership with Dentaid – The Dental Charity and our BrightBites oral health education programme remains a key focus for us and we look forward to being able to add many more children to the 175,000 who have so far benefited.

We continue to support our Denplan dentists to provide high quality care for all Denplan members and are proactively engaging with practices to encourage further growth. Additionally, our health plans are providing employees with access to regular dental check-ups and treatment as needed, helping to reduce absences from work due to dental pain, something almost a third of British adults aged 18-55 have experienced.

Looking ahead to 2026, we will continue to invest in new ventures with Simplyhealth Venture Capital and Simplyhealth Foundry. Following the very positive reaction to Simply On Demand, we plan to further pursue innovations to our core products across both Simplyhealth and Denplan, adapting and responding to the changing needs of the UK population. We are optimistic that with the technological improvements we've made to the delivery of our services, and the enhancements to our products, we will continue to grow our business and fulfil Our Purpose of improving access to healthcare for all in the UK.

Non-financial statement

This separate statement has been compiled in accordance with the Companies Act 2006, Section 414CA and 414CB.

ESG ('Environmental, Social and Governance') is managed through the Board committees, covering all aspects of sustainability including the impact on society and climate change. The committees ensure that ESG is integrated within all operations, processes, and investment decisions.

Our 2025 Sustainability Report, available on our website, contains non-financial information and reflects our carbon reporting, including wider sustainability challenges, opportunities and progress, including the key social and environmental performance indicators we use to manage these in our business. This statement supplements and cross references to the report as follows:

Reporting requirement	Section of report
Stakeholders	<p>Our stakeholders are important to us, they are the reason we exist, and why we responsibly govern ourselves. We reflect on important issues to our stakeholders and we regularly engage with them to understand their views and needs and overall impact and outcomes.</p> <p>S.172 Statement: Engagement and Principal Decisions, pages 36 - 38</p>
Environmental matters	<p>At Simplyhealth, we know that humans can't be healthy, without a healthy planet. That's why we are continuing to take steps to protect our planet's resources and its ecosystem. We think globally and act locally to protect our environment.</p> <p>Our sustainability programme is extensive and covers reducing our carbon footprint and energy consumption, responsible paper use, reducing our waste and our extensive recycling activities.</p> <p>Streamlined Energy and Carbon Reporting ('SECR'), pages 34 - 35</p> <p>'Our positive impact on the environment', 2025 Sustainability Report, pages 52 - 57</p>
Employees	<p>Our priority is the health and happiness of all our people, physically and mentally. We want to create opportunities and experiences for everyone, delivering a more diverse, equal and inclusive workforce.</p> <p>'Our Colleagues', 2025 Sustainability Report page 40 - 51</p>
Respect for human rights	<p>Simplyhealth adopts a zero tolerance to modern slavery and human trafficking. We apply core human rights principles throughout the organisation and through our vendor selection screening processes and have developed our Modern Slavery and Transparency in Supply Chains policy accordingly.</p> <p>2025 Sustainability Report, page 16</p>
Anti-bribery and corruption	<p>Simplyhealth condemns corruption and bribery in all its forms, and we will not tolerate it in our business or in those who we do business with, and have developed our Anti-bribery and Corruption Policy accordingly.</p> <p>2025 Sustainability Report, page 16</p>
Social matters	<p>Communities matter and are a significant driving force for Simplyhealth. We work closely with people and charities at a local, regional and national level, exploring ways to improve our impact.</p> <p>'Our Colleagues', 2025 Sustainability Report, pages 36 - 39</p>

Reporting requirement	Section of report
Description of principal risks and impact of business activity	<p>To enable Simplyhealth to respond to opportunities and threats in an efficient and informed manner, we continuously review and evolve our risk and control environment, ensuring it remains aligned to our strategic direction and external risk environment. Our principal risks are outlined across four categories:</p> <ul style="list-style-type: none"> • Strategic risk. • Financial risk. • Operational risk. • Regulatory and conduct risk. <p>This includes items, business relationships, products and services that could negatively impact the business.</p> <p>Principal risks and uncertainties, pages 47 to 49</p>
Description of the business model	<p>Simplyhealth is a leading healthcare company, committed to helping everyone access affordable, everyday healthcare services through our low-cost health plans and dental plans that enable them to find, treat and fund their healthcare. Serving individuals and working with businesses and partners, we connect people to the best-in-class healthcare providers so they can stay healthy and live their best lives at home and at work.</p> <p>We are a company limited by guarantee, with no shareholders.</p> <p>'Our Business' Units page 7</p>
Non-financial key performance indicators	<p>Since 2019, Simplyhealth has had a formal sustainability strategy in place, underpinned by a series of aspirations, goals and KPIs, which include but are not limited to:</p> <ul style="list-style-type: none"> • Reducing operational waste. • Reducing and balancing our GHG emissions. • Reducing our total water consumption. • Creating the same opportunities and experience for everyone, delivering a more diverse workforce. • Being acknowledged by both colleagues and partners as a healthy workplace. • Promoting learning opportunities, creating the conditions to embed a learning culture. • Inspiring personal development and fulfilment by supporting our colleagues to volunteer time and skills and match fundraising they undertake. • Improving reach, impact and health outcomes through our corporate giving program. • Delivering a progressive wellbeing programme that improves workforce health outcomes, enabling our colleagues to live their best lives. <p>'ESG KPIs', 2025 Sustainability Report, Appendix 2, pages 83 - 85</p>
Climate change risk	<p>We take a strategic approach to managing the operational and financial risks from climate change. Climate change risk continues to be monitored by the business and the Board through the Risk & Capital Committee. During the year, we have completed our annual Climate Change Risk Assessment.</p> <p>'Climate Change Risk' page 50</p> <p>Simplyhealth Taskforce on Climate-related Financial Disclosures ('TCFD'): 2025 Sustainability Report, Appendix 1, pages 60 - 81</p>

The aims of all Simplyhealth's policies are to ensure we comply with all relevant UK legislation.

Reducing and balancing our carbon emissions

Since 2019, we have been proactively mapping our Pathway to Net Zero based on two parallel pathways: reducing our overall total emissions and balancing our emissions.

Our carbon reporting boundary

Data included within this report relates to Simplyhealth Group Limited. When reporting and disclosing, our organisational boundary includes emissions from all Trading Companies and Holding Companies. Disclosures are made at a consolidated 'Group' level, following the same approach as our financial accounting rules (UK GAAP). We therefore exclude any joint ventures where we do not have operational control and less than 50% shareholdings.

For our operational boundary, we report against all relevant Scope 1, Scope 2 and Scope 3 emissions, with the sole exception of Financed Investments (such as Venture Capital investments, reserves and pensions invested), which we intend to disclose in future reporting years.

The following Scope 3 categories are not relevant to be reported by Simplyhealth Group Limited:

- Processing of sold products.
- Use of sold products.
- End of life treatment of sold products.
- Downstream leased assets.
- Franchises.

Simplyhealth Group Limited's reporting period runs from 1 January to 31 December every year, with 2019 our baseline year.

Methodology

To provide an additional layer of governance, our 2025 GHG emissions have been independently calculated by Carbon Footprint Ltd following the GHG Protocol Corporate Accounting and Reporting Standards and Guidance, including the Corporate and Value Chain Standard, Scope 2 Guidance and Scope 3 Calculation Guidance. We also follow the UK Government's Guidance on Streamlined Energy and Carbon Reporting ('SECR').

Our assessment follows the GHG Protocol dual reporting methodology for reporting location and market-based emissions from electricity usage. We have used the 2025 emission conversion factors published by the Department for Environment, Food and Rural Affairs ('DEFRA') and the Department for Energy Security and Net Zero ('DESNZ').

Our spend-based emissions are calculated using the 'Spend-based' screening approach and are based on the economic value of purchased goods and services, for example a conversion to kgCO₂e/£, per Standard Industrial Classification ('SIC') Code, published by DEFRA.

For reporting period 2024, we introduced the 'Hybrid' reporting approach by apportioning emissions for Simplyhealth Group Limited Tier 1 suppliers who were able to provide accurate data. For reporting period 2025, this was extended to our Tier 2 suppliers. This approach has been taken because we recognise there is a balance between using full data and more specific and accurate data, rather than sector averages.

Estimation of error

Simplyhealth Group Limited's assessment requires an estimation of likely error based on error analysis, to identify any uncertainty in the calculations. For our 2025 reporting period, this analysis demonstrates an overall percentage uncertainty of +/- 47%. This takes into consideration the source data used in our assessment and the error margin for each emissions source, as well as the sum of these divided by the total emissions.

*In accordance with the SBTi Net-Zero standard, all GHG emissions are reduced in line with the latest climate science and 1.5C trajectory to at least 90%, offsetting any hard-to-abate residual emissions only. A company can reach Net Zero when it has achieved its long-term, science-based target. Simplyhealth's targets and ambition relates to 2019 baseline data and currently excludes investments emissions (Scope 3).



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Overall progress

Based on our 2025 market-based emissions, our overall carbon footprint has decreased by 24.4% from 2019 (baseline) and by 6.3% from 2024 to 2025.

In 2025, our energy consumption has reduced by 305,078 kWh (-34.0%) compared to 2024. When compared with our 2019 (baseline) our energy consumption has reduced by 86.5%.

We remain on track to achieve the targets we have set as part of our Pathway to Net Zero, which were refreshed during 2023:

- Achieve zero-emissions fleet by 2030.
- Reach Net Zero* (Scope 1 & 2 direct emissions) by 2030.
- Reduce operational waste by 80%* by 2030.
- Improve office recycling rates to 95% by 2030.

We also have an ambition to:

- Reduce Scope 3 indirect emissions by 50%* by 2030.
- Become a Net Zero business before 2050.

For further background relating to our year-on-year GHG emissions, specific environmental KPIs and examples of our progress, please visit our 2025 Sustainability Report. A high-level overview is provided below.

Scope 1

Having invested in a new Heating, Ventilation and Air Conditioning ('HVAC') system for our Head Office in 2024 to 2025, we have now removed all gas sources from our office operations, with no gas emissions reported for 2025, in addition to no refrigerant emissions or leaks.

Our company car travel is now responsible for the majority of our Scope 1 emissions. Over the last 12 months we have reduced our company car emissions by a further 30.9%.

This is in part due to a higher number of company car leases being renewed in 2025 compared to prior years. We experienced delays in new cars being delivered, and therefore more colleagues used hire cars. This accounts for a small increase in our hire car (Scope 3 emissions) for 2025.

We are continuing with our commitment to lower our Scope 1 emissions by switching our company cars to 100%** electric vehicles ('EV') by 2030.

In total our Scope 1 emissions have reduced by 89.8% since 2019 (baseline).

Scope 2

Our Scope 2 electricity emissions (location-based) have once again reduced by 25.7% compared to the previous year (2024). In total our Scope 2 emissions have reduced by 89.4% since 2019 (baseline).

We continue to have renewable electricity tariffs in place.

Scope 3

Overall, we have seen a decrease of our Scope 3 (market-based) emissions in 2025 by 5.4% (compared to 2024), and a decrease of 19.4% since 2019 (baseline).

Our 2025 purchased goods and services and capital goods make up 80.4% of Simplyhealth's overall GHG (market-based) emissions. In 2025, alongside a drive for greater cost efficiency across the business, we encouraged colleagues to carefully consider whether all purchases needed to be made and if there were alternative options available, or suppliers with greater aligned environmental ambitions.

In the last 12 months, we also extended our proactive approach to engaging our supply chain on their decarbonisation journey and progress, now reaching our Tier 2 suppliers in addition to our Tier 1 suppliers, who were engaged for the first time in 2024.

We're delighted with the majority of our Tier 1 and Tier 2 suppliers returning primary data to us based on their emissions, as well as sharing opportunities to collaborate on decarbonisation activities. This change in methodology has also positively impacted our 2025 purchased goods and services emissions and capital goods emissions, with a reduction of 2.7% over the last 12 months.

As we look further down our Scope 3 emissions, we can report the following reductions, compared to 2024:

- Downstream transportation and distribution (34.2% reduction).
- Upstream transportation and distribution (28.8% reduction).
- Paper (29.4% reduction).

These improvements can be attributed to our strategic focus on customer digital adoption, with a particular focus on removing paper use across the organisation, including the paper itself and the emissions associated with receiving 30,478 less paper claims to process from our customers compared to 2024.

Intensity ratios

Simplyhealth Group Limited's intensity ratios are measured on a 'per employee' and 'per £1m turnover (Group)' basis. See page 35.

At the end of the current reporting period (2025), our headcount remained stable at 817 employees, while our Group turnover has decreased from £245.1m (2024) to £238.6m (2025).

Carbon offsets

Our primary objective is to reduce our overall GHG emissions in line with the targets we have set the organisation. Following our emissions assessment, we once again took the decision to offset our remaining emissions to maintain carbon neutrality plus.

We recognise that some carbon offsetting schemes continue to come under scrutiny. We welcome the additional governance and regulation in the global offsetting and carbon credits market which is underway. We continue to work closely with our outsourced partner Carbon Footprint Ltd and their partners to select carbon offsetting projects that help us balance our remaining emissions. We do not use carbon offsets to substitute carbon emissions reductions and investments.

Independent certifications

Following an appraisal of our 2025 GHG emissions data, Simplyhealth Group Limited has been certified as a CO2e Assessed Organisation, CO2e Reduced Organisation, Carbon Neutral, and a Carbon Neutral Plus Organisation. Carbon Footprint Ltd undertook this assessment in March 2026 and it is valid for 12 months.



* When compared to Simplyhealth's 2019 baseline data (market-based). Scope 3 totals currently exclude investment emissions. All calculations and certifications are assessed by Carbon Footprint Ltd following the GHG Protocol and using the 2025 emission conversion factors published by DEFRA & DESNZ.

** Excludes one Diesel Events team van and hire cars.

Simplyhealth’s detailed 2025 GHG (‘Greenhouse Gas’) emissions

Scope	Activity	Tonnes CO2e
Scope 1	Site gas	0
	Refrigerants	0
	Company car travel	50.52
	Vans	2.21
Scope 1 Sub Total		52.73
Scope 2	Electricity (Market-based)	0
Scope 2 Sub Total (Location-based = 51.51tCO2e)		0
Scope 1 & 2 Sub Total		52.73
Scope 3	Purchased goods and services	4,069.42
	Capital goods	287.57
	Employee commuting	185.58
	Home workers	280.15
	Paper	66.78
	136.15	136.15
	Electricity transmission and distribution	0
	Employee-owned car travel	7.58
	Flights	16.86
	Hotel stays	5.94
	Hire cars	7.51
	Cash opt out cars	2.83
	Upstream transportation and distribution	236.24
	Upstream leased assets	51.34
	Waste	0.08
	Water (and waste water)	0.32
	Rail travel	6.99
	Taxi travel	1.39
	Downstream transportation and distribution	5.70
	Scope 3 Sub Total	
Total Tonnes CO2e		5,421.16

The following Scope 3 categories are not relevant to be reported by Simplyhealth: Processing of sold products; Use of sold products; End of life treatment of sold products; Downstream leased assets; Franchises.

Financed investments (such as reserves and pensions invested) are currently outside of Simplyhealth’s reporting boundary and intend to be disclosed in future reporting years.

Simplyhealth’s total energy consumption

kWh	2019	2020	2021	2022	2023	2024	2025
Total	4,370,833	3,032,167	2,424,192	2,244,028	1,480,069	896,554	591,476

Simplyhealth’s total GHG emissions

Tonnes of CO2e	2019	2020	2021	2022	2023	2024	2025
Market-based	7,174.73	6,659.90	7,057.04	6,736.55	6,234.68	5,784.93	5,421.16
Location-based	7,773.79	7,082.28	7,350.02	6,929.43	6,374.99	5,854.25	5,472.67

Simplyhealth’s intensity ratios

Tonnes of CO2e (Market-based)	2019	2020	2021	2022	2023	2024	2025
Per employee	6.48	8.27	7.26	7.02	7.62	7.44	6.98
Per £1m turnover	25.28	25.17	28.73	28.62	24.93	23.60	22.75

- Baseline year is 2019.
- All annual totals exclude Investment emissions including those associated with Venture Capital investments (Scope 3).
- 2023, 2024 & 2025 annual totals are the only reporting periods to include ‘employee commuting’ and ‘Downstream/Upstream transportation and distribution’ emissions.

Section 172(1) Statement

We align all our decision-making to the company’s vision, values and purpose, regularly reviewing the progress of our strategic priorities and providing due consideration to all stakeholders.

On an annual basis and throughout the year we:

- Consider our principal stakeholders when reaching decisions.
- Assess whether we have any additional stakeholder groups, whose interests may be related to the Company’s operations.
- Strive to achieve consistency and transparency in our decisions.

Our principal stakeholders are set out in this section. Here we explain who they are, why we consider them to be an important stakeholder, and how we engage with each of them.

Customers

Direct Customers

Why direct customers are a key stakeholder

The health and wellbeing of our direct customers is Our Purpose. Simplyhealth exists to help them navigate a fast-changing health landscape, maintain their everyday health, and make it easier for them to access the healthcare they need when they need it. Their needs are at the forefront of our decisions.

How we engage with our direct customers

We work with our direct customers to ensure we continue to deliver on Our Purpose through extensive research with our Customer Panel - providing us with a clear insight into their healthcare priorities and needs. Through our touchpoint and relationship surveys, assessing Customer Satisfaction (CSAT) and Net Promoter Score (NPS) respectively, and monitoring of reviews on Trustpilot, we can measure our customers’ experience across the Simplyhealth Group, quickly steering us to the areas where we need to improve and how we can address their evolving needs.

Corporate Customers and Brokers

Why corporate customers and brokers are key stakeholders

We value all our business relationships. We recognise that our corporate customers are employers with a unique set of healthcare challenges and opportunities.

Our long-term relationships with our key brokers succeed in meeting the needs of our corporate customers.

How we engage with our corporate customers and brokers

Our network of Key Account Managers have regular reviews with our corporate customers and through key events, meetings and surveys in the year, listening to their feedback and involving them in new proposition development and service enhancements.

We also have broker liaison specialists working directly with our key brokers to increase engagement with their consultants.

Healthcare Practitioners

Why healthcare practitioners are key stakeholders

The delivery of everyday healthcare relies on a strong network and supply of highly competent healthcare practitioners. We develop quality delivery partnerships with dentists, ophthalmologists and other private medical facilities and services.

How we engage with our healthcare practitioners

Through regular forums we canvas their opinions on industry-wide challenges and opportunities, helping to shape our business priorities and to meet their needs.

Voting Members

Why voting members are key stakeholders

As a business without shareholders, our voting members help to hold our business to account on the delivery of our vision, values, purpose, business plan, and performance.

How we engage with our voting members

Our annual general meeting is where we share company progress, inviting questions and feedback. Members of our Executive Leadership team also make themselves available to meet informally with voting members.

Communities and other stakeholders

Charities and Community Groups

Why charities and community groups are key stakeholders

It’s in our DNA to support health-related charities and community work. Our 2025 Sustainability Report considered how we continue to support this work.

How we engage with charities and community groups

We continue our ongoing commitment to deliver a minimum of £1m per year to charities and community causes.

For full details on how we collaborate with charities and community groups, please see pages 36 - 39 of our ‘2025 Sustainability Report’.

Regulators

Why regulators are key stakeholders

We foster a culture of doing the right thing and acting with integrity. We operate within a robust governance and risk management framework which links to the regulatory environment in which we operate, including the requirements of the UK financial services regulators and the Solvency II Directive. Business strategy, decision-making and capital management decisions are all made with reference against this framework to ensure ongoing compliance.

How we engage with our regulators

We have proactively engaged with regulators on key strategic decisions and encourage an open dialogue. Furthermore, we strive to meet the expectations of a modern corporate citizen through the responsible and proactive application of legal, regulatory, environmental and ethical practices.

Suppliers

Why suppliers are key stakeholders

We value all our business relationships and have long-term contracts with our key suppliers, to deliver for our customers and support Our Purpose.

We recognise that we have a joint responsibility with our suppliers to improve the impact we have on the environment throughout our supply chain.

How we engage with our suppliers

We maintain regular and ongoing dialogue with our key suppliers to ensure our operational activities work efficiently and effectively.

The Group made £26.8m of payments to suppliers of which 1.5% were outside of agreed terms. In 2026 we received the Good Business Pays 'Fast Payer' Award for the fifth consecutive year.

Our Vendor Manager Framework sets out how we work together with our suppliers. We expect high standards from any supplier we partner with when assisting us with specialist skills, knowledge, or resources to support in the effective delivery of Our Purpose. We regularly review their performance, annually and over the contract lifecycle, in line with regulatory and internal requirements.

Wider environment

Why the wider environment is a key stakeholder

From climate change to plastic pollution, the environmental challenges we face are enormous and urgent. The responsibility for tackling them lies with all of us.

Our business is health and we know that humans won't be healthy without a healthy planet. Therefore, we take our environmental responsibilities seriously.

How we engage on wider environmental issues

Our sustainability programme is extensive. We've worked with experts to set targets for positive change and in 2025 we have been engaging with all our Tier 1 and Tier 2 suppliers to better understand their environmental impact and progress, specifically capturing GHG emissions data and looking for opportunities to collaborate around climate action.

For full details on how we interact with stakeholders on environmental issues, please see pages 52 - 57 of our 2025 Sustainability Report.

Colleagues

Colleagues (current and future)

Why colleagues are a key stakeholder

Our people are fundamental to the successful delivery of our vision, so we want to attract and retain top talent.

The health, safety and wellbeing of our colleagues is a part of all key decisions. We strive to manage our people's performance and personal development, while continuing to act as a responsible employer with regard to the pay and benefits our employees receive.

How we engage with our colleagues

We engage with our colleagues throughout the year through our internal engagement surveys and initiatives, such as the Simplyhealth Business Forum. Colleagues can also open anonymous two-way dialogue with senior management to explore any issue or area of interest. Survey results are monitored and reviewed at Board level on a regular basis.

We engage with colleagues through formal quarterly briefings which discuss strategy and financial performance.



Principal decisions

The Board considers ‘Principal Decisions’ to be those decisions which have significant long-term implications and consequences for the Company and/or its stakeholders and are different to the ordinary decision-making processes the Board engages in.

Below are some examples of principal decisions that have been taken during 2025 and how stakeholders were considered as part of the decision-making process.

Decision: **Appointment of new Chair**
In March 2025, the Board appointed a new Chair, Rita Clifton.

Stakeholder considerations and outcomes	Customers	Simplyhealth’s purpose of improving access to healthcare for all in the UK was a key reason for Rita joining the company, together with Simplyhealth’s capacity to continue its journey to meet that purpose. Rita’s experience with commercially-focused, product-led organisations will be an asset as Simplyhealth seeks to grow its membership to help even more people benefit from its services.
	Colleagues	There is a strong cultural and strategic alignment between Rita and Simplyhealth, making her well placed to lead Simplyhealth in delivering on our future plans.
	Communities and other stakeholders	Regulator – Rita has held board-level roles in large, regulated organisations. She is passionate about making a difference to the health of people across the UK.

Decision: **Continued investment in Simplyhealth Venture Capital**
Simplyhealth has continued to invest in UK focused predictive or preventative healthcare companies.

Stakeholder considerations and outcomes	Customers	Simplyhealth has approved further investments of £7.2m in 2025 to accelerate the development and adoption of preventative and predictive medical care. This approach is intended to help the Group deliver on its purpose of improving access to healthcare for all in the UK.
	Colleagues	The continued investments provide more opportunities for diversification of our product portfolio and in turn more opportunities for growth and advancement for our people.
	Communities and other stakeholders	Our investment remit focuses on preventative and predictive medical care, all in pursuit of our Group purpose. By helping portfolio companies, we can potentially impact a greater number of people in the UK.

Decision: **Change of investment manager**
Simplyhealth agreed to replace its PIMCO Diversified Income Fund with a M&G Sustainable Total Return Credit Investment Fund.

Stakeholder considerations and outcomes	Customers	It is believed this move will safely and responsibly increase the rate of Simplyhealth’s capital growth, providing greater financial security and allowing us to continue to invest in products and services for our customers.
	Colleagues	The continued strong balance sheet provides more opportunities for growth, in turn providing more opportunities for advancement for our people.
	Communities and other stakeholders	The transfer, combined with our other operational activities, continues to move us towards our longer-term sustainability ambitions both as a company and with our customers.

Decision: **Launch of our On Demand product**

Stakeholder considerations and outcomes	Customers	Simply On Demand gives our customers access to eight new self-pay healthcare services, integrating with our existing partnership discounts. This unique offering in the market differentiates us from our competitors.
	Colleagues	The Whole of Workforce (WoW) product was an innovation flowing from product-led ways of working; it relied on colleagues from across the business innovating and working together at pace in an agile way.
	Communities and other stakeholders	The product involved onboarding a new Tier 1 supplier and providing an additional route to market for existing partners.

Decision: **Denplan Integration**
Integration of the Practi business into Denplan.

Stakeholder considerations and outcomes	Customers	The alignment of the two businesses will create a unified dental brand enabling Denplan to offer Plans, Insurance and Financing. The streamlined offering will make it easier both for our dentists and patients to understand and engage with a wider range of products and services.
	Colleagues	The consolidation brings an opportunity for innovation synergy, giving colleagues the opportunity to influence and work within a wider suite of products.
	Communities and other stakeholders	To maintain regulatory compliance, there will be continued focus on customer communication, accurate disclosures, website and marketing material and contractual arrangements. We have proactively engaged with our regulators throughout the integration.

Decision: **Designated non-executive director for colleagues**
The Board formally established the role of Designated NED for colleagues.

Stakeholder considerations and outcomes	Customers	Simplyhealth anticipates that improved engagement will increase employee satisfaction, in turn driving better customer experiences.
	Colleagues	The new role will help ensure that the voice of our colleague base – one of our most valuable assets – is heard at Board level, and that the Board remains closely connected to our organisational culture.
	Communities and other stakeholders	Understanding colleagues’ views, concerns and ideas at Board level is essential to ensuring our strategy, culture and values remain aligned; Simplyhealth’s approach accords with the guidance in the 2024 UK Corporate Governance Code.

By understanding the stakeholders and their interests, the Board consider that they have, both individually and collectively, through exploration and debate, been able to factor those interests into decision-making throughout the year. The Board has ensured that any decision is one which is most likely to promote the success of the Company in line with the Directors’ duty under S172 of the Companies Act 2006.

Risk management

The Board and the Executive Committee ('Exco') consider risk management to be a fundamental part of Our Purpose and a key aspect of corporate governance. The effective management of risk is central to our culture and decision-making, and integral to helping us to achieve our goals.

Risks are managed within the organisation utilising the three lines of defence model:



Risk management framework

The Board is responsible for overseeing and maintaining the adequacy and effectiveness of the risk management and internal control systems. It is responsible for determining the nature and extent of the principal risks the Simplyhealth Group is willing to take in achieving its strategic objectives, including the setting of its overall risk appetite. The Board delegates oversight and scrutiny of risk management to the Risk & Capital Committee, who regularly report and provide recommendations to the Board.

A suite of reports from the risk management function support senior management and the Simplyhealth Board and Committee in discharging their oversight and decision-making responsibilities throughout the year. The risk management function reports include updates on risk appetite, risk profile and 'deep dives', risk monitoring metrics, stress and scenario testing and analysis, reverse stress testing, emerging and heightened risks and the Own Risk and Solvency Assessment (ORSA) report. Similarly, the compliance and data management functions provide a range of information through the year to demonstrate compliance with regulatory requirements.

The day-to-day responsibility for implementation and maintenance of the internal control system rests with Simplyhealth's various senior management functions, as defined under the FCA and PRA's Senior Managers and Certification Regime ('SMCR'). Second Line oversight and challenge of Simplyhealth's risk management and reporting processes rest with the Group Risk function. The Risk report produced by this function is firmly embedded in the Group's management and Board reporting. This report enables the monitoring of risk-taking measured against agreed risk limits, using a suite of Key Risk Indicators linked to risk appetite.

The execution of our Enterprise Risk Management Framework (ERMF) and Internal Control Framework (ICF) enables reasonable assurance to be provided to the Executive Committee, Board and external stakeholders that Simplyhealth is achieving its risk management and internal control objectives.

The effectiveness of the Risk and Control frameworks are independently assessed as part of the programme of activity carried out by the Internal Audit function in the Third Line of Defence, the results of which are reported to the Audit Committee.

The Simplyhealth Board approves the Group risk appetite statements at least annually and receives updates on monitoring against these statements throughout the year. This includes an assessment of principal risks. The internal audit function considers the risk management framework and compliance oversight activities in its audit universe to derive a risk-based audit plan.

A mandatory annual employee training programme covers topics such as financial crime, FCA rules, the Consumer Duty, and information security. We provide training to employees upon joining Simplyhealth and annually thereafter to ensure that we continue to operate in a responsible manner and in line with the business's expectations.



We adopt a responsible and balanced approach to risk taking so that significant risks are identified and managed. This supports long-term sustainability and growth and enables the Simplyhealth Group to respond dynamically to strategic opportunities, while maintaining an appropriate and proportionate approach to running the business.

Our approach to risk management consists of the following components:

- Agreement of Board risk appetite statements in relation to defined risks, which sets the principles, preferences and high-level measures for the risk level the Simplyhealth Group is willing to accept in pursuit of its objectives.
- A risk management system, which ensures that all principal and enterprise risks are identified, assessed and managed in accordance with the ERMF.
- Regular risk monitoring and reporting, ensuring any concentration of risk, entity or function is assessed, with management action agreed on a timely basis.
- Evaluation of our solvency position and financial resilience through the production of the Own Risk and Solvency Assessment ('ORSA').
- An effective risk and control culture, which is focused on the sustainability of Simplyhealth, risk awareness, ethical behaviour and the outcomes received by our customers and employees.
- Second-line assurance activity which includes reviews of our control environment to ensure compliance with key regulatory and legal requirements, and to ensure the adequacy and effectiveness of processes and procedures to support our operational and information technology activities.

The ERMF sets out the processes involved in the identification, assessment, mitigation, monitoring and reporting of risk required to meet the Simplyhealth Group's commercial, strategic and regulatory objectives, including the requirements of the UK financial services regulators.



The responsibilities for overseeing each of our principal and enterprise risks is aligned to our Performance and Governance Framework, as detailed in our Corporate Governance section, with each committee having a responsibility for ensuring the effective oversight of nominated risks.

Internal control framework



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Our Internal Control Framework, which is embedded within the enterprise risk management system and processes, allows insight into whether the organisation's key risks are being effectively managed in accordance with risk appetite, through the implementation and effective operation of internal controls.

The framework establishes minimum standards for documenting, assessing and monitoring the design and effectiveness of critical controls. It also defines the responsibilities for testing these controls by the First Line and outlines the minimum requirements for independent assessment by the Second and/or Third Line. Additionally, the framework sets expectations for ongoing performance monitoring to ensure the control environment remains effective and aligned with risk management and strategic objectives.

The framework sets minimum standards for the testing of the design and effectiveness of critical controls by the First Line. The framework also sets out the minimum requirements for independent testing from the Second and/or Third Line.

Developments in the risk and control environment

To enable Simplyhealth to respond to opportunities and threats in an efficient and informed manner, we continuously review and evolve our risk and control environment, ensuring it remains aligned to our strategic direction and external risk environment.

During 2025, we have restructured our Second Line teams, bringing our Risk and Compliance functions under a single leadership structure.

In doing so, we have facilitated greater alignment and collaboration on areas of risk and regulatory focus.

We have also strengthened our capabilities with the introduction of a new senior compliance policy role, which has led to the establishment of a new Horizon Scanning Working Group to further support the identification, communication and ongoing implementation of regulatory change.

In recognition of the dynamic nature of risk and control management, we have also undertaken a refresh of the organisation's critical controls in alignment with our Internal Control Framework, ensuring that assurance activities across the three lines of defence are focused on the areas of greatest impact.

We continue to support delivery of the organisation's strategic objectives, including through the reporting of key areas of risk at management and Board committees as set out in our Performance and Governance Framework, including cyber security, financial crime, economic uncertainty and climate change risk.



Principal risks and uncertainties



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The overall risk profile is determined by:

- The environment in which Simplyhealth does business, in particular competitor activity in the healthcare market, the changing health needs and claiming behaviour of customers, climate-related changes, regulatory changes and an uncertain economic environment.
- The business strategy, which focuses on embedding a product-led framework to enable incremental delivery at pace, successfully migrating our policyholders to our new policy platform, improving our overall cost base to better align with the scale of our organisation and delivering innovative products and services that meet our customers' needs in a changing healthcare market.

The primary risk exposures under Solvency II are underwriting risk, market risk, credit risk, insurance operational risk, liquidity risk, non-insurance profit risk and non-insurance operational risk. Further details on how the Simplyhealth Group manages these risks are given in [note 4] to the financial statements.

To ensure that the key risks faced by Simplyhealth are identified and managed within risk appetite, we have assessed and categorised our exposures into four principal risks, underpinned by a number of more granular enterprise risks.

The definitions of our four principal risks are outlined below:

- Strategic risk: The risk of significant loss or damage arising from business decisions impacting the long-term interests of the business, or from an inability to innovate and adapt.

- Financial risk: The risk of Simplyhealth having inadequate earnings, cash flow or capital to meet current or future requirements and the delivery of the strategy.

- Operational risk: The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.

- Regulatory and Conduct risk: The risk that the execution of Simplyhealth's business activities leads to non-compliance with regulation or legislation, and/or unfair customer outcomes.

Our principal risks and the most material associated 'enterprise risks' which, if crystallised, could adversely impact on the delivery of the strategy, are outlined below.

Principal risks	Key enterprise risks	Mitigation	Change in year
Strategic	Long-term sustainability and viability There is a risk that we fail to generate business volumes or reduce costs, insufficiently to ensure we maintain capital and deliver on Our Purpose.	Simplyhealth continues to develop its core capabilities within the disciplines that support the mitigation of this risk, including a re-organisation of the Sales and Marketing function during 2025. The ongoing deployment of our Objectives and Key Results framework and regular reporting through the governance structure supports the monitoring of our cost base and financial commitments. A new executive level forum has been established during the year to support focus on business growth.	Stable
	Ability to meet product demand There is a risk that we fail to deliver innovative or desirable products and services as a result of failing to capitalise on opportunities or respond to threats.	Simplyhealth adopts a 'product-led' approach to support innovation and product development. Processes and governance are designed to support the alignment of business resources and priorities around a product-led 'line-of-business structure' which is customer centric, supported by technical 'centre-of-excellence' functions across the organisation.	Stable
	Economic uncertainty/investment activities There is a risk that the market uncertainty around inflation, elevated interest rates and other government measures will impact income, increasing costs and creating barriers to delivering on our strategy.	The Finance team monitors the potential impact of macroeconomic risks and works closely with our third-party investment portfolio managers to take steps where appropriate. The impact of inflation and other economic risks on key business activities (for example claims costs) is monitored through a range of management information and performance measures, with mitigations taken where appropriate.	Stable
Financial	Cost base There is a risk that we are unable to manage our cost base in line with income and increasing claims in order to deliver profitability.	The business manages its cost base through a range of budgetary setting processes, financial controls and monitoring activities. Simplyhealth has also established frameworks that support cost discipline including expenses management, procurement and recruitment and remuneration policies.	Improving

Key: Improving Worsening Stable

Principal risks	Key enterprise risks	Mitigation	Change in year
Operational	People capability and capacity There is a risk that we fail to recruit, develop, reward and retain the required talent to deliver on our strategy.	The business is supported by a Human Resources function which oversees Simplyhealth's people policies and frameworks, including recruitment, internal commission schemes, talent management programmes and long-term incentive programmes.	Improving
	Change does not deliver the expected benefits/data migration There is a risk that we do not deliver the expected benefits from our transformational change due to delays in delivery or alteration of scope.	Where transformational change is required or taking place, Simplyhealth uses change management methodologies supported by project and programme governance approaches to ensure the delivery of benefits and the mitigation of transformation risk. Reporting on strategic projects is included up to and including Board level, ensuring oversight and challenge.	Stable
	Failure of a technology service There is a risk that our technology services are unavailable and/or we fail to recover the service within risk appetite.	Simplyhealth uses established approaches to monitor and review technological performance and stability across its IT platforms. Business continuity plans and disaster recovery frameworks are in place to mitigate the temporary loss of technological services. Crisis management teams are in place to address significant incidents that may impact the business.	Stable
	Data breach There is a risk of customer or employee data compromise as a result of a successful cyber attack or external threat.	A dedicated Data Protection team is in place as part of Simplyhealth's Second Line functions which provides support for data protection and data management control. Simplyhealth information security teams use a range of technologies to monitor and mitigate the risk of cyber attacks; this is supported by other measures including staff training and simulated 'phishing' attacks.	Stable
Regulatory and conduct	There is a risk that we do not maintain compliance with regulatory requirements.	Simplyhealth has a dedicated Compliance function as part of its three-lines model which supports the interpretation, oversight and monitoring of business activities to ensure they meet regulatory requirements. Compliance training programmes for employees are in place, and several oversight committees exist across the organisation to support and oversee ongoing compliance with key regulations relating to, for example, the Financial Conduct Authority, the Prudential Regulation Authority and the Information Commissioner's Office. Compliance monitoring and assurance plans are developed on an annual basis and further regulatory assurance is provided by the Internal Audit function. Simplyhealth maintains an open and transparent interaction with its regulators, as well as having ongoing horizon scanning activity which identifies and prepares for emerging regulation in advance.	Stable

Climate change risk



The FCA and PRA expects firms to take a strategic approach to managing the operational and financial risks from climate change. Climate change risk continues to be monitored by the business and the Board through the Risk & Capital Committee. During the year, we have completed our annual Climate Change Risk Assessment on our business model, products and services, with the results feeding into our business planning process.

Overall, all identified risks have remained broadly stable in their performance and we continue to conclude that our strategy is resilient to climate change over the short to medium term. Potential longer-term impacts, such as changes in product demand, customer behaviour or employee productivity, are expected to be identified and managed before becoming a reality. These risks are nonetheless considered further through our Own Risk Solvency Assessment (ORSA) and the Operational Resilience Self-Assessment via scenario analysis.

For example, in October, Simplyhealth's Crisis Management team undertook an exercise whereby our Anton House office was no longer operational due to flooding. Similarly, we have modelled the impact of our mail and print machinery catching fire due to sustained increases in temperature combined with a simulated failure of our air conditioning systems.

In both cases, it was concluded that the organisation maintains sufficient resilience to withstand these events without materially impacting our important business services, despite some indirect effect to our service levels.

Climate change is not expected to have a material impact on the delivery of Simplyhealth's strategy in the short to mid-term, noting the flexibility of our products, the claiming limits on the associated benefits and the nature of our business model, however, we will continue to monitor climate-related exposures throughout our risk management framework.

Whistleblowing and 'speaking up'

In line with our values, our risk management processes are underpinned by the promotion of a culture that encourages employees to speak up and escalate concerns. In support of this, we operate a whistleblowing policy and a dedicated whistleblowing hotline, that allows for anonymous reporting of concerns without fear of reprisal, harassment, retaliation or victimisation.

We provide training on whistleblowing and 'speaking up' to ensure we appropriately handle any concerns raised through the hotline. All concerns are treated with the utmost confidentiality and in accordance with all applicable legal and regulatory requirements. The Simplyhealth Board receive reports affirming the effectiveness and operation of our whistleblowing procedures. The Chair of the Audit Committee acts as the business's Whistleblowing Champion. Further opportunities for colleagues in the business to provide feedback are provided through regular anonymous engagement surveys.



Corporate governance

Simplyhealth Group Limited is a company limited by guarantee.

Our system of governance ensures that we are well positioned to continue to deliver Our Purpose while effectively managing risk. This system and associated frameworks are reviewed annually by the Board. As Simplyhealth has neither shareholders nor a requirement to distribute profits to members, the roles of voting members and the Board in providing effective governance are particularly important.

Our decision-making and organisational structure supports the effective governance of the business in meeting our strategic goals, our delivery of excellent customer service, and our adherence to regulations. The governance model is designed to be proportionate to the nature, scale and complexity of the risks we face.

The role of the Board

The Board is collectively responsible for ensuring that Simplyhealth is successful for the benefit of our stakeholders, setting Simplyhealth’s strategic direction, providing entrepreneurial leadership, and overseeing the effective management of key risks faced by the business.

As set out in a Matters Reserved for the Board document, the Board is accountable for ensuring effective governance, overseeing financial control of the business, ensuring that investments are managed properly, that all material business risks are managed, and that funding is allocated efficiently and according to capital adequacy requirements. It is also accountable for ensuring that we stay true to Our Purpose.

The Board assesses and regularly reviews the ethical and economic position of the business and considers significant changes affecting factors such as the organisation, operations, customers, external environment, the financial position and risk profile.

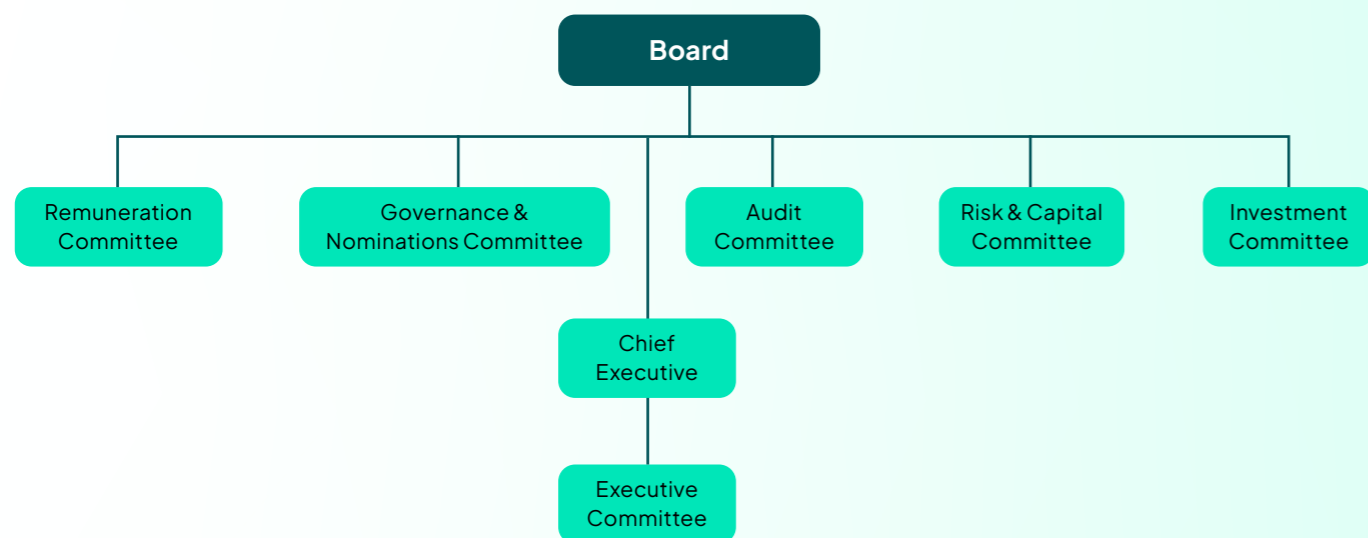
Board composition

On 31 December 2025, the Board comprised two Executive Directors and five Non-Executive Directors. The Board periodically reviews its composition and succession planning framework to ensure that appointments create an appropriate mix of skills and experience, and a level of diversity and independence that supports the Simplyhealth Group’s objectives.

Our committee structure

The Board delegates some of its responsibilities, although not accountability, to a number of committees as outlined below (the ‘Board Committees’) and to the Chief Executive Officer. The Board Committees operate under delegated authority from the Board, with specific terms of reference in force for each committee that allow specific matters to be considered in depth and reported back to the Board and, where appropriate, make recommendations for final decision by the Board.

Our Delegations of Authority Framework underpins decision making across the organisation. This is designed to support effective and swift decision making while ensuring appropriate oversight and challenge of material decisions by the Board.



Board committees and responsibilities

Regulatory committees

Audit Committee

Chaired by T Dunley-Owen

- Reviewing the effectiveness of the system of control for managing financial and non-financial risks.
- Monitoring the integrity of the financial statements, including significant reporting judgements contained within them.
- Reviewing and monitoring the effectiveness and objectivity of both the internal and external audit function, and reviewing their reports and recommendations.
- Reviewing the effective implementation and operation of regulatory requirements and obligations.
- Reviewing and recommending for Board approval the Actuarial Function Holder report (other than in respect of matters relating to pricing and risk).
- Monitoring and regularly reviewing the activities, structure and resourcing of the Internal Audit and Compliance function.
- Approval of the public sustainability report, covering our current Task Force on Climate-related Financial Disclosures (TCFD) voluntary disclosures.

Risk & Capital Committee

Chaired by J Knott

- Overseeing, understanding and reviewing the Group's risk profile and advising the Board on principal risk exposures and future risk strategy, including recommending the levels of key risk appetite for the business.
- Ensuring that future capital requirements of the business are appropriately and adequately considered and planned for over the business horizon.
- Overseeing and advising the Board on the embedding and maintenance of a suitable risk management culture in Simplyhealth, in accordance with the risk management framework.
- Reviewing the reporting, recommendations and effectiveness of the Chief Actuary in relation to Underwriting Risk, Pricing and role of the Second Line and management responses to issues raised.
- Reviewing and recommending for Board approval the Actuarial Function Holder report (other than in respect of matters relating to reserving).

Remuneration Committee

Chaired by M Stead

- Developing and recommending to the Board the remuneration principles (including performance-related pay principles) for the Chief Executive, Company Secretary, the ExCo ('the Executive'), and the Chair.

- Approving the total individual remuneration packages, including performance-related pay for the Executive.

- Setting and reviewing the principles and parameters of the remuneration policy for the whole Group.

Governance & Nominations Committee

Chaired by R Clifton

- Evaluating and monitoring the governance framework, including the governance structure and governance principles, to ensure they meet the Group's current and future strategic needs and support best practice.
- Recommending candidates for appointment to the Board, to ensure that, collectively, we have the balance of skills, experience, independence, knowledge and diversity appropriate for Simplyhealth's operations and the regulated environment in which it operates.

Non-Regulatory committees

Investment Committee

Chaired by D Lawrence

- Assessing and recommending any investment proposals to the Board for approval.
- Providing oversight and governance of Simplyhealth Foundry businesses.



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- Approving any stage-gated investments into Simplyhealth Foundry Limited ('SHF') companies in line with the Business Plan as approved by the Board.
- Reporting to the Simplyhealth Board on at least an annual basis, with a review of the performance of Simplyhealth Venture Capital and SHF portfolio companies.
- Where a decision is required, recommending the disposal of SHVC investments to the Simplyhealth Board.

Chief Executive Officer delegated authority

The Board delegates the responsibility to lead Simplyhealth to the CEO. The CEO, in turn, delegates defined levels of responsibility for strategic and operational decision-making and oversight to members of the Executive Committee via a robust operational governance structure.

The ExCo includes:

- Paul Schreier (Chief Executive Officer).
- Nicholas Potter (Chief Financial Officer).
- Angela Sherwood (Chief People Officer).
- Tim Gough (Chief Technology Officer).
- David Pugh (General Counsel and Company Secretary).
- Tom Perkins (Chief Risk Officer).

These delegations are set out in our Delegations of Authority Framework, which is approved annually by the Board.

The CEO's authority includes directing and promoting the successful operation and development of Simplyhealth and implementing the strategy set by the Board to deliver Our Purpose in a way that is consistent with our values and risk appetite.

Overall responsibility for defined areas of business activity sits with appointed senior managers within Simplyhealth, who have been formally approved by the PRA and/or FCA in relation to their specific roles.

Executive committee

The ExCo comprises the Chief Executive Officer, Chief Financial Officer, Chief People Officer, Chief Technology Officer, Chief Risk Officer and the General Counsel and Company Secretary.

ExCo responsibilities include:

- Formulating (for Board approval), reviewing, communicating and managing the delivery of the Simplyhealth Group's strategy, considering Our Purpose, our customers, risk profile, capital requirements and solvency position.
- Leading performance across the Simplyhealth Group, including operational, financial and people matters, and reporting results to the Board and its committees as required.
- Maintaining an effective organisational structure which supports the delivery of strategic and operational plans and manages succession planning for key roles.
- Ensuring the Simplyhealth Group maintains an effective internal control framework which supports compliance with relevant legislation and regulations.

- Monitoring and reviewing the risk profile of the Group, such that this enables it to mitigate significant strategic, financial, operational and regulatory and conduct risks, in line with the Simplyhealth Group's risk appetite and reporting these to the Board as required.

- Being role models for the business, promoting and displaying the values and behaviours needed to create the right culture in Simplyhealth.

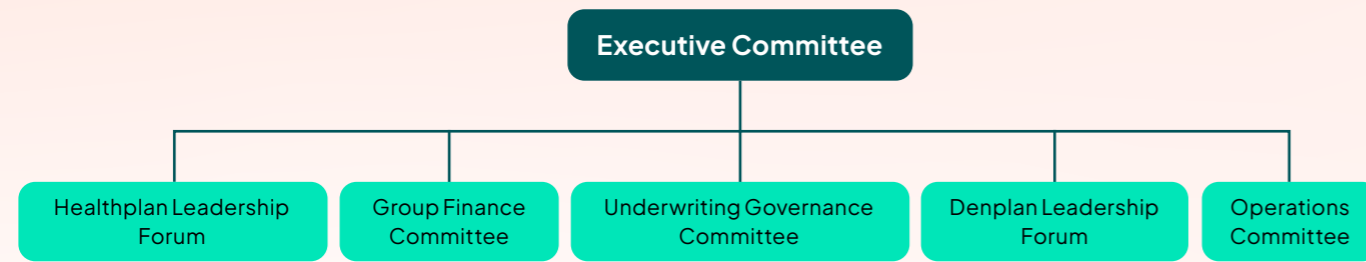
Performance and Governance framework

Our Executive Performance and Governance Framework delivers a governance framework that:

- Supports the successful and timely execution of the strategy and business plan.
- Enables effective and demonstrable decision making and risk oversight.
- Supports engagement and disciplined empowerment across the leadership population.
- Is appropriate for an organisation of our size and complexity.



To support this Framework, we have a clear Executive Committee structure to ensure effective and efficient decision making. The structure is outlined below:



Chief Risk Officer delegated authority

The Chief Risk Officer (CRO) leads the Group Risk and Group Compliance functions. The CRO has a formal reporting line to the CEO but there are open communication lines with the Non-Executive Directors. The CRO has private meetings with the Chair of the Risk & Capital Committee and Chair of Audit Committee without the presence of Executive Directors.

Group Risk function

The Group Risk function is responsible for developing and overseeing the framework for identifying and managing risk across the Simplyhealth Group.

This function ensures that the Board has visibility of the key risks that the Simplyhealth Group is subject to, facilitated through a quarterly report presented to the Risk & Capital Committee and following extensive review with First Line risk owners. The Group Risk function oversees the delivery of the ORSA and is also responsible for managing the Simplyhealth Group's exposure to fraud and financial crime.

Group Compliance Advice function

The Group Compliance function is responsible for the identification, interpretation and assessment of emerging and current regulatory and conduct risks that may impact the Simplyhealth Group. This function actively partners with First Line business areas to provide assurance relating to their ongoing compliance, in addition to providing advice on regulatory matters as they arise.

Group Compliance Monitoring function

The Compliance Monitoring function owns the Board-approved Compliance Monitoring Plan, which sets out a series of thematic reviews designed to provide assurance to the Board, Audit Committee and relevant senior managers that regulatory and conduct risks are being appropriately managed and good outcomes provided to customers.

Group Data Protection function

The Group Data Protection function provides oversight of, and compliance with, our data protection regulatory and legal obligations. It ensures the data collected from customers, employees and all processing practices and activities remain compliant and provides reporting relating to overall adherence to privacy regulations to senior management and the Audit Committee.

Internal Audit function

The Internal Audit function provides independent, objective assurance to the Board, the Audit Committee and all levels of management on the internal control environment at Simplyhealth. The Internal Audit Charter provides the framework for achieving this by setting out the objectives, scope, responsibilities, authority, independence and accountability for the Internal Audit function.

The Internal Audit function owns the Internal Audit Plan, which is approved and overseen by the Audit Committee. The plan articulates how the Internal Audit function will provide assurance over the effectiveness of key processes, systems and controls.

The Head of Internal Audit ('HoIA') has a primary and functional reporting line to the Chair of the Audit Committee and there are open communication lines between the HoIA and Non-Executive Directors. The HoIA has private meetings with the Chair of the Audit Committee and Non-Executive Directors without the presence of Executive Directors. There is a secondary and executive reporting line to the CRO, for administrative purposes only, such as holiday approval and sickness. To avoid any conflicts of interest and to preserve the independence of the function, the CRO has no day-to-day involvement in the activities of the team and the HoIA has direct access to all members of Executive Management including regular conversations with the CEO.

The Audit Committee continue to review the structure and remit of the team and are satisfied that the Internal Audit has the appropriate resources. They also continue to evaluate the impact and effectiveness of the Internal Audit team and the performance of the Head of Internal Audit on an annual basis.

The Strategic Report was approved by the Board of Directors and signed on their behalf by:

Paul Schreier
Chief Executive Officer
31 March 2026



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Directors' Report

Simplyhealth Group Limited
Company Number: 05445654

The Directors present this report together with the Strategic Report, Financial Statements and Auditor's Report for the year ended 31 December 2025.

Directors

The Directors who served during the year and up to the date of approval of these financial statements were:

Rita Clifton	Chair (appointed 3 March 2025)
Tracy Dunley-Owen	Non-Executive
Michael Hall	Non-Executive (resigned 18 June 2025)
Jenny Knott	Non-Executive
Duane Lawrence	Non-Executive
Nicholas Potter	Chief Financial Officer
Paul Schreier	Chief Executive Officer
Martin Stead	Non-Executive

Secretary

The Company Secretary who served during the year was:
 David Pugh

Directors' Report disclosures

As permitted by section 414C (11) of the Companies Act 2006, certain information is not included in the Directors' Report due to its inclusion in the Strategic Report. This information is:

- Principal activities of the Company.
- Business review and outlook.
- Principal risks and uncertainties.
- Employment policies, including those relating to disabled persons and future developments.
- Statement on engagement with suppliers, customers, regulators and others in a business relationship with the Company.
- Energy and carbon disclosures.
- Research and development, with reference to investments made on technology.

The Simplyhealth Group's financial instruments comprise its financial investments, cash and various items arising directly from operations such as insurance and other debtors, technical provisions and creditors. The main risks to which the Simplyhealth Group is exposed are insurance risk, operational risk, liquidity risk, credit risk and market risk. The Simplyhealth Group's approach to management of these risks is disclosed in the Strategic Report, with further information contained in note 4 to the accounts.

Outlook

As noted on page 27 of the strategic report. We are optimistic that with the technological improvements we've made to the delivery of our services, and the enhancements to our products, we will continue to grow our business and fulfil Our Purpose of enabling better access to healthcare for more people across the UK.

Going concern

The Directors have formed a judgement at the time of approving the financial statements, that there is a reasonable expectation that the Company and the Simplyhealth Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements. We retain a strong capital position in business as usual and under stressed scenarios. We are closely monitoring the economic headwinds on all aspects of our business, including how it will impact our customers, employees and our other key stakeholders. Full details of our assessment of the business impact during 2025 is detailed in the Business Review section of the Strategic Report on page 21.

In addition, the assessment concluded that like any business, future performance will be impacted by the general macroeconomic conditions.

Corporate Governance Arrangements

Simplyhealth is not required to comply with the UK Corporate Governance Code, Simplyhealth accepts them as principles where applicable within its governance framework.

Post-Balance Sheet events

There are no Post-Balance Sheet events to report.

Use of financial instruments

The financial risks management objectives and policies are included in note 4 of the financial statements. The derivatives are allowed for the purpose of risk mitigation or seeking active risks as part of efficient portfolio management.

Dividends

The Company does not have any shareholders and therefore, no dividends are proposed.

Directors' indemnities

During the year and at the time the Directors' Report was approved, the Company's Directors were the beneficiaries of qualifying indemnity provisions in respect of proceedings brought by third parties (subject to the conditions set out in section 234 of the Companies Act 2006) provided by Simplyhealth Group Limited.

Political contributions

During the year, no donations were made by the Company for political purposes (2024: £nil)

Employment Policies

We create opportunities and experiences for everyone, delivering a more diverse, equal and inclusive workforce, free from discrimination and based upon fairness, dignity and respect. This includes protected characteristics including disabilities, further information is included on page 44 of the Sustainability Report available on our website.

Branches outside the UK

The Simplyhealth Group has no branches registered outside of the United Kingdom.

Streamlined Energy and Carbon Reporting

The company reports on its energy usage on pages 34 - 35 and reports on its energy usage and carbon dioxide equivalent ("CO2e") emissions for the year ended 31 December 2025 in accordance with the Companies Directors' report and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The methodology used to calculate our energy usage and CO2e emissions is in accordance with the Green House Gas ("GHG") Protocol Corporate Accounting and Reporting Standard, using the operational control approach in determining the company's source of emissions. Data has been calculated using emission conversion factors published by the Department for Environment, Food and Rural Affairs ('DEFRA') and the Department for Energy Security and Net Zero ('DESNZ'). Emission data is split between scopes 1 to 3 as defined by the GHG Protocol Corporate Accounting and Reporting Standard:

(a) Scope 1 – emissions directly into the atmosphere as a result of the activities of the Company and deriving from sources owned or controlled by the Company, such as boilers used for heating offices.

(b) Scope 2 – emissions into the atmosphere associated with the Company's consumption of purchased electricity. Location-based represents the average emissions derived from the electricity grid serving our locations and market-based reflects the actual emissions emanating from the electricity the Company has purchased, which includes renewable sources.

(c) Scope 3 – emissions into the atmosphere as a consequence of the activities of the Company and derived from sources not owned or controlled by the Company.

Disclosure of information to the auditor

Each of the persons who are Directors of the Company at the date when this report was approved confirms that:

So far as each Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware and

- Each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditor

The auditor, Deloitte LLP, has indicated its willingness to continue in office and a resolution that it be reappointed will be proposed at the Annual General Meeting.

The Directors' Report was approved by the **Board of Directors** and signed on their behalf by



Nicholas Potter
Chief Financial Officer
31 March 2026

Directors' Responsibility Statement

Year ended 31 December 2025

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and FRS 103 'Insurance Contracts'. 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 state of affairs of the Company and the Simplyhealth Group, and of the profit or loss of the Company and Simplyhealth Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and apply them always.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 keeping adequate accounting records that are sufficient to show and explain the Company's and Simplyhealth Group's transactions, that disclose with reasonable accuracy at any time the financial position of the Company and Simplyhealth Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Simplyhealth Group and for taking reasonable steps in the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company and Simplyhealth Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Independent auditor's report to the members of Simplyhealth Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Simplyhealth Group Limited (the 'parent company') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- We have audited the financial statements which comprise:
 - the consolidated statement of comprehensive income;
 - the consolidated and parent statements of financial position;
 - the consolidated and parent company statements of changes in equity;
 - the consolidated cash flow statement;
 - the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit, risk and compliance, and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included regulatory solvency requirements and the regulations of the Prudential Regulation Authority and the Financial Conduct Authority.

We discussed among the audit engagement team including relevant internal specialists such as actuarial, IT, and financial instruments specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and

Report on other legal and regulatory requirements

- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with the Prudential Regulation Authority and the Financial Conduct Authority.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- we have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bainbridge FCA
(Senior statutory auditor)
For and on behalf of
Deloitte LLP Statutory Auditor
Leeds, United Kingdom
31 March 2026



Consolidated statement of comprehensive income

Year ended 31 December 2025

Figures are in millions of pounds

Technical Account	Note	2025	2024
General business			
Earned premiums			
Gross premiums written		215.1	218.6
Change in the gross provision for unearned premiums	20	(0.7)	2.7
Total technical income		214.4	221.3
Claims incurred net of reinsurance			
Claims paid			
Gross claims paid		(145.9)	(150.7)
Change in the provision for outstanding claims			
Gross provision	20	2.0	1.0
Total claims incurred		(143.9)	(149.7)
Net operating expenses and other charges	5.6	(57.2)	(57.3)
Total technical charge		(201.1)	(207.0)
Balance on the general business technical account		13.3	14.3

Year ended 31 December 2025

Figures are in millions of pounds

Non-Technical Account	Note	2025	2024
Investment returns			
Income from investments	7	5.4	5.3
Gains on the realisation of investments		4.9	0.1
Unrealised gains on investments		7.2	0.9
Other investment charges		(0.3)	(0.4)
Other income and charges			
Other income		24.2	23.8
Other charges	5	(28.1)	(24.0)
Gain on disposal of land and buildings		0.8	-
Revaluation of land and buildings		0.2	-
Donations		(1.2)	(1.0)
Amortisation of intangible computer software	9	(0.8)	(1.0)
Profit on ordinary activities before tax		25.6	18.0
Tax on profit/(loss) on ordinary activities	8	(6.2)	(3.5)
Profit for the financial year		19.4	14.5

The notes on pages 80 to 111 form an integral part of these financial statements.

Consolidated statement of financial position

Year ended 31 December 2025

Figures are in millions of pounds

Assets	Note	2025	2024
Intangible assets			
Other intangible assets	9	2.7	3.5
Investors			
Land and buildings	10	2.5	3.9
Other financial investments	12	226.8	212.7
Derivative assets	12	0.8	0.4
Debtors			
Debtors arising out of direct insurance operations	4c	89.7	89.2
Other debtors	14	2.6	2.8
Deferred taxation	16	1.3	1.9
Other assets			
Tangible assets	15	1.0	0.8
Cash at bank and in hand	13	47.3	43.3
Prepayments and accrued income			
Accrued interest		1.3	1.0
Deferred acquisition costs	17	1.9	1.6
Other prepayments and accrued income		1.5	1.0
Total assets		379.4	362.1

Year ended 31 December 2025


Figures are in millions of pounds

Equity and Liabilities	Note	2025	2024
Equity			
Profit and loss account	18	264.1	244.7
Revaluation reserve		0.4	0.4
Liabilities			
Technical provisions			
Provision for unearned premiums	20	78.7	78.0
Provision for claims outstanding	20	11.3	13.3
Creditors			
Derivative liabilities	12	-	0.1
Other creditors	19	11.9	13.4
Accruals and deferred income		13.0	12.2
Total equity and liabilities		379.4	362.1

The notes on pages 80 to 111 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 31 March 2026.

Signed on behalf of the
Board of Directors



Paul Schreier,
Chief Executive Officer

Company statement of financial position

Year ended 31 December 2025

Figures are in millions of pounds

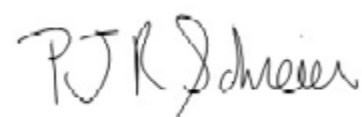
Assets	Note	2025	2024
Fixed assets			
Investments in fellow group undertakings	11	126.7	126.7
Debtors			
Amounts due from fellow group undertakings	14	28.4	14.4
Other assets			
Cash at bank and in hand	13	14.8	13.3
Total assets		169.9	154.4
Equity and Liabilities			
Equity			
Profit and loss account at start of the year		145.6	142.3
Total comprehensive (loss)/profit for the year		(2.3)	3.3
Profit and loss account at the end of the year	18	143.3	145.6
Liabilities			
Creditors: Amounts falling due within one year			
Amounts due to fellow group undertakings	19	26.5	8.7
Other creditors		0.1	0.1
Total equity and liabilities		169.9	154.4

The notes on pages 80 to 111 form an integral part of these financial statements.

The Company has taken advantage of Section 408 of the Companies Act 2006 and consequently a statement of comprehensive income for the parent company alone is not presented. The loss on ordinary activities after taxation for the financial year dealt within the accounts of the parent company is £2.3m (2024: profit of £3.3m).

These financial statements were approved by the Board of Directors and authorised for issue on 31 March 2026.

Signed on behalf of the
Board of Directors



Paul Schreier,
Chief Executive Officer



Consolidated statement of changes in equity

Year ended 31 December 2025

Figures are in millions of pounds

	Revaluation reserve	Profit and loss account	Total shareholder funds
Balance as at 01 January 2024	0.4	230.2	230.6
Total profit for the year	-	14.5	14.5
Balance as at 31 December 2024	0.4	244.7	245.1
Disposal of land and buildings	(0.1)	-	(0.1)
Revaluation of land and buildings	0.1	-	0.1
Total profit for the year	-	19.4	19.4
Balance as at 31 December 2025	0.4	264.1	264.5

Company statement of changes in equity

Year ended 31 December 2025

Figures are in millions of pounds

	Profit and loss account
Balance as at 01 January 2024	142.3
Total profit for the year	3.3
Balance as at 31 December 2024	145.6
Total loss for the year	(2.3)
Balance as at 31 December 2025	143.3

The notes on pages 80 to 111 form an integral part of these financial statements.

The balance on the profit and loss account for both the Company and the Group comprises total comprehensive income accumulated in prior years.

Consolidated cash flow statement

Year ended 31 December 2025

Figures are in millions of pounds

As at 31 December	Note	2025	2024
Net cash flows from operating activities	21	4.9	18.3
Cash flows from investing activities			
Purchase of tangible fixed assets		(0.7)	-
Purchase of intangible assets			
Purchase of debt securities and other fixed income securities		(197.4)	(72.3)
Purchase of unlisted investments		(7.2)	(1.8)
Proceeds on disposal of debt and other fixed income securities		192.2	70.2
Proceeds on disposal of unlisted investments		10.5	-
Proceeds on sale of land and buildings		2.4	-
Settlement of derivative financial instruments		(0.7)	-
Net cash flows from investing activities		(0.9)	(3.9)
Increase in cash at bank and in hand		4.0	14.4
Cash at bank and in hand at beginning of the year		43.3	28.9
Cash at bank and in hand at the end of the year		47.3	43.3

The notes on pages 80 to 111 form an integral part of these financial statements.

Notes to the financial statements

Year ended 31 December 2025

1. CORPORATE INFORMATION

The Company is a private company limited by guarantee and is incorporated in the United Kingdom, registration number 05445654. The address of the registered office is detailed on page 112. The nature of the Group's operations and its principal activities are set out in the Strategic Report.

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ('FRS 102') and FRS 103 "Insurance Contracts" ('FRS 103') and the Companies Act 2006.

The functional currency of the Group and the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in pounds sterling.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a company cash flow statement and remuneration of key management personnel of the Company.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary

undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-Group transactions, balances, income, and expenses are eliminated on consolidation.

Going concern

The Directors have considered in detail the Group's forecast performance, in a number of scenarios, as well as its capital and liquidity resources, in each case. These forecasts have been stressed tested through our scenario modelling, evaluating the impact on our financial performance and solvency in a number of economic best and worst case scenarios, over a number of years. The Group remains able to trade as a going concern through the strength of its capital base and liquidity even when faced with severe, yet plausible scenarios/events.

Our operational stress testing has included both internal assessments of risk through our Own Risk & Solvency Assessment (ORSA) process and the external regulatory capital requirements contained within Solvency II, under both of these tests, and respective scenarios the business is able to continue to support our customers and trade as a going concern.

The Groups Investment Strategy remains unchanged with funds split between a portfolio managed under a segregated mandate, and a more diversified income fund that is managed as a unit trust for multiple investors. Even in stressed scenarios, we are able to liquidate our investments at short notice. Our portfolio value at the end of 2025 was £215.3m, and the value of our portfolio as at 18 February 2026 was £215.7m.

Our Solvency ratio at the end of 2025 was 538.3% (2024: 402.3%). In this year's ORSA, we conducted a range of scenarios to determine our financial resilience when faced with severe, yet plausible events. The outcome of each scenario demonstrated that we remain solvent with significant headroom above our own economic view of our capital requirements, the SCR and our risk appetite buffer. On this basis, the Directors have confidence that the Group has sufficient capital and liquidity facilities to ensure that it will continue in operational existence for the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing these financial statements.

Other intangible assets

Computer software and development costs

Purchased computer software is carried at historical cost less accumulated amortisation and amortised over a useful life of between two and four years, on a straight-line basis. Provision is made for any impairment.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

The Directors review internal development expenditure annually. If the Directors are satisfied as to the technical, commercial, and financial viability of individual projects internally developed computer software is capitalised as development expenditure. Development expenditure is not capitalised until it is implemented in the live environment at which point it is reclassified as computer software and amortised over a period of seven years.

Development expenditure that does not meet the criteria is expensed as incurred. Development costs previously expensed are not recognised as an asset in a subsequent period.

In cases of staged live implementations, costs relating to the expected benefits of the relevant modules are reclassified from development expenditure to software and amortised over a period of seven years. The carrying value of the asset and its expected future cash flows are assessed annually for impairment.

Research

Research expenditure is written off as incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment. Depreciation is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives as follows:

Computers and office equipment: **2 to 10 years**

Leasehold improvements, fixtures and fittings: **4 to 10 years**

Land and Buildings

Land and buildings include freehold offices and are revalued to fair value every year using professional external valuers.

Where the fair value of an individual property exceeds historical cost, the surplus is credited to a revaluation reserve and recognised as other comprehensive income. If a deficit is identified which exceeds a previously recognised surplus relating to the same property, this deficit is charged to the statement of comprehensive income within the non-technical account. A reversal of such a deficit is credited to the statement of comprehensive income within the non-technical account.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities, including debtors and creditors receivable or payable within one year with no stated interest rate, are initially measured at transaction price (including transaction costs), except for those financial assets classified as 'at fair value through profit or loss', which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Derivative financial instruments are measured at fair value through profit or loss.

Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Debt instruments due in more than one year, other than those designated at fair value through profit or loss as part of the Group's trading portfolio, are subsequently measured at amortised cost using the effective interest method.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

(ii) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or where their fair value is reliably measurable) are measured at fair value through profit or loss.

Investments in debt securities and collective investment schemes held by the Group as part of the trading portfolio have been designated by the Group as fair value through profit or loss. This group of instruments is managed and its performance evaluated on a fair value basis in accordance with the Group's investment strategy and information is provided internally on that basis to the Group's key management personnel.

Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

(iii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using an appropriate valuation technique such as a discounted cash flow or industry specific EBITDA multiple.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is an unconditional and a legally enforceable right to offset the recognised amounts in all circumstances (including the default by, or insolvency or bankruptcy of, the Group or counterparties), and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Realisation of a financial asset and settlement of a financial liability are treated as simultaneous only when the settlements are executed at the same time, or within a single settlement process or cycle, resulting in no or insignificant credit and liquidity risk.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income as described below.

Non-financial assets

If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

At each subsequent reporting date, a new assessment of impairment is carried out and if the circumstances that previously caused the impairment no longer exist or there is clear evidence of an increase in the selling price because of changed economic circumstances the previous impairment is reversed.

Financial assets

For financial assets carried at amortised cost, the recoverable amount is determined as the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the recoverable amount is the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

Investments - Company

Investments in a subsidiary company are held at cost less accumulated impairment losses.

Cash at bank and in hand

Cash at bank and in hand consist of cash balances, deposits, and other financial instruments with maturity less than 90 days. This includes funds held on behalf of third parties that are not available for use by the Group or Company. The offsetting liability is included in 'Other creditors' in note 19.

Contingent assets

Contingent assets are not recognised, in the financial statements unless virtually certain. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Third party funds

Third party funds comprise cash held on behalf of customers to administer claims under service contracts and are maintained in separate bank accounts. Following generally accepted industry practice, these amounts are disclosed separately within cash, with a corresponding creditor disclosed. The inclusion of these funds on the statement of financial position therefore has no impact on the net assets of the Company or Group.

Foreign currencies

Monetary assets and liabilities held in foreign currencies at the statement of financial position date are expressed in sterling at rates ruling on that date. Income and expenditure denominated in foreign currencies are translated at rates ruling at the date on which the transaction occurs. All resulting exchange gains and losses are included within the non-technical account in the statement of comprehensive income.

Premiums

The Group accounts for its insurance business on a monthly or annual basis depending on the period of cover provided by the contract. Claims are only payable where customers continue to pay premiums. Premiums written relate to business incepted in the year, together with any differences between booked premiums for prior years and those previously accrued, and are recognised as written on a receivable basis with an adjustment for any unearned element. Gross premiums are stated net of any Insurance Premium Tax as applicable.

Unearned premiums

Earned premiums represent gross premiums written after adjusting for changes in unearned premiums. The unearned premium provision represents the proportion of premiums written in the financial year that relate to periods of risk in future accounting years. It is calculated separately for each insurance contract and on a pro rata basis. The change in this provision is taken to profit or loss in order that revenue is recognised over the period of risk.



Investment income

Investment income includes dividends, interest, gains and losses on the realisation of investments and unrealised gains and losses. Income from fixed interest securities together with interest, rents and associated expenses are accounted for in the year in which they accrue. Dividends are included in the statement of comprehensive income when the securities are listed as ex-dividend. Realised gains and losses on investments are calculated as the difference between the net sale proceeds and original cost. Unrealised gains and losses on investments represent the difference between the valuation of investments at the statement of financial position date and their original cost or, if they have been previously valued, the valuation at the previous statement of financial position date. The movement in unrealised gains and losses recognised in the year also includes the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current year.

Other income

Other income is recognised on an accruals basis, net of any value added taxation.

Unexpired risk provision

An unexpired risk provision is made where necessary to cover any amount by which future claims and related acquisition costs on business in force at the statement of financial position date are expected to exceed the provision for

unearned premiums at that same date. The amount provided is determined after considering the individual pattern and profile of specific homogeneous risk groups. Any provision for unexpired risks is included within the 'Technical provisions' in the statement of financial position.

The Group assesses at the end of each reporting period whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

Pension costs and other employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Differences between amounts due in the year and amounts actually paid are shown as either accruals or prepayments in the statement of financial position.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Claims

Claims are recognised on the occurrence of the loss event which is the date the individual incurs the treatment.

Claims incurred comprises claims reported and settled during the year or awaiting settlement at the year

end, an estimate for claims incurred but not yet paid and an allowance to cover expenses in connection with the settlement of the claims incurred. The provision for outstanding claims at the year-end is based on claims experience and current expectations. Any over or under provision is adjusted as part of claims incurred in the following year.

Claims incurred and the provision for outstanding claims include direct, and an allocation of indirect, expenses connected with the settlement of claims. The allocation of indirect expenses is performed in a manner that fairly reflects the running of the business.

Claims also include other direct costs related to the provision of insured benefits. It includes but is not limited to, the provision of an Employee Assistance Program (EAP), a General Practitioner (GP) service and the provision of various health checks.

The provision for outstanding claims represents an estimate of the ultimate cost of settling all claims (including direct and indirect claims settlement costs) which have occurred up to the statement of financial position date. This includes a provision for claims incurred but not yet paid, the value of which is based on a best estimate plus a provision for adverse development within a range of possible outcomes. These figures are based on the overall claims risk profile as measured by the cost, frequency, deviation from historic trends and sensitivity of claims to market factors and include a fixed level

of prudence based on the Group's risk appetite. The basis and calculation of both the estimates and the provision for adverse development are reviewed annually against claims experience.

Acquisition costs relating to insurance contracts

All costs of acquiring new business together with the associated initial processing costs, and an allocation of indirect costs, are accounted for as acquisition costs in the statement of comprehensive income in the year in which they were incurred. Similarly, the costs of monitoring existing business and the general running of the Group are treated as administrative expenses. The commission paid in respect of insurance contracts incurred during a financial year is deferred to the extent that it relates to unearned premiums at the statement of financial position date and is amortised over the period in which the related revenues are earned.

Taxation

The Group is liable to taxation on its profit or loss on ordinary activities. Current tax is provided for at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at that date.

Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) or liability that is recognised in a business combination is different from the value at which it is recognised, a deferred tax asset or liability is recognised for the additional tax that will arise in respect of that difference. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are offset only if the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority, on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax assets and liabilities are not discounted.

Leases

Payments in respect of operating leases are charged to the statement of comprehensive income on a straight-line basis over the term of the lease, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the 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.

Whilst climate change risk is one of the most significant challenges facing the world, with Simplyhealth having its part to play in shaping policies and practices that contribute to managing climate risk challenges, the year-end balance sheet does not include any significant judgements that are underpinned by a particular climate change scenario. As a consequence, we do not believe that climate change risk is currently a key source of estimation uncertainty.

Critical judgements in applying the accounting policies

No critical judgements, apart from those involving estimations (which are presented separately below), have been made by the directors in the process of applying the Group's accounting policies.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Claims incurred arising from insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is a critical accounting estimate. Management estimates use historical analysis and an extrapolation of current trends to inform claims provisioning, this is then subject to formal management review. A 5.7% deviation in the final outturn would lead to a shortfall in reserves of £0.6m.

There is uncertainty as to the loss ratio the Group will experience as claims are settled. Key assumptions are based upon anticipated loss ratios, which are based upon historical experience, and updated for expectations of future changes in claims inflation and incidence rates.

There are a number of uncertainties that determine how much the Group will ultimately pay with respect to such contracts. This includes whether a claim event has occurred or not, how much it will ultimately settle for and changes in the business portfolio which affect factors such as the number of claims and their typical settlement costs.

The insurance liabilities recorded on the statement of financial position include a provision for adverse development in addition to the best estimates for future claims.

The margin over and above the best estimate is a fixed percent, based upon technical provisions net of reinsurance, and is subject to annual review. Further discussion, including analysis of the sensitivity of profit or loss to changes in the claims loss ratio, is presented in note 20.

Fair value of unlisted investments and financial instruments

The estimates required to determine the appropriate valuation methodology of the investments held at fair value means there is a risk of material adjustment to the carrying amounts of assets and liabilities. These estimates include whether to increase or decrease investment valuations and require the use of assumptions about the carrying amounts of assets and liabilities that are not readily available or observable.

The fair value of investments is established with reference to the International Private Equity and Venture Capital Valuation Guidelines. An assessment will be made at each measurement date as to the most appropriate valuation methodology.

In all cases, valuations are based on the judgement of the Directors upon available information believed to be reliable. Due to the inherent uncertainty of the investment valuations, the estimated values may differ from the values that would have been used, had a ready market for the investments existed. Therefore, the company may not be able to sell its investments at the carrying value in these financial statements when it desires to do so or to realise the fair value in the event of a sale.

On 23 December 2025 the Group sold its convertible loan notes for a £2.1m gain against prior year valuations.

The total value of unlisted investments at the end of the year, is £13.6m (2024: £14.7m).

Other sources of estimation uncertainty

Impairment of Intercompany receivables (Company)

The company makes an estimate of the recoverable value of intercompany receivable balances by assessing several factors including the business plans and cashflows of the subsidiary. Where the recoverable amount is forecast to be less than the receivable balance an impairment provision is made. The impairment charge for the year is £2.7m (2024: £3.6m) and the total impairment as at 31st December 2025 is £10.4m (2024: £7.7m).

4. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Group is exposed to financial risk through its financial assets and insurance liabilities. The most important components of financial risk are credit risk, liquidity risk, interest rate risk, currency risk and equity price risk.

There have been no significant changes from the prior period in the nature of the financial risks to which the Group is exposed. The Group's objectives and policies for managing these risks and the methods used to measure risk exposure are consistent with those adopted during the prior period.

The Group uses derivatives for the purpose of efficient portfolio management and to reduce risk in aspects of the Group's investment activities. The Group uses forward foreign exchange contracts and fixed interest futures for these purposes.

The Group monitors its exposure to risks through regular reviews of its portfolio of assets and liabilities and their underlying characteristics. The Directors have chosen not to apply hedge accounting to the Group's derivatives.

The Group has designated debt instruments, derivative assets and liabilities, cash equivalents and equity shares in its investment portfolio as fair value through profit and loss. All other financial assets and liabilities are held at amortised cost.

a. Categories of financial assets and liabilities

Figures are in millions of pounds

As at 31 December 2025	Held at fair value	Held at amortised cost	Total
Cash at bank and in hand	-	47.3	47.3
Other financial investments	226.8	-	226.8
Derivative assets	0.8	-	0.8
Other financial assets	-	91.6	91.6
Other financial liabilities	-	(36.2)	(36.2)
Total	227.6	102.7	330.3

As at 31 December 2024	Held at fair value	Held at amortised cost	Total
Cash at bank and in hand	-	43.3	43.3
Other financial investments	212.7	-	212.7
Derivative assets	0.4	-	0.4
Other financial assets	-	90.7	90.7
Other financial liabilities	(0.1)	(32.4)	(32.5)
Total	213.0	101.6	314.6



b. Measurement of fair value

The different methods of valuation are categorised into a hierarchy as follows:

Level 1: Assets and liabilities for which fair values have been measured using the unadjusted quoted price in an active market for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The following table analyses the Group's financial assets and liabilities that are held at fair value according to the above hierarchy:

Figures are in millions of pounds

As at 31 December 2025	Level 1	Level 2	Level 3	Total
Debt securities	-	99.7	-	99.7
Unit trusts	-	113.5	-	113.5
Unlisted investments	-	-	13.6	13.6
Financial assets held at fair value		213.2	13.6	226.8

Derivative assets		0.8	-	0.8
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As at 31 December 2024	Level 1	Level 2	Level 3	Total
Debt securities	-	102.0	-	102.0
Unit trusts	-	96.0	-	96.0
Unlisted investments	-	-	14.7	14.7
Financial assets held at fair value		198.0	14.7	212.7

Derivative assets		0.4	-	0.4
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Derivative liabilities		(0.1)	-	(0.1)
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c. Credit risk

The Group has exposure to credit risk, which is the risk that counterparties will cause a financial loss to the Group by failing to discharge an obligation, from the following areas:

- cash deposits held with banks;
- counterparty defaults on debt securities;
- amounts due from insurance premium debtors; and

- amounts due from fellow Group undertakings and guarantees offered to fellow Group entities.

The carrying value of its financial assets best represents the Group's maximum exposure to credit risk. The Group's risk policies limit the maximum exposure to credit risk outside of UK Government and with any single counterparty to £60m.

Debtors arising out of direct insurance operations

Debtors arising out of direct insurance operations comprise premiums due from policyholders and they comprise the Group's most significant exposure to credit risk. An allowance for doubtful debts is maintained and regularly monitored as part of the Group's internal financial reporting process. The maturity of premium debtors, net of allowances for doubtful debts, is as follows:

Figures are in millions of pounds

Days past due	Premium debtors not yet due	0-30 days overdue	30-60 days overdue	60-90 days overdue	Over 90 days overdue	Total
Amount outstanding						
As at 31 December 2025	86.2	2.9	0.6	0.2	(0.2)	89.7
As at 31 December 2024	85.1	2.7	0.7	0.2	0.5	89.2

Premium debtors are stated net of a provision for doubtful debts of £0.4m (2024: £0.1m).

At 31 December 2025, there are impaired amounts due from insurance policyholders of £0.4m (2024: £0.1m). Where contractual payments are in arrears for more than three months, the relevant assets are classified as past due and impaired.

Financial investments

The credit risk exposure from financial investments and cash deposits is managed by monitoring credit ratings assigned to counterparties by international credit rating agencies.

The Group manages its direct investment holdings by placing the following limits on the credit ratings of its investment counterparties with the appointed investment managers through the Investment Management Agreement:

- Maximum limit of BBB-rated securities 30%.
- Maximum limit of A-rated securities 65%.
- Securities below the limit of BBB are not rated.
- The balance of the portfolio is represented by cash held by our investment custodians.
- No investment is allowed in unrated bonds.
- If a bond is downgraded to below investment grade, it would normally be sold within 6 months.

The limits set out in the Investment Management Agreement were adhered to throughout the period.

Derivative financial instruments

The Investment Manager has a credit risk policy that governs the assessment of credit risk and the process for selection of derivative counterparties. The Company maintains strict control on open derivative positions by amount and term. The use of International Swaps and Derivatives Association Master Agreements allows for close-out netting to reduce pre-settlement credit risk and provide a right of set-off upon the event of default. Additionally, where material, collateral may be received or pledged to reduce the level of credit risk in derivative contracts.

Other financial assets

The carrying amount of policyholder debtors and other financial assets represents the Group's maximum exposure to credit risk. The amounts presented in the statement of financial position are net of allowances for doubtful receivables.

Cash balances are regularly reviewed to identify the quality of the counterparty banks and to monitor and limit concentrations of risk. The Group has no material concentration of credit risk in respect of amounts due from insurance intermediaries and policyholders due to the well diversified spread of such debtors. The debt investments portfolio consists of a range of fixed interest instruments including government securities and corporate bonds, preference shares and other interest-bearing securities.

Financial assets bearing credit risk

The financial assets bearing credit risk are summarised below by credit rating. The maximum exposure that the Company has to credit risk at the balance sheet date is the carrying value of the assets shown below.

Figures are in millions of pounds

As at 31 December 2025	AAA	AA	A	BBB	Below BBB or not rated	Total
Debt securities	9.5	37.3	27.2	22.7	3.0	99.7
Unit trusts	-	-	113.5	-	-	113.5
Unlisted investments	-	-	-	-	13.6	13.6
Derivative financial instruments	0.7	0.1	-	-	-	0.8
Debtors arising out of direct insurance operations	-	-	-	-	89.7	89.7
Other debtors	-	-	-	-	0.6	0.6
Cash at bank	-	-	47.3	-	-	47.3
Accrued interest	0.1	0.5	0.3	0.4	-	1.3
Total	10.3	37.9	188.3	23.1	106.9	366.5

As at 31 December 2024	AAA	AA	A	BBB	Below BBB or not rated	Total
Debt securities	9.4	49.1	21.0	20.2	2.3	102.0
Unit trusts	-	-	96.0	-	-	96.0
Unlisted investments	-	-	-	-	14.7	14.7
Derivative financial instruments	-	-	0.4	-	-	0.4
Debtors arising out of direct insurance operations	-	-	-	-	89.2	89.2
Other debtors	-	-	-	-	0.5	0.5
Cash at bank	-	-	37.5	5.8	-	43.3
Accrued interest	-	0.4	0.3	0.3	-	1.0
Total	9.4	49.5	155.2	26.3	106.7	347.1

d. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting obligations associated with financial liabilities or insurance contract liabilities when they fall due.

The Group is exposed to daily calls on its available cash resources from claims arising from insurance contracts and to settle its financial liabilities. The Group has robust processes in place to manage liquidity risk and has available cash balances and other readily marketable assets in case of exceptional need. The Group's risk policies are designed to manage the risks associated with asset and liability matching.

At 31 December 2025, the Group held cash at bank and in hand balances totalling £47.3m (2024: £43.3m) to meet both current and potential liquidity requirements under stressed conditions. In addition to these balances the Investment funds contained within the segregated portfolio managed by Schroders Investment management and through the M&G Investment Fund could be liquidated into cash within a one month period.

The following table shows the maturity profile of the Group's insurance contract liabilities at the undiscounted amounts of their contracted future cash flows:

Figures are in millions of pounds

Provision for unearned premiums	2025	2024
Within one year	78.7	78.0

Provision for outstanding claims	2025	2024
Within one year	10.3	11.3
Between one and five years	1.0	1.9
After more than five years	-	0.1
Total	11.3	13.3

All of the Group's other financial liabilities total £24.9m (2024: £19.2m) and are payable within one year.

Information about the expected timing of the net cash outflows resulting from recognised insurance liabilities is given in note 20.

e. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group has potential material exposure to four types of market risk: interest rate risk, equity price risk, currency risk and credit risk.

The exposure to interest rate risk arises primarily from valuation movements on financial investments that are measured at fair value and have fixed interest rates. The investment strategy is set by the Board and management follows this strategy in making investment decisions. The investment portfolio is reviewed by the Risk & Capital Committee to ensure that investments are maintained in line with the investment strategy.

The Risk & Capital Committee oversees the management of all investments, including cash balances, of the Group. The Committee meets quarterly to discuss and provide challenge to the decisions of management and of the investment manager appointed by the Board. External advisors are consulted to provide both investment and actuarial advice to support the Committee in setting the investment policy and strategy and to supplement the internal resource in challenging the investment manager's advice.

The Group's exposure to currency risk arises from the investment portfolio, with some purchased investments denominated in currencies other than sterling. This risk is managed through the use of foreign exchange forward contracts and diversification of currency exposures.

The Group's exposure to credit risk arises from potential changes in the risk profile of investment counterparties leading to increased risk of defaults. The management of this risk is further explained in note 4 (c).

The Group's only exposure to market risk is through its financial investment portfolio. The value of financial investments and cash equivalents at 31 December 2025 is £276.2m (2024: £256.0m). The stress tests applied are weighted to reflect the value of the portfolio that is exposed to each variable.

The sensitivity of reserves to movements in market risk variables, each considered in isolation, is shown in the following table:

Figures are in millions of pounds

Variable	Change in variable	Potential increase/(decrease) in profit after tax and equity	
		2025	2024
Interest rate risk	-150 basis points	4.6	9.9
	+150 basis points	(4.4)	(10.3)
Equity price risk	+20% global equity market	2.7	2.7
	-20% global equity market	(2.7)	(2.8)
Currency risk	+15% spot rate against USD and EUR	-	3.4
	-15% spot rate against USD and EUR	-	(3.3)
Credit risk	-50 basis points	1.9	4.5
	+100 basis points	(3.7)	(8.5)

The analysis of market risk sensitivity has been derived by the Group's external investment managers, using standard valuation techniques that are the same as those applied in the previous year. It has been assumed that:

- the value of fixed income investments will vary inversely with changes in interest rates;
- equity prices will move by the same percentage across all territories;
- currency gains and losses will arise from a change in the value of sterling against all other currencies moving in parallel; and

f. Capital risk management

Capital Management Policy

The Capital Management Policy seeks to optimise the balance between risk and return while maintaining economic and regulatory capital within the Group's risk appetite. This policy guides the definition, measurement, reporting and projection of capital, assessing the current and potential sources and uses of capital, addressing:

The assessment of the optimal overall capital balance required to support appropriate financial strength and flexibility, with reference to the Group's risk appetite, regulatory requirements and the reasonable expectations of stakeholders including customers and suppliers.

The allocation of capital within the organisation to ensure that legal entities, and the Group, hold adequate capital for the effective operation of their businesses.

- credit spreads will move by the same percentage across all instruments and counterparties.

The change in profit and loss is stated after tax at the standard rate applicable to the Group.

The Group continues to review its Investment Strategy, reflecting the latest macro-economic conditions. During 2025 we transitioned investment managers, into a lower risk more ESG focused portfolio. Our investment portfolio remained primarily in fixed income markets as we sought to ensure funds remained available to support future strategic initiatives.

The rationing of capital to investment opportunities with the aim of delivering on Simplyhealth's long-term goals, growing the capital base and diversifying the risk profile of the Group's invested capital.

Capital Management Principles

The Capital Management Policy exists to provide guidance and governance over the holding and investment of the Group's overall capital.

The Group is required to maintain a solvency capital position in accordance with the Solvency II rules.

Capital headroom is represented by the capital surplus above our regulatory capital requirements, and adjusted for the Group's risk appetite. The risk appetite has been agreed with the Board of Directors and includes a capital buffer in excess of the higher of the Solvency Capital Requirement and the ORSA estimate of capital requirement as set out in the table below.

Whilst not invested in specific ESG funds, we consider ESG and climate change as part of our decision-making process working with our investment managers to ensure that our investment philosophy is aligned to this purpose.

Capital above this buffer comprises resources which may be allocated to continued investment in the development of the Group's operations, subject to its risk appetite and targeted rates of return on capital. The Group sets a target rate of return for investment proposals to qualify for funding.

The Group's capital position is monitored on a regular basis as part of the standard performance reporting and review process and it has complied with the capital adequacy requirements of the Solvency II rules throughout the year.

Capital Management

The Group operates a single fund in respect of its general insurance business. The table below shows the capital available on a regulatory basis available to meet the regulatory Solvency II capital requirements for its general insurance business, which continues to represent a strong position:

Figures are in millions of pounds

Available capital resources	2025	2024
UK GAAP net assets	264.5	245.1
Adjustments onto regulatory basis:		
Intangible assets	(2.7)	(3.5)
Deferred acquisition costs	(1.9)	(1.6)
Other debtors	(0.4)	(0.2)
Adjust technical provisions to Solvency II basis	14.2	12.9
Deferred tax valuation adjustments	(3.0)	(2.7)
Solvency II eligible own funds	270.7	250.0
Solvency II Capital Requirement ('SCR')	50.3	62.1
Capital Surplus	220.4	187.9
Solvency 'Buffer' at 40% of SCR	(20.1)	(24.9)
Available Capital ('Headroom')	200.3	163.0
Solvency II Capital Multiple	538.3%	402.3%

The Group has used the Standard Formula as defined by Solvency II regulations to determine the SCR without undertaking-specific parameters or simplifications.

Governance arrangements

The Chief Financial Officer owns the Capital Management Policy on behalf of the Board of Directors. The Board owns and agrees the definition of the Group's risk appetite.

Governance over the implementation and operation of capital management is provided by the Risk & Capital Committee, a sub-committee of the Board.

Revision of key elements of the Capital Management Policy, such as an alteration of the Group's approach to meeting regulatory capital requirements or the composition of its own funds, is subject to approval within this governance structure.

5. NET OPERATING EXPENSES AND OTHER CHARGES

Particulars of business

The Group has a single operating segment with one line of business that operates solely within the United Kingdom. Therefore, no segmental analysis has been presented.

Figures are in millions of pounds

Technical Account – Net operating expenses	2025	2024
Acquisition costs	19.4	18.3
Change in deferred acquisition costs	(0.3)	(0.2)
Administrative expenses	38.1	39.2
Net operating expenses and other charges	57.2	57.3

The commission for direct insurance business for 2025 is £5.9m (2024: £5.9m)

The other charges include the operating expenses of the non-insurance businesses. The charge in the statement of comprehensive income includes the following:

Figures are in millions of pounds

Non-technical account – Other charges	2025	2024
Administrative expenses	28.1	24.0

Amounts charged as administrative expenses in both the above tables include costs of £1.7m (2024: £2.1m) relating to our Transformation Programme.

Profit/(Loss) on ordinary activities before tax is stated after charging/(crediting):

Figures are in millions of pounds

	2025	2024
Depreciation of buildings and tangible assets (Notes 10, 15)	0.5	0.7
Profit on disposal of land and buildings	(0.8)	-
Revaluation (gain)/loss on buildings	(0.3)	-
Amortisation of intangible assets		
Computer software (Note 9)	0.8	1.0
Operating lease rentals		
Motor vehicles	0.4	0.2
Buildings	0.4	0.4

Figures are in millions of pounds

	2025	2024
Fees payable to the Company's auditor for:		
the audit of the Company's financial statements	0.2	0.1
audit related assurance service fees	0.1	0.1
Fees payable to the Company's auditor for the audit of the Company's subsidiaries	0.6	0.6
Other assurance services	-	-
Total auditor's remuneration	0.9	0.8

Fees for the audit of the Company's financial statements of £150,000 (2024: £144,000) were borne by another Group company.

All fees are inclusive of VAT.

6. STAFF COSTS

Figures are in millions of pounds

Staff costs include the following:	2025	2024
Wages and salaries	40.0	38.8
Redundancy costs	2.1	0.6
Social security costs	5.3	4.5
Other pension costs	5.2	4.8
Total staff costs	52.6	48.7

The monthly average number of employees during the year was as follows:	2025	2024
Operations	543	562
Finance and other administrative services	295	280
Total staff number	838	842

The Company has no employees during the year (2024: Nil).

Directors' Remuneration

Policy

The Company recognises the importance of the Board of Directors in setting the values and direction of the Company. In order to attract and retain Directors with the required skills and experience, the Company must be competitive in the rewards offered to its Directors while ensuring that their remuneration promotes the long term success of the Company and Group. All rewards are set by the Remuneration Committee, comprised of Non-Executive Directors of the Board, after comparison with market data received from external consultants.

Non-Executive Directors

The role of the Non-Executive Directors is to provide challenge and advice, and to oversee the performance of the Company and Group. Simplyhealth therefore regards it as inappropriate that they should be financially incentivised on the Group's profitability or other financial performance measures. Each Non-Executive Director is paid a fee, with further allowances paid to those who take on extra roles, such as chairing one of the Board sub-committees, or acting in the capacity of Senior Independent Director.

The Non-Executive Directors are not employees of any company in the Simplyhealth Group and are appointed to three-year terms. It is normal company policy to rotate the Non-Executive Directors in order that they retain their independence and objectivity.

Executive Directors

The role of the Executive Directors is to run the Company and Group on a day-to-day basis and Simplyhealth therefore regards it as essential that they are incentivised to meet its business goals. It is the Company's belief that each Executive Director must deliver and contribute to the overall success of the business and work effectively within the Executive Team, as they cannot deliver alone. Therefore, they are rewarded on both personal and collective performance. Executive Director remuneration is made up of the following elements:

- Salary and benefits – which are contractual as an employee of the Company and Group and are set competitively against market norms. Salary will not be increased in line with market norms where individual performance and leadership behaviours are not at the level required for successful stewardship of the business.
- Annual bonus – the level of which is decided based on the achievement of the overall business objectives for the year and the individual performance and leadership behaviours of the Executive.
- Long Term Incentive Plan – The Group operated three LTIP schemes during the year. The schemes offer directors and key management an incentive to take decisions for the longer-term interest of the business and are based on achievement of each three year business plan. The 23-25 scheme is accrued at 75% of target (2024: 100%), the 24-26 scheme 65% (2024: 100%) and 25-27 scheme at 100%.

- The Executive Directors are permanent employees and employment continues until terminated by either party under the terms of the contract of employment. The notice period of these contracts is six months.

Pension contributions

During the year £10,196 (2024: £7,273) was paid on behalf of the Directors in respect of pension contributions.

The Executive Directors are members of the Money Purchase Group Defined Contribution Pension Scheme. They have each opted to receive a cash payment in lieu of further pension contributions. These payments are included in the benefits figures above.

Pay and benefits in the year

The following amounts are paid or payable to the Directors for their service during the year:

Figures are in millions of pounds

The directors' emoluments were as follows:	2025	2024
Aggregate emoluments	1.8	1.7
Aggregate emoluments receivable under long-term incentive schemes	0.2	0.2
Compensation for loss of office (excluding shares)	-	-
Benefits	-	-
Total directors' emoluments	2.0	1.9

The amount receivable by directors at the 31st December 2025 is £469,947 (2024: £278,639).

No advances or credits granted to any director subsisted during the year. Also, no guarantees on behalf of any director subsisted during the year.

The highest-paid directors' emoluments were as follows:	2025	2024
Aggregate emoluments including receivable under long-term incentive schemes	1.0	0.8
Compensation for loss of office (excluding shares)	-	-
Benefits	-	-
Total highest-paid directors' emoluments	1.0	0.8

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

Key management compensation was as follows:	2025	2024
Salaries and other short-term benefits	3.1	3.8
Aggregate emoluments receivable under long-term incentive schemes	0.2	0.3
Total key management compensation	3.3	4.1

7. INCOME FROM INVESTMENTS

Figures are in millions of pounds

	2025	2024
Interest income from financial assets not at fair value	1.7	1.9
Income from financial assets at fair value	3.7	3.4
Total	5.4	5.3

All income from investments relates to continuing operations.

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

The Group's tax charge for the year is as follows:

Figures are in millions of pounds

	2025	2024
United Kingdom corporation tax at 25% (2024: 25%)	5.9	1.9
Adjustment in respect of prior years	(0.3)	0.4
Total	5.6	2.3
Current year deferred taxation	0.3	2.5
Adjustment in respect of prior years	0.3	(1.3)
Total deferred taxation	0.6	1.2
Tax charge on profit on ordinary activities	6.2	3.5

The corporation tax charge for the year is lower (2024: lower) than the standard rate of corporation tax in the UK at 25% (2024: 25%) on the accounting profit as shown below:

Figures are in millions of pounds

The directors' emoluments were as follows:	2025	2024
Profit / (Loss) on ordinary activities before taxation	25.6	18.0
Tax charge/(credit) on loss at UK rate of 25% (2024: 25%)	6.4	4.5
Fixed asset differences	(0.2)	-
Expenses not deductible for tax purposes	-	0.3
Income not subject to tax	-	(0.1)
Adjustment in respect of prior years	(0.3)	0.3
Adjustment in respect of prior years (deferred tax)	0.3	(1.5)
Tax charge/(credit) on profit/(loss) on ordinary activities	6.2	3.5

9. OTHER INTANGIBLE ASSETS

Figures are in millions of pounds

	Computer software
Cost:	
At 1 January 2025	21.8
Additions	-
Disposals	(0.3)
At 31 December 2025	21.5
Accumulated amortisation and impairment:	
At 1 January 2025	18.3
Amortisation for the year	0.8
Elimination on disposal	(0.3)
At 31 December 2025	18.8
Net book value	
At 31 December 2025	2.7
At 31 December 2024	3.5

Research and Development costs of £4.5m (2024: £1.0m) have been expensed during the year and are included in administration expenses in note 5.

10. LAND AND BUILDINGS

Figures are in millions of pounds

	Freehold land	Freehold buildings	Total
Valuation:			
At 1 January 2025	1.2	2.7	3.9
Revaluation gain	0.1	0.2	0.3
Disposal	(0.5)	(1.2)	(1.7)
At 31 December 2025	0.8	1.7	2.5
Accumulated depreciation:			
At 1 January 2025	-	-	-
Charge for the year	-	-	-
Increase in revaluation surplus	-	-	-
At 31 December 2025			
Net book value			
At 31 December 2025	0.8	1.7	2.5
At 31 December 2024	1.2	2.7	3.9

The freehold and investment properties of the Group were professionally valued in accordance with the RICS Appraisal and Valuation Manual at 31 December 2025 by Colliers International UK plc, an independent external valuer.

The valuations have been arrived at by considering market evidence of similar office buildings after deducting normal purchasers' acquisition costs.

If buildings had not been revalued, using a straight-line depreciation method, to allocate the cost to their residual values over 50 years, they would have been included in the financial statements at the following amounts. Freehold land would not have been depreciated.

	2025		2024	
	Freehold land	Freehold buildings	Freehold land	Freehold buildings
Cost	0.4	4.0	1.2	11.8
Accumulated depreciation	-	(1.1)	-	(6.3)
Historical cost value	0.4	2.9	1.2	5.5

11. FIXED ASSET INVESTMENTS

Figures are in millions of pounds

Company	Investment in subsidiary undertakings	Total
Cost:		
At 1 January 2025	143.1	143.1
Additions	-	-
Disposals	-	-
At 31 December 2025	143.1	143.1
Impairment:		
At 1 January 2025	16.4	16.4
Charge for the year	-	-
At 31 December 2025	16.4	16.4
Net book value		
At 31 December 2025	126.7	126.7
At 31 December 2024	126.7	126.7



The details of investments in the subsidiary undertakings held by the Company as at 31 December 2025 are as follows:

Name of company	Principal activity	Class and percentage of shares held
Simplyhealth Holdings Limited *	Non-trading	Ordinary shares 100%
Simplyhealth People Limited *	Provision of staff and procurement services for Group activities	Ordinary shares 100%
Simplyhealth Nominees Limited *	Non-trading	Ordinary shares 100%
Denplan Limited *	Provision of dental scheme administration	Ordinary shares 100%
Simplyhealth Guidance Limited *	Provision of healthcare services	Ordinary shares 100%
Simplyhealth Access	Provision of insurance services	Ordinary shares 100%
Simplyhealth Funding Services Limited	Credit broking	Ordinary shares 100%
Simplyhealth Venture Capital Limited*	Provision of investment in health solution companies	Ordinary shares 100%
Simplyhealth Foundry Limited *	Provision of health solutions	Ordinary shares 100%
Simplyhealth Venture One Limited	Provision of dental administration services	Ordinary shares 100%

*Directly held by Simplyhealth Group Limited.

The registered office of all subsidiaries held at the year-end is Anton House, Chantry St, Andover, Hampshire, SP10 1DE.

All other investments are held through 100% controlled subsidiaries

12. OTHER FINANCIAL INVESTMENTS AND DERIVATIVES

Figures are in millions of pounds

Financial assets	2025		2024	
	Fair value	Cost	Fair value	Cost
Debt and other fixed income securities	99.7	98.5	102.0	102.7
Derivative assets	0.8	-	0.4	-
Unlisted investments	13.6	13.2	14.7	13.2
Unit trusts	113.5	111.5	96.0	100.0
Total	227.6	223.2	213.1	215.9

Financial liabilities	2025		2024	
	Fair value	Cost	Fair value	Cost
Derivative Liabilities	-	-	(0.1)	-

The fair values of investments quoted in an active market are based on their bid market prices. For unlisted securities and all other financial assets for which there is no active market, the Group establishes fair value using appropriate valuation techniques.

These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, and discounted cash flow analysis.

Derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. The fair value of fixed interest futures, interest rates swaps and foreign exchange forward contracts are based on market prices.

Fixed interest futures and swaps are exchange traded and currency forward contracts are traded over the counter. All have been classified as Level 2.

All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Net gains or losses arising from changes in the fair value of the derivative financial instruments are recognised immediately in the statement of comprehensive income within the heading 'Investment Returns'.

Derivatives	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Foreign exchange forwards	0.2	-	0.2	(0.1)
Interest rate futures and swaps	0.6	-	0.2	-
Total	0.8	-	0.4	(0.1)

Offsetting

The Group does not offset financial assets and liabilities in the statement of financial position unless there is a legally enforceable right to offset and the Group has the intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

Except for fixed interest futures and foreign exchange forward agreements, the Group has no financial assets and financial liabilities that have been offset in the statement of financial position as at 31 December 2025 (2024: £nil).

13. CASH AT BANK AND IN HAND

Cash and cash equivalents

Figures are in millions of pounds

	2025	2024
Cash at bank	44.7	40.6
Third party funds held under trust	2.6	2.7
Total	47.3	43.3

The Company's cash balance at 31 December 2025 was £14.8m (2024: £13.3m).

The Group administers a number of trust and client accounts under agreements between the Company and dentists in accordance with the declaration of trust for each account. The accounts are used to manage cash collected by the Company from patients for onward payment to dental practices. No right of set-off exists between the trust accounts and any other bank accounts of the Company.

Total balances held in the trust accounts at 31 December 2025 amounting to £2.6m (2024: £2.7m) were included in the cash at bank and in hand on the Company's statement of financial position with an offsetting liability included in "Other Creditors" (note 19).

14. OTHER DEBTORS

Figures are in millions of pounds

	2025	2024
Amounts falling due within one year:		
Non-insurance trade debtors	0.6	0.5
Corporation tax	2.0	2.3
Total	2.6	2.8

Company

The Company has a debtors balance of £28.4m (2024: £14.4m) at 31 December 2025 relating to amounts due from fellow Group undertakings. The Company manages cash within the Group to ensure the efficient use of surplus cash within the operating subsidiaries and the amounts due are unsecured, interest free and are repayable on demand. The balance includes a provision for impairment of £10.4m (2024: £7.7m).

15. TANGIBLE ASSETS

Figures are in millions of pounds

	Computers and office equipment	Leasehold improvements, fixtures and fittings	Total
Valuation:			
At 1 January 2025	2.6	1.9	4.5
Additions	0.3	0.4	0.7
Disposal	(0.2)	(0.8)	(1.0)
At 31 December 2025	2.7	1.5	4.2
Accumulated depreciation and impairment:			
At 1 January 2025	2.0	1.7	3.7
Charge for the year	0.4	0.1	0.5
Disposals	(0.2)	(0.8)	(1.0)
At 31 December 2025	2.2	1.0	3.2
Net book value			
At 31 December 2025	0.5	0.5	1.0
At 31 December 2024	0.6	0.2	0.8

16. DEFERRED TAXATION

The Group's net deferred tax assets calculated in accordance with FRS 102 were as follows:

Figures are in millions of pounds

	2025	2024
Asset relating to timing differences on fixed assets	0.9	1.4
Asset relating to short-term timing difference	0.5	0.5
Capital gains	(0.1)	-
Total	1.3	1.9

The movement in the Group's net deferred tax asset during the year was as follows:

	2025	2024
At 1 January	1.9	3.1
Adjustment in respect of prior years	(0.3)	-
Current year deferred tax	(0.3)	(1.2)
At 31 December	1.3	1.9

The deferred tax asset expected to reverse in 2026 is £0.1m (2025: £0.5m). The remaining asset is expected to reverse between 2 and 5 years.

The deferred tax balance has been calculated using the current rate of 25%.

17. DEFERRED ACQUISITION COSTS

Figures are in millions of pounds

	Gross Provision	
	2025	2024
At 1 January	1.6	1.4
Additional costs incurred	5.9	5.1
Amortisation through statement of comprehensive income	(5.6)	(4.9)
At 31 December	1.9	1.6

Costs are only deferred and amortised if they are considered repayable in the event of cancellation.

18. CAPITAL AND RESERVES

Group

Group capital consists only of accumulated profits as the Group has no issued share capital. Accumulated retained profits at 31 December 2025 were £264.1m (2024: £244.7m).

Company

The Company's capital consists only of accumulated profits as it has no issued share capital. Total reserves at 31 December 2025 were £143.3m (2024: £145.6m).

19. OTHER CREDITORS

Figures are in millions of pounds

	2025	2024
Amounts falling due within one year:		
Creditors arising out of direct insurance operations	2.0	1.4
Third party funds	2.6	2.7
Insurance premium tax	5.0	5.2
Corporation tax payable	-	1.3
Other creditors	2.3	2.8
Total	11.9	13.4

Company

The Company has a balance of £26.6m (2024: £8.8m) at 31 December 2025 which includes amounts due to fellow Group undertakings of £26.5m (2024: £8.7m). The Company manages cash within the Group to ensure the efficient use of surplus cash within the operating subsidiaries and the amounts due are unsecured, interest free and are repayable on demand.



20. TECHNICAL PROVISIONS

Figures are in millions of pounds

Gross Provisions:	Provision for Unearned Premium	Provision for Outstanding Claims
At 1 January 2025	78.0	13.3
Movement in provision	0.7	(2.0)
At 31 December 2025	78.7	11.3

Insurance contracts are those contracts that transfer significant insurance risk at the inception of the contract. Insurance risk is transferred when the Group agrees to compensate a policyholder if a specified uncertain future event adversely affects the policyholder.

The Group applies a prudent approach to its management of potential exposure to risks arising from its insurance contracts. A formal policy for managing insurance risk is in place and is overseen by the Risk & Capital Committee.

Gross provisions

The lines of risk underwritten by the Group are restricted to health insurance in which the Group has substantial experience. Where the Group wishes to enter into new lines this is done using a controlled approach in order to manage the risk associated with new areas of business. The Group's policy is to establish a specific claims reserve at any point in time on each line of business, based on claims reported up to and including the last day of the accounting period, plus an amount in respect of claims incurred but not yet reported. Trends in claim rates and other market data are reviewed on a regular basis and premiums for new contracts adjusted accordingly.

Each class of contract has a large population of homogeneous policyholders, and no insurance contracts are subject to concentration risk as policyholders are based throughout the UK. No one client represents more than 10% of total turnover. Therefore, no insurance contracts are deemed subject to concentration risk.

The Directors have assessed that a deterioration of 5% (2024: 5%) is the highest reasonably possible change in the loss ratio. Such a deterioration in the loss ratio of the health plan book during the year would have resulted in a reduction in profit before tax of £10.7m (2024: £11.1m reduction in profit before tax) and a reduction in equity of £8.0m (2024: £8.3m). The latter represents 3.0% (2024: 3.4%) of the Group's capital. The Group's claims loss ratio has been disclosed in the Strategic Report as a key performance indicator.

Uncertainty about the amount and timing of claims payments is typically resolved within one year. Consequently, disclosure about claims development is not presented as this information is not considered relevant to the evaluation of the nature and extent of risks arising from insurance contracts.

Insurance contract maturities

The net cash outflows resulting from recognised insurance liabilities have the following estimated maturities:

- Unearned premium reserves are estimated to result in cash flows arising within 12 months of the year end date; and

For outstanding claims provisions, including the provision for claims incurred but not reported, approximately 90.4% (2024: 84.9%) of the provision is expected to crystallise as cash outflows and inflows respectively within 12 months of the year end date. The remaining cash flows, representing an immaterial amount of these provisions, are expected to be settled within the subsequent 12 months.

- Due to the short-term claims nature of our products, we do not include an annualised claims triangle in our report.

Assumptions

The Group follows a process of reviewing its reserves for outstanding claims on a monthly basis. This involves an appraisal of each portfolio with respect to ultimate claims liability for the recent exposure period as well as for earlier periods, together with a review of the factors that have the most significant impact on the assumptions used to determine the reserving methodology.

The work conducted on each portfolio is subject to an internal peer review, further review by external actuarial specialists, a management sign-off process and ultimately the Board committees on an annual basis.

The most significant assumptions in determining the net insurance reserves are the forecast monthly claims loss ratios by homogeneous risk group, and the extent to which reinsurers will share in the cost.

Changes in assumptions

During the year we have seen claims volumes decrease. Average values remain broadly in line with prior years. Our claims provision assumptions reflect changes in claims behaviours over recent periods.

21. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of profit on ordinary activities before tax to net cash flows from operating activities

Figures are in millions of pounds

	2025	2024
Profit on ordinary activities before tax and exceptional items	25.6	18.0
Adjustments for:		
Realised and unrealised gains on investments	(12.1)	(1.0)
Decrease in insurance technical provisions	(1.6)	(3.7)
Gain on disposal of land and buildings	(0.8)	-
Depreciation of tangible fixed assets	0.5	0.7
Amortisation of intangible assets	0.8	1.0
Revaluation of Land and Buildings	(0.2)	-
Operating cash flow before movement in working capital	12.2	15.0
Decrease/(Increase) in debtors	(1.4)	9.8
(Decrease)/Increase in creditors	0.6	(5.9)
Cash generated by operations	11.4	18.9
Net taxation paid	(6.5)	(0.6)
Net cash inflows from operating activities	4.9	18.3

22. RELATED PARTY TRANSACTIONS

Company

There were no related party transactions during the year.

23. FINANCIAL COMMITMENTS

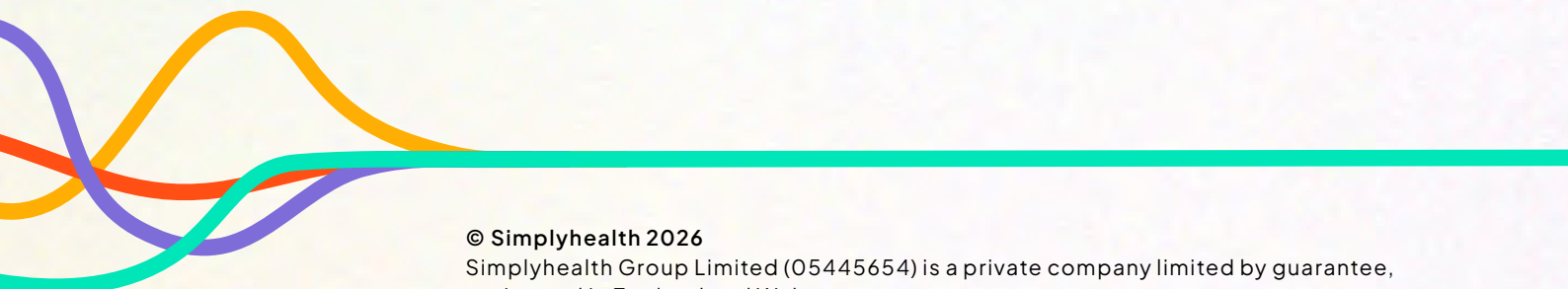
Leasing

The Group has the following future minimum lease payments under non-cancellable operating leases:

Figures are in millions of pounds

	2025	2024
Operating leases which expire:		
within one year	0.4	-
between one and five years	0.6	0.1
in more than five years		
Total	1.0	0.1





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Simplyhealth Group Limited (05445654) is a private company limited by guarantee, registered in England and Wales.

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