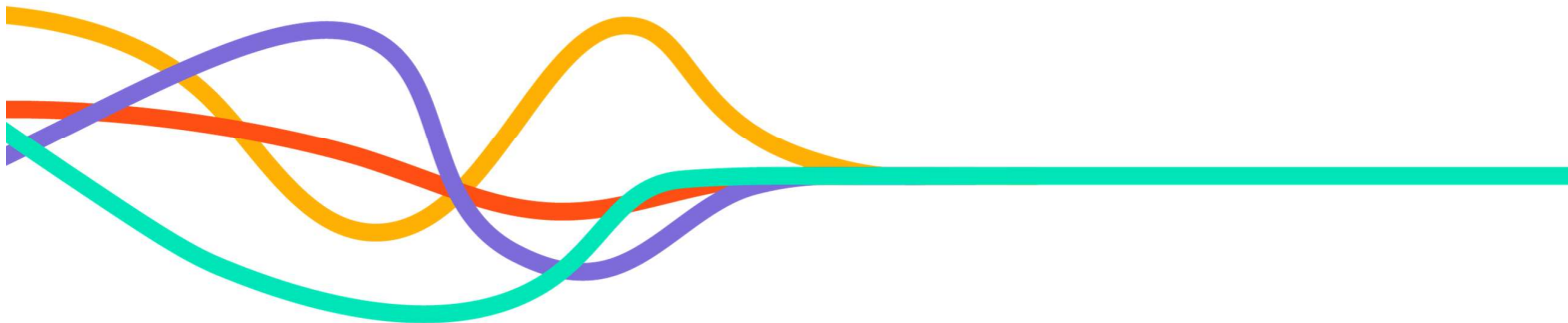




Simplyhealth Group Limited &
Simplyhealth Access

Solvency and Financial Condition Report

31 December 2025



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Executive Summary

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 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 and 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.

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
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 outpatient services.
89.9% of revenue / 968,600 customers



Denplan
We provide dentists and their patients with products and services supporting the provision and funding of dental services.
10% of revenue / 1,477,000 customers



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

Capitation Plans - 1,477,000 customers

Our insurance plans are underwritten by Simplyhealth Access, including insurance products sold via its Appointed Representative, Denplan. Products sold via Denplan provide administration of payment plans, support, guidance, and advice to member dentists.

Simplyhealth Access is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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 (WoW) product, **Simply On Demand**, 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.

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 Venture Capital 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 verifies companies as meeting standards for social and environmental performance, transparency, and accountability. It 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 and community 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 and over half of employees participating.

Increased profit through investment returns

Through our operating profits and 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.

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.”

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.

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

“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.”

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.

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.”

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 £1.2m**
- **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 £212bn 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 £7.2m 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 a fringe event to encourage health policy dialogue during the political party conference season, bringing together parliamentarians, health policy experts, clients and industry organisations.

We actively contributed to the Keep 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 including a parliamentary event, 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 £1.2m in charitable and community 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.

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 Keep 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 strategies on health and wellbeing.

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 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 ("SHVC"), including £5.0m in digital pharmacy Evaro and £1.0m 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 and action 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 included strengthening our impact across our charitable partnerships with Dentaaid – The Dental Charity, the Woodland Trust and our women's health charity partners. More information is provided in our 2025 Sustainability Report pages 36-39.

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, by continuing to innovate and forging excellent partnerships with best-in-class experts, 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 to 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 establishing a new programme aimed at improving access to mental health support across the UK. Together, with three carefully selected leading national mental health charity partners, we will be aiming to increase public awareness of mental health and how to access support, improve mental health provision in SME workplaces via training, and enhance community mental health support focused on reducing unmet demand.

We've identified that these are underserved needs and our charitable investment in this space 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 total 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, especially for children experiencing health inequalities and social deprivation.

Through our 'Always on' support, we've also supported 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 improving healthcare access to everyone in the UK.

Section A: Business and performance

Simplyhealth Group Limited ("the Company") is a private company that is limited by guarantee. The Simplyhealth Group (the Company together with its consolidated subsidiaries, "the Group" or "SHG") reported a profit before tax for the year of £25.6m (2024: £18.0m), a positive variance on prior year of £7.6m, and a solvency ratio of 538.3%, (2024:402.3%)

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 core profitability and the increased returns on our investment portfolio, through our fixed income funds, 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.

Simplyhealth Access (“SHA”), a regulated insurer of medical expenses within the Group, reported a profit before tax for the year of £19.6m (2024: £16.5m), a favourable variance of £3.1m.

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 our B Corp recertification and by donating £1.2m to charities and community causes

The company increased overall profitability through the increased returns on our investment portfolio, through our fixed income funds, 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.

Section B: System of governance

The Board of Directors (“the Board”) is collectively responsible for ensuring Simplyhealth is successful for the benefit of its stakeholders, setting the strategic direction, providing entrepreneurial leadership and overseeing the effective management of key risks faced by the business. To assist the Board in carrying out its duties, the Board delegates some of these responsibilities, although not accountability, to a number of Board Committees and to the Chief Executive Officer (“CEO”).

The Group adopts the ‘Three Lines of Defence’ operating model for defining risk management accountability within roles and responsibilities. This operating model supports strong alignment between risk management, accountability, decision-making and reward. Our system of governance is designed to ensure 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 of directors in providing effective governance are particularly important.

Section C: Risk profile

The Board and the Executive Committee (“ExCo”) consider risk management to be a fundamental part of Our Purpose and a significant aspect of corporate governance. The effective management of risk is central to our culture and decision-making and provides an essential contribution towards the achievement of our strategy.

The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the risk management and internal control systems. The Board 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 the Simplyhealth Group’s overall risk appetite. The Board delegates oversight and scrutiny of risk management to the Risk and Capital Committee, who regularly report up to and provide recommendations to the Board.

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 Financial Conduct Authority (“FCA”), and Prudential Regulation Authority (“PRA”) Senior Managers and Certification Regime (“SM&CR”). Second Line oversight and challenge of Simplyhealth’s risk management and reporting processes rests with the Group Risk function. The consolidated risk report produced by this function is firmly embedded in the 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.

We have a comprehensive Enterprise Risk Management framework (“Risk framework”) that stipulates the minimum standard for risk management and internal control for the Simplyhealth Group. In turn, this enables reasonable assurance to be provided to the ExCo, Board and external stakeholders that Simplyhealth is achieving its risk management and internal control objectives. The effectiveness of the Risk framework is 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.

Section D: Valuation for solvency purposes

Under UK Solvency II, assets and liabilities are valued on a market-consistent basis. The principle underlying the solvency valuation is the amount for which they could be exchanged, transferred or settled by knowledgeable and willing third parties in an arm’s length transaction.

The table below summarises the material differences between the UK Solvency II and UK GAAP valuations:

	SHG		SHA	
	At 31 December 2025 £m	At 31 December 2024 £m	At 31 December 2025 £m	At 31 December 2024 £m
UK GAAP: Equity per audited financial statements	264.5	245.1	208.9	193.8
Inadmissible asset: Goodwill and intangible assets	(2.7)	(3.5)	0.0	0.0
Inadmissible asset: Deferred acquisition costs	(1.9)	(1.6)	(5.1)	(4.2)
Adjust technical provisions to UK Solvency II basis	14.3	12.9	14.4	13.1
Deferred tax valuation adjustments	(3.0)	(2.7)	(2.3)	(2.2)
Investment valuation adjustments	0.0	0.0	(0.2)	(0.1)
Other asset/liability valuation adjustments	(0.5)	(0.2)	0.0	(0.1)
UK Solvency II : Excess of assets over liabilities	270.7	250.0	215.7	200.3

Section E: Capital management

The Group manages its capital on both economic and regulatory bases to ensure it has sufficient funds to meet its business objectives, the promises made to policyholders and regulatory requirements.

Simplyhealth has used the Standard Formula method, as prescribed by the PRA, to calculate the Solvency Capital Requirement (“SCR”) without undertaking-specific parameters or simplifications. Simplyhealth maintained unrestricted tier 1 own funds well in excess of the SCR throughout the reporting period. The ratio is significantly in excess of regulatory requirements and these KPI’s are clear indicators of a strong, sustainable business that our customers can trust to be around to support them with their healthcare needs for the long term.

	SHG		SHA	
	At 31 December 2025 £m	At 31 December 2024 £m	At 31 December 2025 £m	At 31 December 2024 £m
UK Solvency II eligible own funds	270.7	250.0	215.7	200.3
Solvency Capital Requirement	50.3	62.1	45.9	57.1
UK Solvency II SCR Coverage Ratio	538.3%	402.3%	470.1%	350.6%

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 in the 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 UK 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.

Simplyhealth Group Limited

Consolidated statement of comprehensive income

Year ended 31 December 2025

	2025	2024
	Total	Total
	£m	£m
TECHNICAL ACCOUNT		
Total technical income	214.4	221.3
Total claims incurred	(143.9)	(149.7)
Net operating expenses	(57.2)	(57.3)
Balance on the general business technical account	13.3	14.3
NON-TECHNICAL ACCOUNT		
Investment returns:		
Income from investments	5.4	5.3
Gains/(losses) on realisation of investments	4.9	0.1
Unrealised gains on investments	7.2	0.9
Investment charges and expenses	(0.3)	(0.4)
Other income and charges:		
Other income	24.2	23.8
Other charges	(28.1)	(24.0)
Profit on disposal of land and buildings	0.8	-
Revaluation of land and buildings	0.2	-
Donations	(1.2)	(1.0)
Amortisation of goodwill and other intangibles	(0.8)	(1.0)
Profit on ordinary activities before tax	25.6	18.0
Tax on profit on ordinary activities	(6.2)	(3.5)
Total comprehensive profit for the financial year	19.4	14.5

Simplyhealth Access

Statement of comprehensive income

Year ended 31 December 2025

	2025	2024
	Total	Total
	£m	£m
TECHNICAL ACCOUNT		
Total technical income	214.4	221.3
Total claims incurred	(143.9)	(149.7)
Net operating expenses	(65.3)	(64.5)
Balance on the general business technical account	5.2	7.1
NON-TECHNICAL ACCOUNT		
Investment returns:		
Income from investments	3.7	3.5
Gains/(losses) on realisation of investments	1.7	0.1
Unrealised gains on investments	8.3	5.9
Investment charges and expenses	(0.3)	(0.1)
Other income and charges:		
Revaluation of land and buildings	0.2	-
Profit on disposal of land and buildings	0.8	-
Profit on ordinary activities before tax	19.6	16.5
Tax on profit on ordinary activities	(4.5)	(3.2)
Total comprehensive profit for the financial year	15.1	13.3

A. Business and Performance

A.1 Business

A.1.1 Registered office, regulators and external auditors

Simplyhealth has prepared a single Solvency and Financial Condition report ("SFCR") in accordance with waiver 00003476 granted by the PRA on 12 November 2021. The single SFCR comprises information on the Group as a whole and information on the wholly owned regulated insurance undertaking within the Group, Simplyhealth Access.

Ultimate parent undertaking: Simplyhealth Group Limited

Regulated insurance undertaking: Simplyhealth Access

Registered office: Anton House
Chantry Street
Andover
Hampshire
SP10 1DE

Independent external auditor: Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Regulators: The PRA authorises and regulates the Group's activities related to the provision of non-life insurance products:

Prudential Regulation Authority
Bank of England
20 Moorgate
London
EC2R 6DA

The FCA regulates the Group's activities related to the provision of non-life insurance products, as well as credit and credit related activities to individuals and client companies:

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

A.1.2 Introduction to key undertakings within the Group

Simplyhealth Group Limited

Simplyhealth Group Limited is a private company that is limited by guarantee. It is the ultimate parent undertaking of a number of subsidiary undertakings. All investments are held either directly by Simplyhealth Group Limited or through 100% controlled subsidiaries.

The Simplyhealth Group is comprised of two principal trading companies: Simplyhealth Access and Denplan Limited. All group companies are supported by a Group management services company, Simplyhealth People Limited who employ all staff within the Group. The Group is based entirely within the United Kingdom with its head office in Andover.

Simplyhealth Access

Simplyhealth Access is a private unlimited company with share capital. It is authorised by the PRA and regulated by the FCA and the PRA to conduct non-life insurance business in the UK. All of the share capital issued by Simplyhealth Access is owned by its immediate parents, Simplyhealth Holdings Limited and Simplyhealth Nominees Limited.

Simplyhealth Access operates as a regulated insurer of medical expenses, offering access to a range of health plans for both individuals and corporate customers. It is the UK's leading health cash plan provider, helping policyholders gain access to everyday healthcare. Key benefit categories within the products include services from dentists, opticians, physiotherapists and chiropractors.

Denplan Limited

Denplan Limited ("Denplan") develops, sells, and administers healthcare payment plans which are sold by dentists to their patients. Denplan also distributes dental insurance products underwritten by Simplyhealth Access to individuals, corporate clients and their employees. Denplan is the UK's leading provider of dental plans, and enables customers to budget for preventative dental care, helping to keep teeth and gums healthy and to prevent problems in the future.

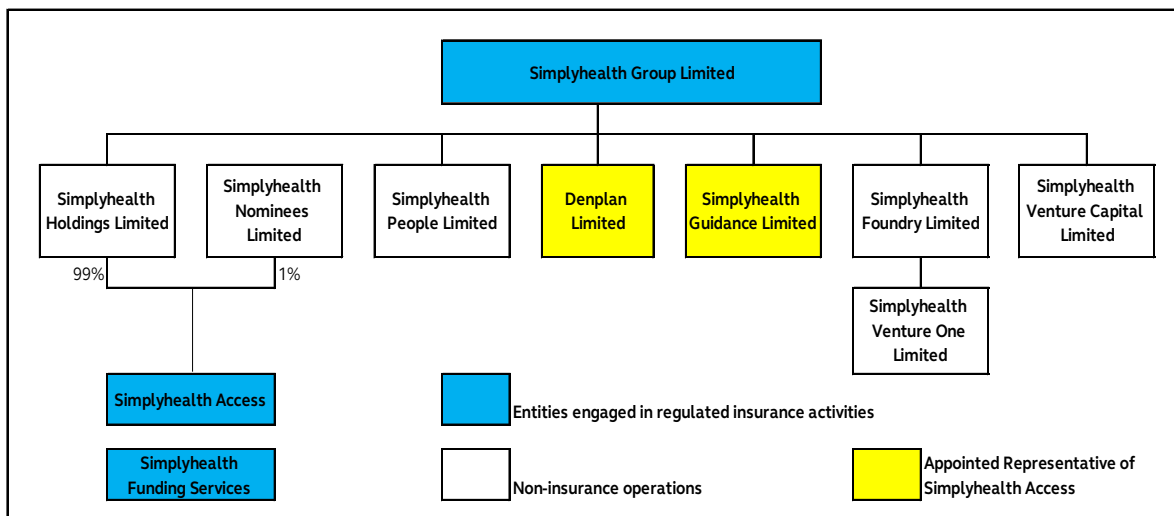
Simplyhealth People Limited

Simplyhealth People Limited employ all of the staff within the Simplyhealth Group and deliver management and administration services to all Group companies.

A.1.3 Legal Structure

Scope of the Group

There are no differences between the scope of the Group used within the consolidated financial statements and the scope of the Group for consolidated data in calculating group solvency in accordance with the PRA Rulebook.



Undertakings within the Group (all entities are incorporated in England and Wales)	Company registration number	Principal activity
Trading entities:		
Simplyhealth Group Limited	05445654	Ultimate parent undertaking
Denplan Limited	01981238	Provision of dental scheme administration
Simplyhealth Access	00183035	Provision of insurance services
Simplyhealth Foundry Limited	14261445	Provision of health solutions
Simplyhealth Funding Services Limited	03681199	Credit Broking
Simplyhealth Guidance Limited	10476781	Provision of health solutions
Simplyhealth People Limited	05551895	Provision of staff and procurement services for Group activities
Simplyhealth Venture Capital Limited	14143480	Provision of investment in health solution companies
Simplyhealth Venture One Limited	14603737	Provision of dental administration services
Non-trading entities:		
Simplyhealth Holdings Limited	05603119	Investment holding company
Simplyhealth Nominees Limited	05603124	Investment holding company

Employees

The average number of employees during the year across the Group was 838 (2024: 842) of which 543 (2024: 562) worked in Operations and 295 (2024: 280) worked in Finance and other administrative services.

A.1.4 Significant events during the reporting period

- 1) We welcomed 40,700 new customers onto our new, low cost, whole-of-workforce product, **Simply On Demand**, 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.
- 2) We invested £7.2m in Simplyhealth Venture Capital 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).

A.2 Underwriting Performance

A.2.1 Underwriting performance on continuing operations

All premiums are generated through medical expense insurance activity within the UK, except for £1.5m (2024: £1.7m) where the risk falls predominantly in the Channel Islands. On the basis of materiality, geographical segmental reporting has not been prepared.

	SHG		SHA	
	2025 £m	2024 £m	2025 £m	2024 £m
Total technical income	214.4	221.3	214.4	221.3
Total claims incurred	(143.9)	(149.7)	(143.9)	(149.7)
Gross margin	70.5	71.6	70.5	71.6
Net operating expenses	(57.2)	(57.3)	(64.5)	(64.5)
Underwriting performance	13.3	14.3	6.0	7.1
Claims Loss Ratio ("CLR")	67.1%	67.6%	67.1%	67.6%

Total technical income on continuing operations of £214.4m was a decrease of £6.9m on income in 2024, reflecting contraction in the Consumer segment.

Total claims incurred reduced on prior year by £5.8m. The key driver of this was the reduced volume of claims, partially offset by increased levels of usage on our complementary insurance product offerings such as 24/7 GP services. The Claims Loss Ratio reduced by 0.4% year-on-year, from 67.6% in 2024 to 67.1% for 2025.

Simplyhealth Access net operating expenses exceed those of the Group as Simplyhealth Access incurs costs in relation to services provided by other Group companies which are eliminated on consolidation.

A.3 Investment Performance

Investment portfolio

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 Environmental, Social and Governance (“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 a M&G Sustainable Fund. This has strengthened our ESG position, ensuring our investments return value and deliver greater positive impact in the world, including investments into global healthcare organisations.

SHG:	2025					2024				
	Debt Instruments	Collective Inv. Schemes	Derivatives	Other	Total	Debt Instruments	Collective Inv. Schemes	Derivatives	Other	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income from investments at fair value through profit or loss	3.7	-	-	-	3.7	3.4	-	-	-	3.4
Income from investments not at fair value through profit or loss	-	-	-	1.7	1.7	-	-	-	1.9	1.9
Gains / (losses) on realisation of investments	0.9	1.5	(0.7)	4.0	5.7	(0.4)	-	0.5	-	0.1
Movement in unrealised gains on investments	1.9	5.9	0.5	(0.9)	7.4	0.1	5.8	-	(5.0)	0.9
Investment charges and expenses	-	-	-	(0.3)	(0.3)	-	-	-	(0.4)	(0.4)
Net investment returns	6.5	7.4	(0.2)	4.5	18.2	3.1	5.8	0.5	(3.5)	5.9

SHA:	2025					2024				
	Debt Instruments	Collective Inv. Schemes	Derivatives	Other	Total	Debt Instruments	Collective Inv. Schemes	Derivatives	Other	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income from investments at fair value through profit or loss	3.7	-	-	-	3.7	3.4	-	-	-	3.4
Income from investments not at fair value through profit or loss	-	-	-	-	0.0	-	-	-	0.1	0.1
Gains / (losses) on realisation of investments	0.9	1.5	(0.7)	0.8	2.5	(0.4)	-	0.5	-	0.1
Movement in unrealised gains on investments	1.9	5.9	0.5	0.2	8.5	0.1	5.8	-	-	5.9
Investment charges and expenses	-	-	-	(0.3)	(0.3)	-	-	-	(0.1)	(0.1)
Net investment returns	6.5	7.4	(0.2)	0.7	14.4	3.1	5.8	0.5	0.0	9.4

A.4 Performance of other activities

A.4.1 Other material income and expenses

The following material income and expenses were incurred from other activities during the reporting year:

1. Other income includes the consolidated results from the non-insurance companies within the Group. Denplan Limited is a major contributor to this through its administration of capitation plans within the dental market.
2. Other charges include the consolidated results from the non-insurance companies within the Group. Other charges increased to £28.1m in 2025 from £24.0m in 2024. Denplan Limited is a major contributor through the expenses of administering the capitation plans. Additionally, these costs include our investment in our Ventures and Foundry strategy.

There were no other significant items of income or expense recognised as comprehensive income in the year.

A.5 Any other information

There is no other material information to disclose in respect to the business or performance.

B. System of Governance

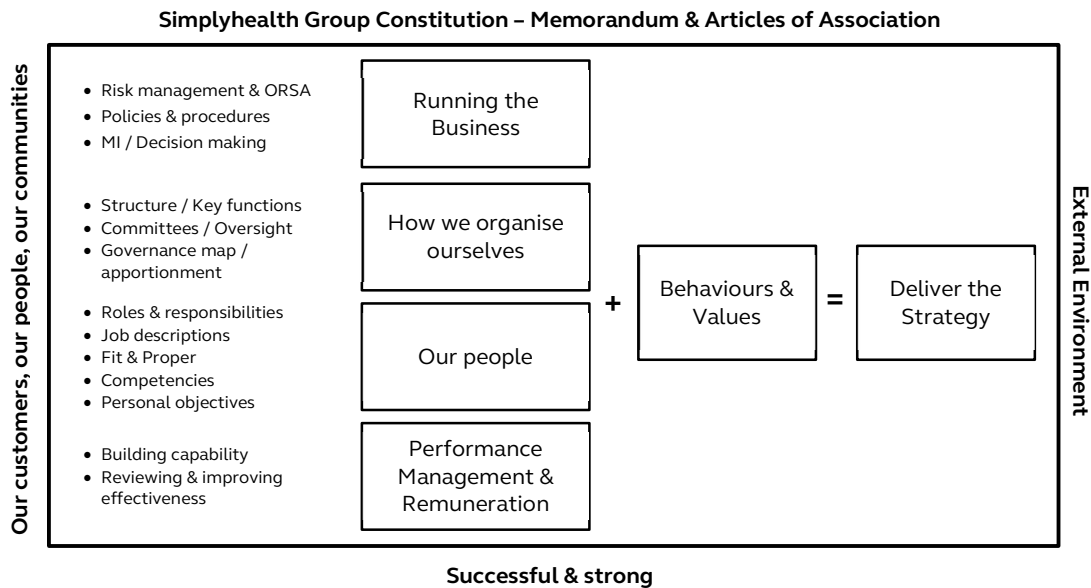
B.1 General information on the system of governance

B.1.1 Incorporation and constitution

Simplyhealth Group Limited is a company limited by guarantee. The Memorandum and Articles of Association of Simplyhealth Group Limited defines the purpose of Simplyhealth, the responsibilities of its Directors and the relationship between Simplyhealth and its voting members.

Simplyhealth is committed to its purpose including re-investing retained profits for the benefit of its customers, its people and the communities in which it operates, we are committed to pledging a minimum of £1m per annum to deliver Healthier Futures. The Group’s purpose is striving to improve access to healthcare for all in the UK. Accordingly, the system of governance is designed to ensure that the Group and its constituent parts are well positioned to continue to deliver this purpose while effectively managing the risks associated with the underlying business activities. The system of governance is reviewed annually by the Board.

As the Group has neither shareholders nor a requirement to distribute profits to members, the roles of voting members and the Board of Directors in providing effective governance are particularly important. The Group Constitution, as illustrated below, provides an overview of the principles of the system of governance and how it is a foundation for the delivery of the Group’s strategy.



B.1.2 The Voting Members

The Group is governed by its voting members who have no beneficial interest in, or rights to, its assets. The voting members have the responsibility to exercise their membership rights, including voting rights, with a view to promote the objects of Simplyhealth in the best interest of the Group and its customers (present and future) as detailed in the Memorandum of Association.

The Group’s voting members make decisions at its general meetings by ordinary or special resolutions.

B.1.3 The Board of Directors

The directors who served during the year and up to the date of approval of this report were:

R Clifton	Non-Executive Chair (appointed 3 March 2025)
T Dunley-Owen	Non-Executive Director
M A Hall	Non-Executive Director (resigned 18 June 2025)
J Knott	Non-Executive Director
D S Lawrence	Non-Executive Director and Senior Independent Director
N J Potter	Chief Financial Officer
P Schreier	Chief Executive Officer
M C Stead	Non-Executive Director

The company secretary who served during the year was:

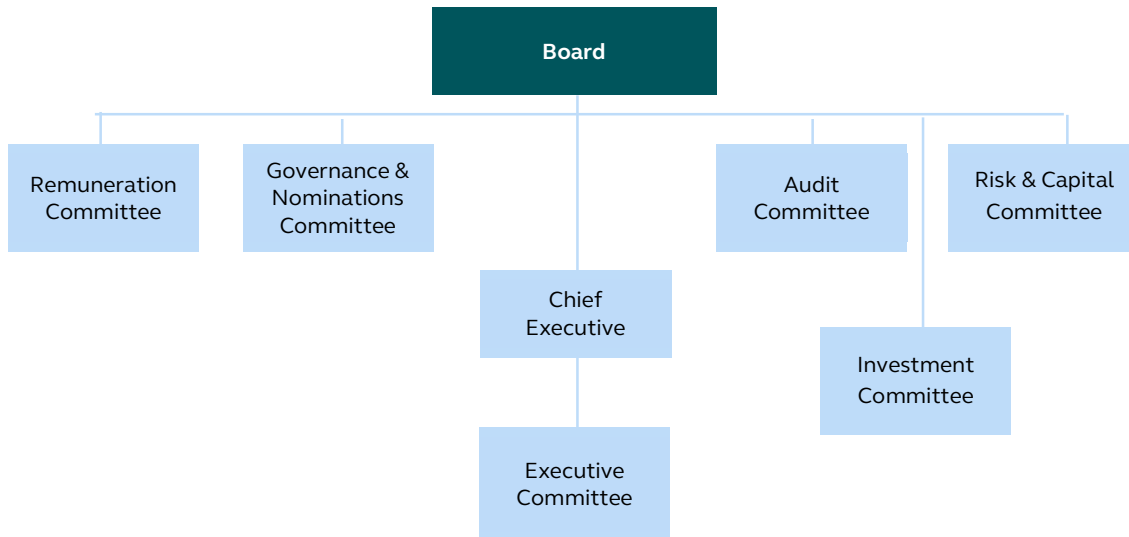
D Pugh Company Secretary

B.1.4 Governance Structure

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.

B.1.5 The Simplyhealth Group committee structure



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 of 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.

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 regularly 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.

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 happens through the production of the ORSA.

An effective risk and control culture is in place, which is focused on the sustainability of Simplyhealth, risk awareness, ethical behaviour and the outcomes received by our customers and employees.

The key Board Committees and their 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, Executive Directors, Company Secretary, the ExCo (collectively 'the Executive'), and the Chair of the Board.
- 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

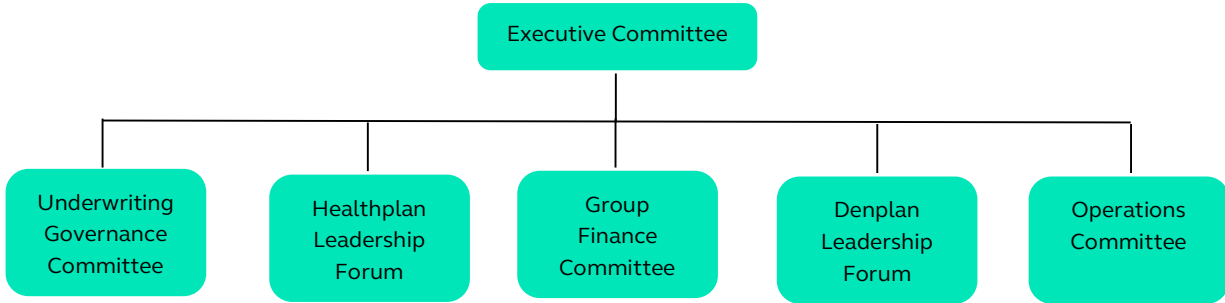
- Assessing and recommending any investment proposals to the Board for approval.
- Providing oversight and governance of Simplyhealth Foundry businesses.
- Approving any stage-gated investments into Simplyhealth Foundry Limited ("SHF") companies in line with the Business Plan as approved by the Board.
- 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.

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 as at the 31 December 2025 is outlined below:



Delegated authorities

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.

B.1.6 Key control functions

The Group’s key control functions are Risk Management, Compliance, Actuarial and Internal Audit. The Risk Management and Compliance functions are led by the Chief Risk Officer. The Actuarial Function is outsourced to Milliman LLP, with a named professional within that firm performing the role of Chief Actuary. The Chief Actuary reports to the Chief Financial Officer, whilst the ultimate responsibility of the role is to the Board.

These functions play an integral role in the system of governance as they provide oversight, challenge and independent assurance of the activities performed by the business to ensure risks are being managed appropriately.

Further descriptions of these functions’ roles, responsibilities and resources are provided in sections B.3 (risk management system), B.4 (internal control system), B.5 (internal audit function) and B.6 (actuarial function).

B.1.7 Material changes in the system of governance

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.

We have continued to enhance our approaches to risk management and internal control, with developments including the identification of new critical controls aligning to our new policy management platform (SKi), enhancing the maturity of our annual control attestation process, and the introduction of new collaborative tools within our application of governance, risk and compliance to improve communication relating to risks and controls.

Risk management considerations are integral to business planning and are regularly discussed throughout the performance and governance framework, with deep dives in 2024 including (but not limited to) risks relating to the collection and distribution of capitation payments, financial crime, cyber security, technological architecture, change management and climate change risk.

B.1.8 Remuneration policy

B.1.8.1 Overarching approach to remuneration

The Group's remuneration policy is designed to reward the successful achievement of business objectives and incentivise individuals to deliver these in a responsible and appropriate way. This is achieved by offering a market-competitive reward structure which supports the Group's proposition as an employer of choice that is conducive to the Simplyhealth brand. The remuneration policy applies to all entities and employees, including the Executive Directors.

Reward comprises a number of separate elements including individual base pay, Group performance bonuses and a choice of employee benefits. The proportion of fixed versus variable remuneration at different levels within the organisation is carefully considered to ensure there is not an over-reliance on variable remuneration and that remuneration does not incentivise an individual to take risks or act in a manner which is not in the long-term interests of the Group or its stakeholders. Remuneration arrangements are recorded at an individual bonus scheme level, demonstrating how they link to the Group's Remuneration Principles and its alignment to the business strategy and risk appetite.

All bonus schemes are based on both collective and individual performance and behaviours. The amount paid on all bonus schemes is determined at the end of the financial year having reviewed business performance results and the capital adequacy position. Bonuses would be at risk if there were shortfalls in performance or in the management of risk.

B.1.8.2 Directors' Remuneration Policy

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.

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 (“LTIP”) – 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.

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
Total directors' emoluments	2.0	1.9

The amount receivable by directors at the 31 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 director's emoluments were as follows:	2025	2024
Aggregate emoluments including receivable under long-term incentive schemes	1.0	0.8
Total highest paid director's 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

B.1.8.3 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.

B.1.9 Material related party transactions

There were no related party transactions during the year.

B.2 Fit and proper requirements

The Group's fitness and propriety policy reflects the Senior Managers & Certification Regime's (SM&CR) fit and proper requirements. The Group ensures that the persons accountable for the running of Simplyhealth have the following required attributes to enable them to perform their role effectively and in accordance with any relevant regulatory requirements:

1. Personal characteristics, including being of good repute and integrity;
2. Competence, knowledge and experience;
3. Qualifications;
4. Has undergone or is undergoing the required level of training; and
5. Is regarded as a custodian for the benefit of future generations.

The Governance and Nominations Committee ensures the Board and Senior Managers collectively possess appropriate qualifications, experience and knowledge about, at least, the following:

- Insurance and financial markets;
- Business strategy and business model;
- UK Solvency II requirements for the system of governance;
- Financial and actuarial analysis; and
- Regulatory framework and requirements.

The Group employs the following procedures to assess an individual's fitness and propriety:

- Competency-based recruitment processes;
- Induction programme, including specific briefings for Senior Managers;
- Background checks, including criminal records, credit references and employment references, through an external agency;
- Performance against the applicable PRA Conduct Standards and FCA Conduct Rules;
- Regular performance reviews and assessments carried out at least annually; and
- Self-attestation annually.

With respect to the appointment of the Senior Managers, both Simplyhealth and the individual concerned are required to declare that the information supplied in support of the application is accurate and complete to the best of their knowledge. The PRA and FCA will validate the information provided against their records.

Senior Managers receive a briefing from Simplyhealth on appointment and annually thereafter on the Senior Management and Certification regime which is designed to inform them of the following:

- Their role and responsibilities;
- The objectives of the PRA and FCA;
- The high-level regulatory requirements applicable to the regulated business of Simplyhealth;
- How individual fitness and propriety is assessed;
- Where individual accountabilities are documented; and
- When the regulator might take enforcement action.

Persons approved to perform a controlled function are required to maintain their 'fit and proper' status.

B.3 Risk management system including the ORSA

B.3.1 The role of risk management

The Board and the Executive Committee 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.

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.

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. 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 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.

B.3.2 Risk management approach

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.

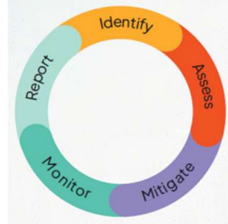
Our approach to risk management consists of the following components:

- 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.
- 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 process and procedures to support our operational and information technology activities.

B.3.3 Enterprise Risk Management framework (ERMF)

Our Enterprise Risk Management framework links our operating environment, business strategy, decision-making and capital management, alongside defined risk appetites.

The framework 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.

B.3.4 Internal Control Framework

Our Internal Control Framework, which is embedded within the ERM 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.

B.3.5 Three Lines of Defence

The Simplyhealth Group has adopted the ‘Three Lines of Defence’ operating model to define risk management accountability within roles and responsibilities.



First Line of Defence

- Business areas that are directly responsible for managing and executing processes and activities that may generate risk.
- In addition to their day-to-day operations, each risk/control owner regularly assesses the performance of their risk/control on our governance, risk and compliance solution, enabling visibility and escalation of issues as they arise.

Second Line of Defence

- Supports the Board in defining the organisation’s risk appetite and provides tools and processes to monitor the adherence to risk appetite through the enterprise risk management framework and the internal control framework.
- Sets the minimum standards for the identification, monitoring and testing of critical controls and provides second-line oversight through the performance of risk and compliance monitoring reviews.
- Provides regulatory advice to the organisation, including as a business partner alongside strategic/operational developments and to advise on relevant regulatory initiatives.

Third Line of Defence

- Provides independent, objective assurance over the effective and efficient operations of the roles, responsibilities and activities of the First and Second Lines.

Ongoing communication and collaboration across the three lines of defence ensures that Simplyhealth identifies and manages risks effectively.

B.3.6 Risk governance

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.

The day-to-day oversight and challenge of the Group’s risk management and reporting processes rests with the Group Risk Function. The Risk Function produces an enterprise level risk report each quarter, consolidating the risk performance of the Group and enabling debate, monitoring and challenge as to the adequacy

B.3.7 Risk management function

The risk management function is required to:

- Facilitate the execution of the risk-management framework;
- Assist the Board and other functions in the effective operation of the risk management system;
- Monitor and report on the risk profile of the organisation;
- Report to the Board via the Risk and Capital Committee on material risks;
- Advise the Board on risk management matters, including in relation to strategic affairs such as corporate strategy, mergers and acquisitions and major projects and investments;
- Identify and assess emerging risks;
- Co-operate closely with the other assurance functions, including Compliance, Actuarial and Internal Audit; and
- Implement and oversee the ORSA process.

B.3.8 Principal risks and uncertainties

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 UK 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 in section C of this report.

B.3.9 ORSA

The ORSA is an important part of the strategic and decision-making process and has two primary purposes:

- To assess the Own Funds and capital requirements of SHG and SHA and to validate the appropriateness of the SCR derived from the Standard Formula; and
- To demonstrate that Simplyhealth remains well capitalised throughout the planning period and in the event of severe, yet plausible events.

This year's ORSA included the following scenarios, which were based upon Simplyhealth's key risk drivers and key strategic risks and represent a proportionate means of testing our solvency position against the key vulnerabilities within our business model:

- Severe Business Downside (1 in 30 years) – the application of stresses against the business plan, with severe impacts to CLR, expenses, new business and lapses;
- Market risk (1 in 50 years) – a 1:50 loss on the proposed investment portfolio, with all Venture investments written off in the planned period;
- Regulatory censure (1 in 30 years) – a breach of Consumer Duty requirements, following a systemic failure in our renewal process;
- IT security breach (1 in 10 years) – a security breach involving unauthorised access and loss of our full customer data set, including a GDPR fine;
- Severe Business Downside and Market shock (1 in 50 years) – a combination scenario with the severe business downside and 1 in 50 year market shock and all Ventures investments written off in the planned period; and
- Severe Business Downside and internal fraud (1 in 50 year) – a combination scenario with the severe business downside and the loss of our cash balance due to fraud.

A reverse stress test was also conducted to evaluate the extent to which our key risk drivers would need to be stressed before reaching business failure, defined internally as the solvency ratio deteriorating to less than 100%.

This report showed that Simplyhealth is expected to remain highly solvent throughout the planning period, including when faced with severe, yet plausible, events.

Review and Approval

The Board has ultimate responsibility and accountability for ensuring the organisation maintains an appropriate risk management framework. It plays an active part in the development of the ORSA, including through its delegation to the Risk & Capital Committee, which includes initial steering as to how the ORSA approach is designed, and regular challenge on risk identification, management and mitigation.

The ORSA was reviewed by the Risk & Capital Committee in January 2026, debated and challenged and following approval was subsequently recommended to the Board. The full ORSA report was approved by the Board in January 2026.

B.4 Internal control system

B.4.1 Internal control system

Simplyhealth has developed an Internal Control Framework for the effective management of its internal control environment. It sets out the principles for designing, implementing, and evaluating internal controls across the organisation and supports the risk management principles defined within the ERMF.

The framework is designed to provide insight and clarity into the key risks faced by the organisation and whether these are effectively managed in accordance with the Board risk appetite, through a combination of documentation, testing, reporting and continual review.

The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the risk management and internal control systems. This oversight involves the participation of the Board, The Executive Committee, the Audit Committee, the Risk & Capital Committee, Group Risk, Group Compliance, Legal, Internal Audit, the Chief Actuary, and senior management. The day-to-day responsibility for implementation and maintenance of the internal control system rests with Simplyhealth's various Senior Manager Functions under SMCR.

B.4.2 Risk and Compliance Assurance Function

The Chief Risk Officer (CRO) leads the Group Risk, Group Compliance and Group Privacy 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 Director. The Group Risk function is responsible for developing and overseeing the framework for identifying and managing risk across the Simplyhealth Group.

The Group Risk function is responsible for ensuring the Board understands, maintains visibility of and challenges the key risks which the Simplyhealth Group is subject to, facilitated on a quarterly basis with a formal risk report presented to the Risk and Capital Committee. The Group Risk function owns and manages the delivery of the ORSA and is also responsible for managing the Simplyhealth Group's exposure to Fraud and Financial Crime.

The Group Compliance function is responsible for the identification, interpretation, and assessment of emerging and current regulatory and conduct risks, which may impact the Simplyhealth Group. The possible impact of changes to the regulatory and legal environment is considered on an ongoing basis and reported to the Executive Committee, Audit Committee and Board.

The Group Privacy Function is responsible for ensuring that the organisation is aware of and able to adopt all relevant data protection requirements. This function also provides oversight of adherence to these requirements, providing regular reporting to senior management, and manages communication with the Information Commissioners Office (ICO). These functions, in addition to their advisory roles, provide assurance through Compliance Monitoring or Risk Reviews as to the extent to which regulatory requirements and good outcomes are met, and critical controls are performing as expected.

Key procedures

- The delivery of a risk based annual Assurance Plan to assess the effectiveness of internal processes and critical controls in key areas of the business.
- Regulatory and legislative horizon scanning, the interpretation of new and changed requirements, and advice and challenge to the organisation regarding compliance risk.
- Regular and ad hoc provision of advice, reporting and assurance to the Board, Audit Committee and Risk & Capital Committee's on risk management, legal, regulatory and compliance matters.
- A risk-based review of key risks and controls in the Group is conducted throughout the year as part of the Risk & Control Self-Assessment, the outputs of which are reported to Risk & Capital Committee.

B.4.3 Policy on bribery and corruption

Simplyhealth condemns corruption in all its forms. It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

Any employee who breaches this policy faces disciplinary action, which could result in dismissal for gross misconduct. Any non-employee who is engaged by the Group and breaches this policy may have their contract terminated with immediate effect. Breaches of this policy may also amount to a criminal offence, punishable by fine or imprisonment.

Monitoring and enforcement of the policy is undertaken by the Group's legal team and is administered in accordance with the Group's Whistleblowing Policy, which is clearly communicated to all staff.

B.5 Internal audit function**B.5.1 Internal Audit**

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.

B.5.2 Independence and objectivity of the Internal Audit Function

The HoIA reports 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 presences of Executive Directors. There is an administrative link to the CRO but, to avoid any conflicts of interest, the CRO has no day-to-day involvement in the activities of the team.

B.6 Actuarial function

The Group has appointed an external actuarial firm, Milliman LLP, to perform the Actuarial Function activities and selected a named professional within that firm to perform the role of Chief Actuary. The Chief Actuary has met the requirements of an Approved Person and holds an appropriate practising certificate from the Institute and Faculty of Actuaries in the UK. The Chief Actuary reports to the Chief Financial Officer whilst the ultimate responsibility of the role is to the Board.

The contract between Simplyhealth and the service provider is reviewed annually following the delivery of the Actuarial Function Holder report to the Board. The Chief Financial Officer is responsible for overseeing the performance of the service provider and for ensuring the quality of the service, and reports on the service levels and performance of the provider to the Board on a regular basis (at least annually).

The scope of the Actuarial Function includes a review of the UK Solvency II best estimate of technical provisions (“TPs”), i.e., claims and premium provisions and of the risk margin calculated as at 31 December 2025; an opinion of the underwriting policies operated by Simplyhealth and a summary of the contribution of the actuarial function to the risk management function.

The day-to-day tasks overseen by the Actuarial Function are performed by the Underwriting & Pricing and Financial Governance & Accounting teams within the Simplyhealth Finance function. The Group separates the ‘production’ activities from the ‘review’ process allowing the Chief Actuary to remain independent of the activities performed.

B.7 Outsourcing

At Simplyhealth our highest priority is to act to deliver good outcomes for our customers. Therefore, managing our suppliers, vendors or third party outsourcing (including any intra group arrangements) (“Vendors”) is key to ensuring we protect our business and customers, as well as meeting our regulatory requirements.

As an entity regulated by both the PRA and the FCA, we are required to effectively manage Vendors to reduce the risk of operational disruption and harm to our customers. We maintain a Vendor Management Policy, which sets out our approach to the oversight of outsourcing and third party arrangements, including outsourcing of material business activities as defined by the FCA, and referred to in the policy as “material outsourcing”. Material outsourcing is defined as functions which are critical or important and failure would impact the firm's ability to meet regulatory requirements, the continuity of regulated activities or financial stability of the firm. The policy ensures we also meet the regulatory requirement for a firm’s Board to approve, regularly review, and implement a written material outsourcing policy.

The Policy includes a detailed Vendor Management Framework (“VMF”), which is designed to manage not only those services falling under the FCA definition of outsourcing, but all Vendor services within the business including those services and vendors assessed as Tier 1.

Tier 1 means an ongoing or recurrent service that, in the event of a severe and plausible degradation, it is deemed Simplyhealth would suffer significant impact in one or more of the following key business areas:

- Customer
- Legal / Regulatory
- Financial
- Reputational
- Operational

All services will be assessed in line with the requirements set out in the VMF. The Board will receive recommendations for approval of all new Tier 1 Vendors and an annual report detailing due diligence on all Tier 1 Vendors. The Risk and Capital Committee will receive quarterly operational performance reporting of all Tier 1 Vendors.

Where we identify the need to partner with a Vendor to assist us with specialist skills, knowledge, or resources, we must remain mindful that as far as our customer is concerned, we still own and are fully accountable for the outcome of the service, just as we would be if we conducted the work ourselves. This means we are required to:

- Clearly define the service to be procured via a Vendor;
- Assess the materiality of impact that service has on the business and our customers;
- Select the most appropriate Vendor to deliver the service;
- Complete appropriate Vendor due diligence;
- Ensure approval in line with the Delegations of Authority;
- Follow an appropriate in-life management process; and
- Identify and manage any risks, at all points in the process.

Together these activities form the governance, systems and processes set out in the Vendor Management Framework.

The following arrangements had been identified as material outsourced during 2025:

Activity	Jurisdiction
UK Solvency II Actuarial Services	UK
Management of investment assets under a delegated authority or pooled vehicle	UK
Cloud based software and storage	UK
Customer product renewal - print and mailing	UK
Operating systems and MS Office licences, plus MS Azure hosting	UK
Legal entity employing all group staff and provides HR and procurement services to all group companies	UK
Policy inception, administration and claims handling of insurance products underwritten by Simplyhealth Access	UK
Data centre hosting and colocation services	UK
Business continuity and data back-up services	UK

B.8 Any other information

There is no other information to report.

C. Risk Profile

C.1 Underwriting risk

C.1.1 Material risks

Underwriting risk refers to the risk of loss arising from inadequacies in pricing and underwriting of insurance policies and of claims experience being materially different from expectations. The majority of underwriting risk to which the Group is exposed is of a short-term nature and generally does not significantly exceed 12 months. The principal line of risk underwritten by the Group is healthcare insurance in which the Group has substantial experience. Where the Group wishes to enter new lines, this is done using a controlled approach in order to manage the risk associated with new areas of business.

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

C.1.2 Measures used to assess the risk

The following measures are used to assess underwriting risk:

Business performance report

- The Group's business plan projects income and claims over a three-year time horizon. This information is used to track actual performance against expected levels, enabling corrective action to be put in place where necessary.
- All factors contributing to variances within income and claims are analysed on a monthly basis. This includes new business and lapse volumes, portfolio mix, average claims costs and claim frequencies. The resultant impact on loss ratios is reviewed to understand performance and assess results in the context of risk appetite.
- A business performance report is produced monthly which is communicated across management levels, up to and including the Board.

Reserving process

- The Group performs an 'expected versus actual' analysis on its technical provisions on a regular basis.
- This analysis is reviewed within monthly management meetings and the Group Finance Committee, so that future calculations can be informed by and calibrated using historical estimates alongside forward-looking assumptions. The review process includes the Chief Financial Officer, the Director of Underwriting & Pricing, the Director of Financial Governance & Accounting and the Chief Actuary.
- Deviations from planned performance are tracked to ensure that actual performance is managed within risk appetite.

Capital measurements

- Regulatory capital is measured on a quarterly basis using the Standard Formula SCR. The risk modules considered are lapse risk, premium and reserve risk and health catastrophe risk.
- Health underwriting risk is also assessed within the ORSA on an annual basis.

C.1.3 Risk mitigation techniques

Underwriting risk is mitigated in the following ways:

- Continuing underwriting risk is managed through regular underwriting reviews. These reviews ensure that benefits and prices are managed in a way that delivers competitive products, providing tangible benefits to our customers, while delivering a sustainable operating model which supports the Group's purpose;
- Pricing is generally based on historical claims frequencies and claims severity averages, adjusted for inflation, trended forward to recognise anticipated changes in claims patterns, conditions in the insurance market and a profit loading that adequately covers the cost of capital;
- The Group aims to acquire the correct mix of insurance business, at a price that provides value for our customers and supports a sustainable commercial position, while at the same time protecting itself from excessive insurance claims;
- Underwriting limits are in place to enforce appropriate risk selection criteria and pricing; and
- Large corporate clients may be subject to contractual clauses which limit excessive claims loss ratios.

The Underwriting Governance Committee also plays an important role in mitigating potential underwriting risk as part of the duties delegated to it by the Executive Committee.

The Underwriting Governance Committee meets on a bi-monthly basis and its responsibilities include:

- Oversight of the underwriting performance of the insured portfolios, ensuring fair value and sustainable profitability across:
 - Consumer
 - Corporate
 - Dental Accident and Emergency
- Provide review and oversight of underwriting proposals and analysis undertaken relating to:
 - Portfolio performance
 - Product and pricing reviews
- Input oversight and review of the underwriting analysis completed in relation to pricing of existing products

The Group monitors the effectiveness of these techniques through the regular reporting of underwriting performance results.

C.1.4 Prudent person principle

Not applicable to underwriting risk.

C.1.5 Risk sensitivities

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).

C.2 Market risk

C.2.1 Material risks

Market risk is the risk of loss or of adverse change resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

The Group has potential exposures to the following material types of market risk:

- Currency risk: Arises from the investment portfolio, with some investments denominated in currencies other than sterling.
- Interest rate risk: Arises primarily from valuation movements on financial investments that are measured at fair value and have fixed interest rates.
- Spread risk: Arises from the sensitivity of the value of financial investments to changes in the level of or in the volatility of credit spreads over the risk-free interest rate term structure.
- Equity risk: Arises through loan notes held in an unlisted entity that can be converted into equity and from the Group's investments in healthcare solutions as part of Simplyhealth Ventures.
- Concentration risk: Arises as a result of a large investment in individual counterparties and single name exposures.
- Property risk: Arises as a result of sensitivity to the level or in the volatility of property market prices.

The investment portfolio is highly diversified. The largest investment exposure at 31 December 2025 was to the UK Government with a total capital value of £33.1m, representing 12.5% of total financial investments, including cash and cash equivalents. These investments are in UK gilts where the market risks are considered to be low.

C.2.2 Measures used to assess the risk

The following measures are used to assess market risk:

Investment monitoring

- Fund valuations are monitored daily.
- Value-at-Risk (VaR) is monitored by fund against expected values weekly.
- Market analysis and volatility reviews are performed with the fund manager on a regular basis.
- Quantitative analysis of stress tests on tail risk scenarios are performed on a monthly basis with the investment manager.
- Movements in the investment portfolio in a rolling twelve-month period are monitored on a monthly basis.

Committee and management reviews

- The Risk and Capital Committee oversees all investments, including cash balances, of the Group. The Committee meets quarterly to discuss and provide challenge to the decisions of the investment manager appointed by the Committee.
- The Group Finance Committee ("GFC") comprises the Chief Financial Officer, the Director of Underwriting & Pricing, the Director of Financial Governance & Accounting, Chief Risk Officer, representatives from the investment manager and an independent external investment adviser. The GFC meets quarterly to review the performance and positions of the investment portfolio in accordance with the strategy set by the Board.

Capital measurements

- Regulatory capital is measured on a quarterly basis using the Standard Formula SCR. This assessment includes a detailed review of the investment portfolio assessing the nature and capital implications for each individual holding; 'the full look-through approach'.
- Market risk is also assessed within the ORSA.

C.2.3 Risk mitigation techniques

The structure of the investment portfolio is set out in section D.1.6.

The investment strategy is set by the Board and management follows this strategy in making investment decisions. The investment portfolio managed by Schroders and M&G is reviewed by the Risk and Capital Committee to ensure that investments are maintained in line with the investment strategy.

The aim of the investment strategy is to generate a consistent and relatively predictable level of return while seeking to protect the capital value of investments. Investment income is used to support the delivery of the business plan. Investment liquidity is managed to ensure funds can be released to enable investment in strategic objectives.

The Board targets a level of security, quality, liquidity, profitability and availability in its investment activities in accordance with its risk appetite:

- Security: Investment vehicles that are subject to significant price volatility or value erosion outside of the defined risk appetite shall not be used.
- Quality: The credit quality of any interest-bearing investment held for capital preservation should be investment grade.
- Liquidity: It must be possible to liquidate assets within one month of request.
- Profitability: Assets are only added to the portfolio when their expected return is commensurate with the level of risk taken and within risk appetite. Expected returns must be considered together with the capital impact associated with the investment.
- Availability: All investments must be fully admissible from a regulatory capital perspective and not result in off-balance sheet exposures.

The primary objective of our investment portfolio is to preserve capital and provide liquidity, whilst generating a positive return. Our investment portfolio remained primarily in fixed income markets, as we sought to avoid potential higher volatility in equity markets. Investment returns have been significantly impacted by the financial markets' reaction to the UK and wider global economy and the continued recessionary fears, though have outperformed other markets and remain unrealised, as we anticipate recovery in future years.

In line with our investment strategy, Simplyhealth agreed to replace its PIMCO Diversified Income Fund with an M&G Sustainable Total Return Credit Investment Fund. The stakeholder considerations and outcomes from this decision were:

- 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.
- 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.

We continued our investment strategy of investment in a core fixed income fund supported by investing in a growth portfolio. Our total managed investments are split 47% in a low-risk credit portfolio and 53% in a pooled diversified credit fund.

Market risk arising from the investment portfolio is actively managed by the investment managers of the respective funds.

C.2.4 Prudent person principle

The Group has appointed external investment managers to manage its investment portfolio. The investment managers have mandates to invest assets with a view to achieving the investment objectives set by the Board within pre-agreed risk restrictions. The investment managers are obliged under the agreement with Simplyhealth to act in good faith and with reasonable care and skill, and by having regard to the Prudent Person Principle as instructed by the Group, when investing the Group’s assets.

Simplyhealth performs regular reviews of the investment portfolio to ensure:

- Assets held by the Group are compliant with the PRA Rulebook on UK Solvency II;
- Assets are only invested in instruments which can be suitably modelled and valued;
- Investments are of a suitable quality and are within the pre-agreed restrictions set by the Board;
- Sufficient analysis is provided to allow Simplyhealth to fully understand the nature of all investments, including those within collective investment schemes, on a detailed look-through basis;
- Assets are properly diversified in such a way as to avoid excessive reliance on any particular asset, issuer or group of undertakings, or geographical area and excessive accumulation of risk in the portfolio as a whole;
- The Group is not exposed to excessive risk concentrations; and
- The investment portfolio has sufficient assets to cover derivative positions to ensure that these positions are proportionate in size to the overall portfolio.

C.2.5 Risk sensitivities

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

Variable	Change in variable	Potential increase / (decrease) in profit after tax and UK Solvency II Own Funds - £m
Interest rate risk	-150 basis points	4.6
	+150 basis points	(4.4)
Equity price risk	+ 20% global equity market	2.7
	-20% global equity market	(2.7)
Currency risk	+15% spot rate against USD/EUR	-
	-15% spot rate against USD/EUR	-
Credit spread risk	-50 basis points	1.9
	+100 basis points	(3.7)

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

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

The Group continues to review its investment strategy, reflecting the latest macro-economic conditions. The Group exited its investments through PIMCO and moved to M&G. This decision was taken due to a number of reasons including poor performance versus benchmarking, issues with Tripartite Template reporting and deterioration in ESG scores of the fund. 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.

C.3 Credit risk

C.3.1 Material risks

Credit risk is the risk that counterparties will cause a financial loss to the Group by failing to discharge a financial obligation. The Group has exposure from the following areas:

- Amounts held with banks and other financial institutions;
- Counterparty defaults on debt securities;
- Amounts due from insurance premium debtors; and
- Amounts due from other group undertakings and guarantees offered to other group entities.

C.3.2 Measures used to assess the risk

The following measures are used to assess and manage credit risk:

Regular monitoring

- Cash balances are regularly reviewed to monitor and limit concentrations of risk.
- Credit ratings assigned to counterparties by international credit rating agencies, capital ratios and other financial information are monitored regularly.
- Credit Default Swap (CDS) rates are monitored weekly and are used as indicators of credit risk.
- Total levels of debt are managed to within approved limits. An allowance for doubtful debts is maintained and regularly monitored as part of the Group's internal financial reporting processes.

Capital measurements

- Liquidity risk is assessed within the ORSA.
- We have clear Board approved Risk Appetites to ensure sufficient liquidity and cashflow is maintained.

C.3.3 Risk mitigation techniques and the prudent person principle

The Group's exposure to credit risk is primarily mitigated by placing cash deposits with reputable banks that have strong credit ratings. The Group also operates a system of limits for each bank in accordance with its risk appetite. The Group's risk policies limit the maximum exposure with any single counterparty, excluding the UK Government, to £60m.

The Investment Management Agreement sets out the parameters under which the Investment Manager can operate including:

- The definition of eligible instruments;
- Asset allocation between the range of eligible instruments;
- The acceptable credit rating of counterparties; and
- Acceptable levels of concentration risk.

Adherence to this policy is monitored by the Risk and Capital Committee and the Group Finance Committee. 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. Premium and other trade debtors are subject to strict credit control and oversight.

C.4 Liquidity risk

C.4.1 Material risks

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.

The Group's insurance liabilities are of short duration; insurance contracts do not generally exceed 12 months, and the majority of claims are settled within twelve months of being incurred.

There have been no instances during the reporting year where assets have had to be liquidated outside of plan, to meet financial obligations.

C.4.2 Measures used to assess the risk

The following measures are used to assess liquidity risk:

Cash flow projections

- The Group performs cash flow projections over its business planning time period. This information along with forecast performance information is used to assess overall liquidity risk as part of the Group's going concern assessment on an annual basis.
- Liquid resources, commitments, and liabilities are reviewed regularly as part of day-to-day operations to inform the current and forecast view of liquidity risk.
- The Group also reviews the effect on liquidity in the event of material changes during the year.

Treasury management

- The Group's overall treasury needs are considered over the short and medium term.
- Liquidity risk is measured daily through absolute level targets and monthly through a cash coverage ratio which measures the Group's ability to cover its working capital requirements.

Capital measurements

- Liquidity risk is assessed within the ORSA.

C.4.3 Risk mitigation techniques and the prudent person principle

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 considers the composition of its assets in terms of their nature, duration, and liquidity to be appropriate and sufficient to meet its obligations as they fall due in line with the asset-liability management policy.

C.4.4 Expected profit in future premiums

Expected profits included in future premiums ("EPIFP") is calculated as the difference between:

- The technical provision using best estimate assumptions without a risk margin; and
- The technical provisions without a risk margin under the assumption that no further premiums will be received in the future for any reason other than the insured event having occurred, regardless of any legal or contractual rights of the policyholder to discontinue the policy.

The EPIFP calculation is performed at a homogeneous risk group level.

C.5 Operational risk

C.5.1 Material risks

Operational risk could lead to financial loss, customer detriment, reputational damage and potentially failure to meet regulatory objectives. It arises from inadequacies or failures of processes, people, and systems or from external events.

The material operational risks that the Group is exposed to are as follows:

- People capability & capacity: There is a risk we fail to recruit, develop, reward and retain the required resources to deliver on our strategy.
- Change does not deliver the expected benefits: 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.
- 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.
- Data Migration: The risk that the migration of data to the new policy platform is delayed or poorly managed, resulting in error or missed benefits.
- Data Breach: There is a risk of compromise of customer or employee data as a result of malicious, negligent or unintended staff activity, or from a cyber-attack.

There were no material operational risk losses or incidents during the reporting year that require disclosure.

C.5.2 Measures used to assess the risk

The following measures are used to assess operational risk:

Risk registers

- A comprehensive view of operational risk is achieved by considering both top-down and bottom-up perspectives.
- Operational risks are primarily identified, assessed and managed by Business Units through their risk registers. Risk registers set out the key risks, their causes and consequences, and an assessment of the likelihood of those risks occurring along with an estimate of the potential impacts. A consistent standard methodology, facilitated by the Group Risk function, is implemented across the Group.
- The Board's top risk assessment process gives consideration to operational risk topics which are most significant to the organisation and affect every Business Unit. The Group Risk function facilitates this process, ensuring risks are identified and assessed on a consistent basis across different levels in the organisation.

Risk appetite measures

- A number of operational risk appetite measures are in place, including, but not limited to, the availability of our systems, the engagement and retention of our people and the performance of our suppliers.

Capital measurements

- Regulatory capital is measured on a quarterly basis using the Standard Formula SCR.
- Operational risk is also assessed within the ORSA.

C.5.3 Risk mitigation techniques

Simplyhealth seeks to mitigate operational risk by maintaining a robust governance framework, including the Operations Committee, with clear roles and responsibilities, supported by policies and procedures that are designed to support staff in performing their day-to-day tasks while effectively managing the risks inherent in those tasks.

C.5.4 Prudent person principle

Not applicable to operational risk.

C.6 Other material risks

Financial Risks of Climate Change

This ORSA report does not currently include a specific scenario relating to climate change, as our annual Climate Change Risk-Assessment concludes that our strategy is resilient to climate change over the short to medium term.

This assessment was last conducted in September 2025 and demonstrated that all identified physical and transition risks remain stable in their performance, with longer-term financial impacts expected to be managed through adjustments to pricing and products.

Updates to our risk modelling in this area included assessing last year's Operational Resilience scenarios in the context of climate-related events. For example, one scenario modelled the impact of a fire in Anton House, which may plausibly result from air-conditioning systems being overwhelmed and print machinery overheating and catching fire. Whilst service levels would be adversely impacted, our flexible working policy would ensure that disruption is minimised.

We also modelled the effect of a 20% productivity loss caused by uncomfortable home working conditions (i.e. due to increased temperatures and a lack of air conditioning at home). Whilst this modelling resulted in potential impacts between £7.2m and £11.2m, we anticipate that management actions (such as a return to the office) would significantly reduce the resultant loss. Whilst these values are above our materiality threshold, they have not been further modelled in this ORSA as the impact is less severe than the scenarios selected.

Digital security risk

A key tenet of our strategy is to digitise our business through the update or replacement of our IT infrastructure. As part of the strategy, we are moving more of our infrastructure into the cloud. We have fully considered the security risks when deciding which technology partner and platforms to use and are mindful that the services with a different security risk profile will require appropriate management.

The Policy 2.0 programme continues to progress our transition away from legacy technology, though some operational risk remains, for example in the event of a defect that is not identified in our testing. Our approach to testing is subject to continual review across the three lines of defence in order to limit the extent of any impact and all decisions relating to migration are governed by a steering committee with appropriate business representation.

We continue to actively monitor our internal and external security threats to ensure we safeguard our customer and company data.

We continue to patch our systems as updates are released and deliver our planned penetration testing.

Regular security awareness training, including phishing testing, is in place for all staff to support awareness of the risk, with performance reported to senior management.

The First Line Cyber Security and Business Resilience team are responsible for the day-to-day management of security risk and all control activity, such as vulnerability and patch management, penetration testing, and working alongside our third-party Security Operations Centre provider. There is a clear link to our broader technology resilience, so this team is also responsible for business continuity planning and coordinating our operational resilience activity. All work in this area is overseen by a dedicated member of the Risk function.

The management of security risk is fully embedded within our Risk framework. We have a clear risk appetite and measures which track our security risk exposure and any remedial actions required. Our performance against these measures is overseen on a monthly basis by our Operations Committee, with quarterly reporting to the Executive and Risk and Capital Committees.

During the year, there have been no material security incidents.

Non-insurance profit risk

Non-insurance profit risk refers to the revenue and expense risks associated with the non-insurance activities of the Group.

This risk is addressed by robust corporate governance and risk management frameworks that ensure risks are effectively and coherently identified, assessed, mitigated, managed and monitored across the Group. These frameworks also facilitate the timely and comprehensive reporting of business performance and risk management to the Board that allows them to effectively manage the Group.

C.7 Any Other Information

C.7.1 Any other information

There is no other information that is required to be provided with regard to the risk management system for the Group. Practi is not material and will be covered in the CEO's commentary.

The Group's ORSA report sets out the description of the scenarios, the methodologies used and the outcome of the assessment. The stress and scenario tests performed during the reporting period, described earlier, have been approved by the Board.

D. Valuation for Solvency Purposes

The following tables provide a summary of the balance sheet prepared for the financial statements, and the reclassifications and valuation adjustments required to form the UK Solvency II balance sheet. All valuations are presented in pounds sterling on a going concern basis and are drawn up to 31 December 2025.

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. This is referred to as UK Generally Accepted Accounting Practice (“UK GAAP”).

The UK Solvency II balance sheet has been prepared in accordance with the market-consistent valuation approach set out in the PRA Rulebook, which requires that (unless otherwise stated):

- Assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm’s length transaction; and
- Liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable, willing parties in an arm’s length transaction.

A description of the bases, methods and main assumptions used for the valuation for solvency purposes, and the material differences to those used in the financial statements, is set out in sections D.1 (assets), D.2 (technical provisions) and D.3 (other liabilities). These apply to both the Group and Simplyhealth Access.

There were no material changes in the recognition and valuation bases used or to the bases used for making estimations during the reporting period.

Simplyhealth Group Limited

Consolidated balance sheet

As at 31 December 2025

		Financial statements (UK GAAP)	Reclassification adjustments	UK Solvency II valuation adjustments	UK Solvency II
Assets	Section	£m	£m	£m	£m
Other intangible assets	D.1.1	2.7	0.0	(2.7)	0.0
Deferred acquisition costs	D.1.2	1.9	0.0	(1.9)	0.0
Deferred tax assets	D.1.3	1.3	(1.3)	0.0	0.0
Property, plant and equipment held for own use	D.1.4	3.5	0.0	0.0	3.5
Investment holdings in related undertakings	D.1.5	0.0	0.0	0.0	0.0
Unlisted equity investments	D.1.6	0.0	13.6	0.0	13.6
Bonds	D.1.6	99.7	1.3	0.0	101.0
Collective Investment Undertakings	D.1.6	113.5	0.0	0.0	113.5
Other investments	D.1.6	13.6	(13.6)	0.0	0.0
Derivative assets	D.1.6	0.8	0.0	0.0	0.8
Insurance and intermediaries receivables	D.1.7	89.7	(86.5)	0.0	3.2
Receivables (trade, not insurance)	D.1.8	2.6	0.0	(0.4)	2.2
Cash and cash equivalents	D.1.9	47.3	0.0	0.0	47.3
Any other assets, not elsewhere shown	D.1.10	2.8	(1.3)	0.0	1.5
TOTAL ASSETS		379.4	(87.8)	(5.0)	286.6
Liabilities	Section				
Technical provisions	D.2	90.0	(81.6)	(14.2)	(5.8)
Deferred tax liabilities	D.1.3	0.0	(1.3)	3.0	1.7
Derivative liabilities	D.1.6	0.0	0.0	0.0	0.0
Insurance and intermediaries payables	D.3.1	2.0	0.0	0.0	2.0
Payables (trade, not insurance)	D.3.2	9.9	(4.9)	0.0	5.0
Any other liabilities, not elsewhere shown	D.3.3	13.0	0.0	0.0	13.0
TOTAL LIABILITIES		114.9	(87.8)	(11.2)	15.9
Excess of Assets over Liabilities		264.5	0.0	6.2	270.7

Simplyhealth Access

Balance sheet

As at 31 December 2025

		Financial statements (UK GAAP)	Reclassification adjustments	UK Solvency II valuation adjustments	UK Solvency II
Assets	Section	£m	£m	£m	£m
Other intangible assets	D.1.1	0.0	0.0	0.0	0.0
Deferred acquisition costs	D.1.2	5.1	0.0	(5.1)	0.0
Deferred tax assets	D.1.3	0.0	0.0	0.0	0.0
Property, plant and equipment held for own use	D.1.4	2.5	0.0	0.0	2.5
Investment holdings in related undertakings	D.1.5	0.9	0.0	(0.2)	0.7
Unlisted equity investments	D.1.6	0.0	0.0	0.0	0.0
Bonds	D.1.6	99.7	1.3	0.0	101.0
Collective Investment Undertakings	D.1.6	113.5	0.0	0.0	113.5
Other investments	D.1.6	0.0	0.0	0.0	0.0
Derivative assets	D.1.6	0.8	0.0	0.0	0.8
Insurance and intermediaries receivables	D.1.7	74.5	(73.2)	0.0	1.3
Receivables (trade, not insurance)	D.1.8	14.1	(10.7)	0.0	3.4
Cash and cash equivalents	D.1.9	7.9	0.0	0.0	7.9
Any other assets, not elsewhere shown	D.1.10	1.3	(1.3)	0.0	0.0
TOTAL ASSETS		320.3	(83.9)	(5.3)	231.1
Liabilities	Section				
Technical provisions	D.2	90.0	(81.6)	(14.4)	(6.0)
Deferred tax liabilities	D.1.3	0.0	0.0	2.3	2.3
Derivative liabilities	D.1.6	0.0	0.0	0.0	0.0
Insurance and intermediaries payables	D.3.1	1.5	0.0	0.0	1.5
Payables (trade, not insurance)	D.3.2	18.5	(2.3)	0.0	16.2
Any other liabilities, not elsewhere shown	D.3.3	1.4	0.0	0.0	1.4
TOTAL LIABILITIES		111.4	(83.9)	(12.1)	15.4
Excess of Assets over Liabilities		208.9	0.0	6.8	215.7

D.1 Assets

D.1.1 Other intangible assets

Intangible assets include items such as computer software.

Under UK GAAP, intangible assets are amortised on a straight-line basis over their estimated useful economic lives and are assessed annually for impairment.

Under UK Solvency II, intangible assets are given no economic value if they cannot be traded in an active market.

D.1.2 Deferred acquisition costs

Costs relating to the acquisition of new insurance contracts that were deferred to the extent that they are expected to be recovered out of future margins are not allowable as an asset under the UK Solvency II regime. The economic value ascribed for solvency purposes is nil.

D.1.3 Deferred taxation

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

Under UK GAAP, timing differences are differences between an entity'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. 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.

For solvency purposes, timing differences are differences between the economic value of assets and liabilities on the UK Solvency II balance sheet and their tax base. The deferred tax valuation adjustment shown in the UK Solvency II balance sheet is primarily attributable to the recognition of expected future taxable profits in the technical provisions arising from temporary timing differences. We do not currently recognise any loss absorbency of deferred tax within the SCR calculation due to the level of existing UK GAAP deferred tax assets.

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.

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

Deferred tax assets and liabilities are offset only if there is 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.

D.1.4 Property, plant and equipment

Individual freehold properties are revalued to fair value every year at the accounting year-end under the revaluation model. Properties are valued by professional external valuers using the Royal Institution of Chartered Surveyors (“RICS”) guidelines. The RICS guidelines apply separate assumptions to the value of the land, buildings and tenancy associated with each property. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific property.

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life. Assets in the course of construction are not depreciated and are reviewed annually for indicators of impairment. Tangible fixed assets have not been re-measured for solvency purposes as their carrying value under UK GAAP is considered to be a proportionate approximation of fair value.

D.1.5 Investment holdings in related undertakings

In the Simplyhealth Access financial statements, investment in subsidiaries is measured at current value. Under UK Solvency II, the economic value of related undertakings is determined using the adjusted equity method. This method requires the net assets of the underlying undertakings to be valued in accordance with UK Solvency II valuation principles on a ‘look-through’ basis. Goodwill, intangible assets and deferred acquisition costs within the underlying undertakings are given no value.

Entities in which the Group holds an interest, and which are jointly controlled by the Group and one or more other venturers under a contractual arrangement are treated as joint ventures in the Simplyhealth Group financial statements. Under UK GAAP, the Group’s share of the results of joint ventures and associates is included in the Group statement of comprehensive income using the equity method of accounting.

Investments in joint ventures are carried in the Group statement of financial position at cost plus post-acquisition changes in the Group’s share of the net assets of the entity, less any impairment in value. For UK Solvency II a ‘look-through’ basis is applied.

Quoted prices in an active market are not available for any Group undertaking. This is a primary factor supporting the consolidated accounts of the group as a whole forming the basis of UK Solvency II calculations in alignment with the Consolidation method 1, prescribed in the PRA Rulebook. All submissions to the PRA have been completed on this basis with no comments received upon the basis of calculation.

PRA Rulebook - UK Solvency II

Companies should be consolidated within the “group” where:

- They are insurance companies;
- They are ancillary service companies in supporting the insurance undertaking; and
- They are financial holding companies of the parent undertaking.

D.1.6 Investments

Debt instruments, collective investment undertakings, derivative assets and liabilities and equity shares in the investment portfolio are designated as fair value through profit and loss.

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 Company 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, collective investment schemes 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. 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'.

The Amendment to FRS 102 in respect of Fair Value Hierarchy Disclosures sets out the measurement bases that can be used to value financial assets and liabilities held at 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 Simplyhealth 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 investments held at fair value by the Group according to the above hierarchy:

UK Solvency II valuation	Level 1	Level 2	Level 3	Total
	£m	£m	£m	£m
Unlisted equity investment	-	-	13.6	13.6
Debt securities	-	99.7	-	99.7
Collective investment undertakings	-	113.5	-	113.5
Derivative assets	-	0.8	-	0.8
Total investments held at fair value	-	214.0	13.6	227.6

For solvency purposes, the following reclassification adjustment is made:

- Accrued interest is reclassified from 'any other assets, not elsewhere shown' to 'bonds'.

D.1.7 Insurance and intermediaries receivables

Simplyhealth accounts for its insurance business on a monthly or annual basis depending on the period of cover provided by the contract.

Under UK GAAP, insurance and intermediaries receivables are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. For solvency purposes, insurance premium receivables that are not yet due for payment at the balance sheet date are reclassified as cash inflows within the technical provision. The remaining insurance receivables balance corresponds to the amount due for payment by policyholders. These are expected to be paid within one year.

D.1.8 Receivables (trade, not insurance)

Receivables (trade, not insurance) corresponds to receivables not related to the insurance business.

D.1.9 Cash and cash equivalents

Cash and cash equivalents in the financial statements consist of cash balances, deposits and other financial instruments with a maturity of less than 90 days from the date of deposit or purchase. This includes funds held on behalf of third parties that are not available for use by Simplyhealth.

Third-party funds held by the consolidated Simplyhealth Group 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 in 'payables (trade, not insurance)'. The inclusion of these funds on the balance sheet therefore has no impact on the net assets of the Group.

Other financial instruments that are cash equivalents for financial statements purposes but take the form of debt securities are reclassified as such for UK Solvency II.

Under UK Solvency II, cash and cash equivalents are valued at the amount payable on demand.

D.1.10 Any other assets, not elsewhere shown

Items included under this heading include prepayments and accrued interest receivable. The UK Solvency II valuation includes the reclassification of accrued interest to 'bonds'.

D.2 Technical provisions

Health (similar to non-life): Medical Expenses	SHG		SHA	
	At 31 December 2025	At 31 December 2024	At 31 December 2025	At 31 December 2024
	£m	£m	£m	£m
Provision for unearned premiums	78.7	78.0	78.7	78.0
Provision for claims outstanding	11.3	13.3	11.3	13.3
Financial Statements (UK GAAP)	90.0	91.3	90.0	91.3
Insurance premium receivables not yet overdue	(86.4)	(85.5)	(86.4)	(85.5)
Insurance premium tax payable	4.9	5.1	4.9	5.1
Reclassification adjustments	(81.6)	(80.4)	(81.6)	(80.4)
Unearned premium economic adjustments	(31.9)	(33.9)	(31.9)	(33.9)
Provision for adverse development of claims	(0.6)	(0.8)	(0.6)	(0.8)
Events Not In Data adjustments	2.8	2.9	2.8	2.9
Expense adjustments	14.3	17.8	14.1	17.7
Discounting adjustments	(0.0)	(0.1)	0.0	(0.2)
Risk margin	1.1	1.2	1.1	1.2
UK Solvency II valuation adjustments	(14.3)	(12.9)	(14.5)	(13.1)
Best estimate liability	(6.9)	(3.2)	(7.1)	(3.4)
Risk margin	1.1	1.2	1.1	1.2
UK Solvency II	(5.8)	(2.0)	(6.0)	(2.2)

Under UK Solvency II, technical provisions for a UK UK Solvency II firm are valued in accordance with the PRA Rulebook, Technical Provisions part. The Rulebook (Technical Provisions 2.2) requires that the value of technical provisions must correspond to the current amount that the firm would have to pay if it were to transfer its insurance and reinsurance obligations immediately to another UK UK Solvency II firm.

The value of technical provisions must be equal to the sum of a best estimate and a risk margin. The best estimate and the risk margin must be valued separately.

The best estimate must correspond to the probability-weighted average of future cash-flows, taking into account the time value of money using the relevant risk-free interest rate term structure, and the risk margin must be an amount equal to the cost that a UK UK Solvency II firm would incur in order to hold eligible own funds to cover the SCR necessary to support the insurance obligations over their lifetime, determined using the cost-of-capital rate.

The bases, methods and main assumptions used for the valuation of technical provisions are as follows:

Calculation basis

- Simplehealth uses a going concern basis of calculation.
- Simplehealth's insurance exposure is to a single line of business, 'Medical Expenses'.
- Technical provisions are estimated using a deterministic approach, in which outcomes are precisely determined through known relationships and best estimate assumptions using a mathematical model.

Segmentation

- Simplehealth segments its insurance and reinsurance obligations into homogeneous risk groups and performs all key best estimate calculations at this level.

Data

- The data used in the calculation of technical provisions are considered to be complete, accurate and appropriate as defined in Article 12.1 of the Technical Provisions part of the PRA Rulebook.

Best estimate

- The calculation of the best estimates is based upon up-to-date and credible information and realistic assumptions and is performed using adequate, applicable and relevant actuarial and statistical methods.
- The technical provision has been assessed on a best estimate basis and is intended to represent the expected value over a reasonable range of estimates. As such, these estimates do not contain margins for prudence. An allowance is made for low-probability high-severity events beyond the range of reasonably foreseeable; this is referred to as Events not in Data (“ENID”).
- The claims provision best estimate and premium provision best estimate are calculated separately as required for non-life insurance undertakings.
- The best estimates are calculated gross of reinsurances ceded as all reinsurances have been fully run-off.

Cash flow basis

- Technical provisions are calculated and projected on a cash flow basis, incorporating all expected cash inflows and outflows required to settle insurance obligations over their full lifetime.
- All cash flows are subject to discounting using the basic risk-free rates published by the Bank of England (without the matching adjustment and volatility adjustment). It is calculated on the assumption that cash flows occur midway through each year.

Expenses

- Expenses include all amounts that will be incurred servicing the obligations of the insurance contracts. This includes, but is not limited to, administrative expenses, investment management expenses, claims management expenses, insurance premium tax, and acquisition costs not yet incurred. The allocation of overheads is performed on a going concern basis, and as such, assumes contracts will run to their expected term and a proportion of expected future costs will be covered by future business.
- The expenses calculation is based upon the amount that another insurer is likely to incur if they were taking over the management of the business at the valuation date. This does not include costs associated with the transfer of business between insurers.

Level of uncertainty associated with the value of technical provisions

- Actuarial best estimates are subject to a degree of uncertainty due to the inherent limitation of one’s ability to predict the aggregate course of future events. Sources of uncertainty include the frequency and severity of claims payments, claims settlement patterns, lapse rates and economic developments such as claims inflation which may lead to actual experience differing from that implied by these assumptions.
- There is a low level of uncertainty associated with the technical provision as Simplyhealth’s insurance business is relatively short-tailed and exhibits a stable claims settlement pattern.

D.2.1 Claims provision best estimate

The UK Solvency II claims provision replaces the UK GAAP provision for outstanding claims.

The claims provision is equivalent to the discounted best estimate of all future cash flows relating to claim events arising prior to the valuation date.

The underlying claims best estimate is represented by a provision for claims incurred but not yet paid. This provision is determined using traditional actuarial techniques for health businesses including the Chain Ladder Method, and, for more recent incurred periods, blending this with a trended expected cost per member per month, (the Projection Method), adjusted for monthly seasonality. The main assumptions in the estimation of this liability relate to the expected frequency, severity and settlement patterns of claims; these are expected to be consistent with recently observed experiences and trends but may undergo adjustment, with the use of expert judgement, where appropriate. The basis and calculation of the estimate is reviewed annually against claims experience.

The material differences between the UK Solvency II and UK GAAP valuations are as follows:

- The UK GAAP valuation includes a provision for adverse development of claims costs. This is replaced in the UK Solvency II valuation by an ENID allowance.
- The UK GAAP valuation includes a provision for claims handling costs. This is replaced in the UK Solvency II valuation by an estimate of all future expenses that would be incurred servicing these obligations.
- The UK Solvency II valuation is discounted.

D.2.2 Premium provision best estimate

The UK Solvency II premium provision replaces the UK GAAP provision for unearned premium.

The provision for unearned premium represents the proportion of premiums written that relate to periods of risk in future accounting periods. It is calculated separately for each insurance contract and on a pro rata basis.

This premium provision, however, is equivalent to the discounted best estimate of all future cash flows relating to claims occurring after the valuation date and covering the unexpired exposure of existing contracts and committed but not incepted contracts. Negative premium provisions arise when the present value of future cash inflows exceed the present value of future cash outflows. Simplyhealth has negative premium provisions because its insurance premiums are primarily settled on a monthly basis and not at the inception or renewal of the policy.

The premium provision best estimate calculation consists of the following steps:

- Premiums connected to all future insurance obligations are projected until the contract boundary. This includes an adjustment for lapses and mid-term cancellations which are projected in line with business expectations;
- The underlying claims best estimate arising from these obligations is projected in line with historical claims experience and current expectations;
- An allowance is made for ENID. This includes allowance for hospitalisation effects under pandemic scenarios.
- An estimate is made of all future expenses that would be incurred servicing these obligations;
- Insurance premium receivables connected to the future premiums which are not overdue are included as a cash inflow; and
- The cash flows are then discounted.

D.2.3 Risk Margin

The risk margin is the amount that another insurer taking on the liabilities at the valuation date would require over and above the best estimates. There is no equivalent provision under UK GAAP.

The risk margin is calculated by determining the cost of providing an amount of eligible own funds equal to the SCR necessary to support the obligations over their lifetime at a prescribed cost of capital rate of 4% per annum.

Future SCR's have been determined using the default method 1 risk margin calculation prescribed by the PRA. This method involves an approximation of individual (sub)-risks within some or all (sub)-modules within the calculation of future SCR's.

The SCR takes the following risks into account: underwriting risk with respect to the transferred business, counterparty default risk with respect to the reinsurer, and operational risk.

D.3 Other liabilities

D.3.1 Insurance and intermediaries payables

Simplyhealth accounts for its insurance business on a monthly or annual basis depending on the period of cover provided by the contract.

Under UK GAAP, insurance and intermediaries payables are measured at the undiscounted amount of the cash or other consideration expected to be paid. These are expected to be paid within one year.

D.3.2 Payables (trade, not insurance)

Payables (trade, not insurance) corresponds to payables not related to the insurance business. It is principally comprised of trade and sundry creditors, corporation tax and insurance premium tax. It also includes third party funds as described in section D.1.9 (cash and cash equivalents). Information on leasing arrangements is provided in section A.4 (performance of other activities).

For solvency purposes, insurance premium tax payable of £5.0m has been reclassified as cash outflows within the technical provisions.

D.3.3 Any other liabilities, not elsewhere shown

Items included under this heading include accruals.

D.4 Alternative methods for valuation

Level 3 investments comprise unlisted equity holdings held at fair value and short-term loans held at amortised cost.

D.5 Any other information

There is no further material information regarding the valuation of assets and liabilities for solvency purposes.

E. Capital Management

E.1 Own funds

E.1.1 Management of own funds

The Group manages its capital on both economic and regulatory bases to ensure it has sufficient funds to meet its business objectives, the promises made to policyholders and regulatory requirements.

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.

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 and Capital Committee, a sub-committee of the Board.

The Group maintains a solvency capital position which is the SCR and the addition, of a capital buffer, held to provide a margin of safety against an unforeseen event(s) which could result in a breach of the SCR. This approach increases the confidence that the Group will operate at a capital level that is in line with the Group's risk appetite.

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. Certain projects will also be undertaken to support risk management, improvement in processes and/or compliance with regulatory requirements.

The Group calculates and assesses its regulatory capital position, including the UK Solvency II SCR Coverage Ratio, on a quarterly basis. The Group's business plan is developed on an annual basis covering a three-year time horizon. The plan includes the projection of SCR and own funds estimates over the same period. A ten-year plan is also developed on a periodic basis which is used as a reference point to assess the performance trajectory of the Group against its long-term strategic goals. The development of significant business ventures is supported by detailed economic and financial business plan models.

There were no material changes in the capital management objective, policies or procedures during the reporting period.

E.1.2 Components of own funds

The Group's Capital Management policy sets out the following minimum thresholds in order to maintain the loss absorbing capacity of own funds:

- A minimum 50% of the SCR must be covered by Tier 1 own funds.
- Restricted Tier 1 own funds will constitute less than 20% of the Total Tier 1 own funds used to cover the SCR and Minimum Capital Requirement ("MCR").
- A maximum of 15% of the SCR will have a Tier 3 capital classification.

Simplyhealth maintains an appropriate level of capital within each tier to remain compliant with the thresholds allowable under UK Solvency II.

Capital tier	Details	SHG		SHA	
		At 31 December 2025 £m	At 31 December 2024 £m	At 31 December 2025 £m	At 31 December 2024 £m
Unrestricted tier 1	Share capital and reserves	270.7	250.0	215.7	200.3
Tier 3	Deferred tax	0.0	0.0	0.0	0.0
Eligible basic own funds to cover the MCR		270.7	250.0	215.7	200.3
Eligible own funds to cover the SCR		270.7	250.0	215.7	200.3

Own funds, within each undertaking in the Group, are principally comprised of retained reserves. Retained reserves is classified as unrestricted Tier 1 capital as it is available, or can be called upon demand, to fully absorb losses on a going-concern basis, as well as in the case of winding-up (permanent availability). The Group's own funds have been calculated net of any intra-group transactions using the default accounting consolidation-based method (method 1). Please refer to Quantitative Reporting Template ("QRT") IR.32.01.22 for the specific treatment applied to each undertaking.

Simplyhealth's own funds are not subject to transitional arrangements, nor does it have any ancillary own funds (committed but unpaid lines of capital).

Simplyhealth Group Limited is subject to a £5,000 deduction on its own funds arising from a local capital requirement to conduct other regulated activities within the Simplyhealth Funding Services Limited undertaking. There are no other restrictions affecting the availability, transferability or fungibility of own funds in any undertaking across the Group.

E.1.3 Reconciliation of UK GAAP equity to UK Solvency II eligible own funds

	SHG		SHA	
	At 31 December 2025 £m	At 31 December 2024 £m	At 31 December 2025 £m	At 31 December 2024 £m
UK GAAP equity per audited financial statements	264.5	245.1	208.9	193.8
Inadmissible asset: Goodwill and intangible assets	(2.7)	(3.5)	0.0	0.0
Inadmissible asset: Deferred acquisition costs	(1.9)	(1.6)	(5.1)	(4.2)
Adjust technical provisions to UK Solvency II basis	14.3	12.9	14.4	13.1
Deferred tax valuation adjustments	(3.0)	(2.7)	(2.3)	(2.2)
Investment valuation adjustments	0.0	(0.0)	(0.2)	(0.1)
Other asset/liability valuation adjustments	(0.5)	(0.2)	(0.0)	(0.1)
UK Solvency II eligible own funds	270.7	250.0	215.7	200.3

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Simplyhealth has used the Standard Formula, as defined in the Delegated Regulation, to calculate the SCR and MCR without undertaking-specific parameters or simplifications.

The Group SCR is calculated using the accounting consolidation-based method (method 1). There are no material diversification effects at Group level as Simplyhealth Access is the only insurance undertaking within the Group and it dominates the consolidated result.

A breakdown of the SCR by risk module is given below. The final amount of the SCR is subject to supervisory assessment.

Risk modules	SHG		SHA	
	At 31 December 2025 £m	At 31 December 2024 £m	At 31 December 2025 £m	At 31 December 2024 £m
Health underwriting risk	35.2	36.4	34.9	36.1
Counterparty default risk	4.5	6.1	2.4	4.6
Market risk	23.4	32.9	18.4	27.3
Diversification credit	(14.5)	(18.3)	(11.5)	(15.9)
Basic SCR requirement	48.6	57.1	44.2	52.1
Operational risk	6.4	6.6	6.4	6.6
Loss-absorbing capacity of deferred tax	(4.7)	(1.6)	(4.7)	(1.6)
Solvency Capital Requirement (SCR)	50.3	62.1	45.9	57.1
Minimum Capital Requirement (MCR)	11.5	14.3	11.5	14.3

SCR for the Group has increased over the reporting period impacted by favourable asset values on unlisted investments, leading to a higher capital charge through concentration risk. Market risk capital requirements reduced on securitised assets which underpins the reduction in capital charge at the regulated entity level.

The MCR is pre-determined within the UK Solvency II legislation and corresponds to an amount of eligible basic own funds below which policyholders and beneficiaries are exposed to an unacceptable level of risk if insurance undertakings were allowed to continue their operations. The MCR is calibrated to the Value-at-Risk of the basic own funds of an insurance undertaking subject to a confidence level of 85% over a one-year period. The MCR for insurance undertakings is based upon a proportion of the best estimate liability and written premiums, and is subject to a minimum value of 25% of the SCR or a maximum value of 45% of the SCR. The inputs used for this calculation are shown in the QRT IR.28.01.01. The MCR at group level, also referred to as minimum consolidated Group SCR, is the sum of the MCR's calculated for insurance undertakings within the Group.

Where there is a systematic approach to manage volatility through risk mitigation techniques the Solvency capital requirement has been calculated in accordance the PRA Rulebook.

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

The duration-based equity risk module, as described in the PRA Rulebook, is not used to calculate the SCR as Simplyhealth does not write retirement provision business.

E.4 Differences between the standard formula and any internal model used

Simplyhealth does not use an internal model to calculate the SCR.

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

Simplyhealth was compliant with the MCR and SCR throughout the reporting period.

E.6 Any other information

There is no further material information regarding the capital management of the Group or Simplyhealth Access.

Appendix

Statement of Directors' responsibilities

The Directors are responsible for preparing the SFCR in accordance with the PRA rules and UK Solvency II Regulations.

The PRA Rulebook for UK Solvency II firms in Rule 6.1(2) and Rule 6.2(1) of the Reporting Part requires that the Group must have in place a written policy ensuring the ongoing appropriateness of any information disclosed and that the Group must ensure that its SFCR is subject to approval by the Directors.

Each of the Directors, whose names and functions are listed in the Board of Directors section of the Report & Accounts, confirms that, to the best of their knowledge:

- Throughout the financial year in question, the Group and its solo insurance undertakings have complied in all material respects with the requirements of the PRA rules and UK Solvency II Regulations as applicable; and
- It is reasonable to believe that, at the date of the publication of the SFCR, the Group and its solo insurance undertakings continue so to comply and will continue so to comply in future.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Nicholas Potter', is written over a thin, light-colored diagonal line that extends from the bottom left towards the top right.

Nicholas Potter, Chief Financial Officer

31 March 2026

Report of the external independent auditor to the Directors of Simplyhealth Group Limited ('the Company') pursuant to Rule 4.1 (2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Group Solvency and Financial Condition Report ('SFCR')

Opinion

Except as stated below, we have audited the following documents prepared by the Company as at 31 December 2025:

the 'Valuation for solvency purposes' and 'Capital Management' sections of the SFCR of the Company as at 31 December 2025, ('the Narrative Disclosures subject to audit'); and

Group templates IR.02.01.02, IR.23.01.04, IR.25.04.22, IR.32.01.22 ('the Group Templates subject to audit'); and

Solo Templates IR.02.01.02, IR.17.01.02, IR.23.01.01, IR.25.04.21, IR.28.01.01 in respect of Simplyhealth Access ('the Solo Templates subject to audit').

The Narrative Disclosures subject to audit and the Group Templates and Solo Templates subject to audit are collectively referred to as the 'relevant elements of the Group SFCR'.

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

- o information contained within the relevant elements of the Group SFCR set out above which are, or derive from the Solvency Capital Requirement, as identified in the Appendix to this report;
- o the 'Executive Summary', 'Business and performance', 'System of governance' and 'Risk profile' elements of the Group SFCR;
- o Group templates IR.05.02.01, IR.05.04.02;
- o Solo templates IR.05.02.01, IR.05.04.02, IR.19.01.21;
- o the written acknowledgement by management of their responsibilities, including for the preparation of the Group SFCR ('the Responsibility Statement');
- o Information which pertains to an undertaking that is not a Solvency II undertaking and has been prepared in accordance with PRA rules or UK law other than the PRA Rulebook for Solvency II firms ('the sectoral information').

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

In our opinion, the information subject to audit in the relevant elements of the Group SFCR of the Company as at 31 December 2025 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rulebook for Solvency II firms, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Group SFCR in the UK, including the Financial

Reporting Council's (the 'FRC's') Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' sections of the Group SFCR, which describe the basis of accounting. The Group SFCR is prepared in compliance with the financial reporting provisions of the PRA Rulebook for Solvency II firms, and therefore in accordance with a special purpose financial reporting framework. The Group SFCR is required to be published, and intended users include but are not limited to the PRA. As a result, the Group SFCR may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

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 SFCR 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 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.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group SFCR does not cover the Other Information and we do not express an audit opinion or 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 relevant elements of the Group SFCR, 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 there is a material misstatement in the relevant elements of the Group SFCR 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 for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the SFCR in accordance with the financial reporting provisions of the PRA Rulebook for Solvency II firms which have been modified by the modifications and/or waivers, and supplemented by the approvals and determinations made by the PRA under section 138A and/or section 138BA of FSMA and the PRA Rulebook for Solvency II firms.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group SFCR that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group SFCR are prepared, in all material respects, with financial reporting provisions of the PRA Rulebook for Solvency II firms.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>. The same responsibilities apply to the audit of the Group SFCR.

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 company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit, risk, compliance, and the Audit Committee about their own identification and assessment of the risks of irregularities.

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

- had a direct effect on the determination of material amounts and disclosures in the SFCR. These included Solvency II; and
- do not have a direct effect on the SFCR but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Companies Act 2006 and related Company Law, and the wider 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 and IT 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, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating 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 SFCR 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, the Audit Committee, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with the Prudential Regulation Authority and Financial Conduct Authority.

Report on Other Legal and Regulatory Requirements

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Part of the PRA Rulebook for Solvency II firms, the sectoral information has been properly compiled in accordance with the PRA rules and UK law relating to that undertaking from information provided by members of the group and the relevant insurance group undertaking.


Other Information

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

We have nothing to report in relation to this matter.

Use of our Report

This report is made solely to the Directors of Simplyhealth Group Limited in accordance with Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms. We acknowledge that our report will be provided to the PRA for the use of the PRA solely for the purposes set down by statute and the PRA's rules. Our audit work has been undertaken so that we might state to the insurer's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Group SFCR 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 PRA, for our audit work, for this report or for the opinions we have formed.

Signed by:

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Matthew Bainbridge, FCA
Deloitte LLP
Leeds, United Kingdom
31 March 2026

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

Group standard formula

The relevant elements of the Group SFCR that are not subject to audit comprise:

The following elements of template IR.02.01.02

- Row R0565 – Transitional (TMTP) - life

The following elements of Group template IR.23.01.04

Rows R0410 to R0440: Own funds of other financial sectors

Row R0690: Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included in D&A

Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

Group Quantitative Reporting Templates

Simplyhealth Group Limited

General information

Participating undertaking name	Simplyhealth Group Limited
Group identification code and type of code	LEI/213800RMKBQM55BCRM77
Country of incorporation	GB
Country of the group supervisor	GB
Language of reporting	EN
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

- IR.02.01.02 - Balance sheet
- IR.05.02.01.01 - Premiums, claims and expenses by country
- IR.05.04.02 - Non-life income and expenditure – reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

All figures are presented in thousands of pounds with the exception of ratios that are in decimal.

Please note that totals may differ from the component parts due to rounding.

IR.02.01.02 - Balance sheet

		UK Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	3,472
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	228,949
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	13,646
R0110	<i>Equities – listed</i>	0
R0120	<i>Equities – unlisted</i>	13,646
R0130	<i>Bonds</i>	101,017
R0140	<i>Government Bonds</i>	43,266
R0150	<i>Corporate Bonds</i>	57,752
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	113,488
R0190	<i>Derivatives</i>	798
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	0
R0280	<i>Non-life and health similar to non-life</i>	0
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	3,246
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	2,267
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	47,266
R0420	Any other assets, not elsewhere shown	1,437
R0500	Total assets	286,637

IR.02.01.02 - Balance sheet (continued)

		UK Solvency II value
	Liabilities	C0010
R0505	Technical provisions - total	(5,765)
R0510	Technical provisions - non-life	(5,765)
R0515	Technical provisions - life	0
R0542	Best Estimate - total	(6,858)
R0544	<i>Best Estimate - non - life</i>	(6,858)
R0546	<i>Best Estimate - life</i>	0
R0552	Risk Margin - total	1,093
R0554	<i>Risk margin - non - life</i>	1,093
R0556	<i>Risk margin - life</i>	0
R0565	Transitional (TMTP) - life	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	1,685
R0790	Derivatives	2
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	2,028
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	5,020
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	0
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	12,968
R0900	Total liabilities	15,936
R1000	Excess of assets over liabilities	270,700

IR.05.02.01.01 - Premiums, claims and expenses by country

	C0010		C0070	
	Home Country		Total Top 5 and home country	
	C0080		C0140	
R0010 Non-life				
	Premiums written			
R0110 <i>Gross - Direct Business</i>	215,120		215,120	
R0120 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0130 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0140 <i>Reinsurers' share</i>	0		0	
R0200 <i>Net</i>	215,120		215,120	
	Premiums earned			
R0210 <i>Gross - Direct Business</i>	214,374		214,374	
R0220 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0230 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0240 <i>Reinsurers' share</i>	0		0	
R0300 <i>Net</i>	214,374		214,374	
	Claims incurred			
R0310 <i>Gross - Direct Business</i>	141,666		141,666	
R0320 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0330 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0340 <i>Reinsurers' share</i>	0		0	
R0400 <i>Net</i>	141,666		141,666	
R0550 Net Expenses incurred	59,470		59,598	

IR.05.04.02

Non-life income and expenditure : reporting period

	All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Non-life insurance and accepted proportional reinsurance obligations
	C0010	C0015	C0110
Income			
Premiums written			
R0110	Gross written premiums	215,120	215,120
R0111	Gross written premiums - insurance (direct)	215,120	215,120
R0113	Gross written premiums - accepted reinsurance	0	0
R0160	Net written premiums	215,120	215,120
Premiums earned and provision for unearned			
R0210	Gross earned premiums	214,374	214,374
R0220	Net earned premiums	214,374	214,374
Expenditure			
Claims incurred			
R0610	Gross (undiscounted) claims incurred	141,666	141,666
R0611	Gross (undiscounted) direct business	141,666	141,666
R0612	Gross (undiscounted) reinsurance accepted	0	0
R0690	Net (undiscounted) claims incurred	141,666	141,666
R0730	Net (discounted) claims incurred	141,666	141,666
Analysis of expenses incurred			
R0910	Technical expenses incurred net of reinsurance ceded	59,470	
R0985	Acquisition costs, commissions, claims management costs	10,073	10,073
Other expenditure			
R1140	Other expenses	0	
R1310	Total expenditure	201,136	

IR.23.01.04 - Own Funds

Basic own funds

- R0010 Ordinary share capital (gross of own shares)
- R0020 *Non-available called but not paid in ordinary share capital at group level*
- R0030 Share premium account related to ordinary share capital
- R0040 Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings
- R0050 Subordinated mutual member accounts
- R0060 *Non-available subordinated mutual member accounts at group level*
- R0070 Surplus funds
- R0080 *Non-available surplus funds at group level*
- R0090 Preference shares
- R0100 *Non-available preference shares at group level*
- R0110 Share premium account related to preference shares
- R0120 *Non-available share premium account related to preference shares at group level*
- R0130 Reconciliation reserve
- R0140 Subordinated liabilities
- R0150 *Non-available subordinated liabilities at group level*
- R0160 An amount equal to the value of net deferred tax assets
- R0170 *The amount equal to the value of net deferred tax assets not available at the group level*
- R0180 Other items approved by supervisory authority as basic own funds not specified above
- R0190 *Non available own funds related to other own funds items approved by supervisory authority*
- R0200 Minority interests (if not reported as part of a specific own fund item)
- R0210 *Non-available minority interests at group level*

R0220 **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as own funds**

Deductions

- R0250 Deductions for participations where there is non-availability of information
- R0260 Deduction for participations included by using D&A when a combination of methods is used
- R0270 **Total of non-available own fund items**
- R0280 **Total deductions**
- R0290 **Total basic own funds after deductions**

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
0	0		0	
0				
0	0		0	
0	0		0	
0		0	0	0
0				
0	0			
0				
0		0	0	0
0				
0		0	0	0
0				
270,695	270,695			
0		0	0	0
0				
0				0
0	0	0	0	0
0				
0				
0				
0				
0				
0	0	0	0	0
0	0	0	0	0
270,695	270,695	0	0	0

IR.23.01.04 - Own Funds (continued)

	Ancillary own funds
R0300	Unpaid and uncalled ordinary share capital callable on demand
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
R0320	Unpaid and uncalled preference shares callable on demand
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand
R0340	Letters of credit and guarantees
R0350	Letters of credit and guarantees other
R0360	Supplementary members calls
R0370	Supplementary members calls - other
R0380	Non available ancillary own funds at group level
R0390	Other ancillary own funds
R0400	Total ancillary own funds

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
0				
0				
0				
0				
0				
0				
0				
0				
0				
0			0	0

	Own funds of other financial sectors
R0410	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total
R0420	Institutions for occupational retirement provision
R0430	Non regulated entities carrying out financial activities
R0440	Total own funds of other financial sectors

0				
0				
0				
0	0	0	0	0

	Own funds when using the D&A, exclusively or in combination of method 1
R0450	Own funds aggregated when using the D&A and combination of method
R0460	Own funds aggregated when using the D&A and combination of method net of IGT

0				
0				

R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0530	Total available own funds to meet the minimum consolidated group SCR
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)

270,695	270,695	0	0	0
270,695	270,695	0	0	
270,695	270,695	0	0	0
270,695	270,695	0	0	

R0590	Consolidated Group SCR
R0610	Minimum consolidated Group SCR
R0630	Ratio of Eligible own funds to the Consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)
R0650	Ratio of Eligible own funds to Minimum Consolidated Group SCR
R0660	Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)
R0670	SCR for entities included with D&A method
R0680	Group SCR
R0690	Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A

50,289				
11,469				
538.3%				
2360.2%				
270,695	270,695			
0				
50,289				
538.3%				

	Reconciliation reserve
R0700	Excess of assets over liabilities
R0710	Own shares (held directly and indirectly)
R0720	Foreseeable dividends, distributions and charges
R0725	Deductions for participations in financial and credit institutions
R0730	Other basic own fund items
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0750	Other non-available own funds
R0760	Reconciliation reserve

	C0060
	270,700
	0
	0
	5
	0
	0
	0
	270,695

IR.25.04.22 - Own Funds Solvency Capital Requirement

		Gross solvency capital requirement
		C0110
		9,454
		6,752
		625
		15,344
		1,379
		292
		0
		(10,420)
		23,426
		4,175
		423
		0
		(97)
		4,501
		0
		35,134
		335
		0
		(250)
		35,219
		0
		6,431
		0
		6,431
		80,344
		69,577
		(14,628)
		54,949
		0
		(4,660)
		0
		50,289
		0
		0
		50,289
		50,289
		0
		0
		50,289

IR.32.01.22 - Undertakings in the scope of the group

Country	Identification code and type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
							% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation			
C0010	C0020	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	LEI/213800RMKB QM55BCRM77	Simplyhealth Group Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None							Included in the scope		Method 1: Full consolidation
GB	LEI/213800Q4EQ IDJORG2I30	Simplyhealth Access	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/213800IWOR FTLU23G981	Denplan Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/21380082WL 8PCGRNF629	Simplyhealth Funding Services Limited	Credit institution, investment firm and financial institution	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/21380098D8 MES2KKVN41	Simplyhealth Guidance Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/213800AC4T SSNV14Q244	Simplyhealth Holdings Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/213800V8HR R3L4HUR462	Simplyhealth Nominees Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	LEI/213800GWO6 QO64BWB775	Simplyhealth People Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	SC/213800RMKB QM55BCRM77-GB00001	Simplyhealth Venture Onel Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	SC/213800RMKB QM55BCRM77-GB00002	Simplyhealth Venture Capital Limited	Credit institution, investment firm and financial institution	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	SC/213800RMKB QM55BCRM77-GB00003	Simplyhealth Foundry Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Company limited by shares or by guarantee or unlimited	Non-mutual	None	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation

Solo Quantitative Reporting Templates

Simplyhealth Access

General information

Entity name	Simplyhealth Access
Entity identification code and type of code	LEI/213800O4EQIDJORG2I30
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Country of authorisation	GB
Language of reporting	EN
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

- IR.02.01.02 - Balance sheet
- IR.05.02.01.01 - Premiums, claims and expenses by country
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.17.01.02 - Non-Life Technical Provisions
- IR.19.01.21 - Non-Life insurance claims
- IR.23.01.01 - Own Funds
- IR.25.04.21 - Solvency Capital Requirement
- IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

All figures are presented in thousands of pounds with the exception of ratios that are in decimal.

Please note that totals may differ from the component parts due to rounding.

IR.02.01.02
Balance sheet

		UK Solvency II value
		C0010
	Assets	
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	2,500
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	215,971
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	648
R0100	<i>Equities</i>	20
R0110	<i>Equities - listed</i>	0
R0120	<i>Equities - unlisted</i>	20
R0130	<i>Bonds</i>	101,017
R0140	<i>Government Bonds</i>	43,266
R0150	<i>Corporate Bonds</i>	57,752
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	113,488
R0190	<i>Derivatives</i>	798
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	0
R0280	<i>Non-life and health similar to non-life</i>	0
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	0
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	1,256
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	3,471
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	7,886
R0420	Any other assets, not elsewhere shown	0
R0500	Total assets	231,084

IR.02.01.02

Balance sheet (continued)

		UK Solvency II value
	Liabilities	C0010
R0505	Technical provisions total	(5,953)
R0510	Technical provisions – non-life	(5,966)
R0515	Technical provisions – life	0
R0542	Best estimate - total	(7,046)
R0544	Best estimate - non-life	(7,046)
R0546	Best estimate – life	0
R0552	Risk Margin - total	1,093
R0554	Risk margin – non – life	1,093
R0556	Risk margin – life	0
R0565	Transitional (TMTP) - life	0
R0730	Other technical provisions	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	2,324
R0790	Derivatives	2
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	1,501
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	16,218
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in BOF</i>	0
R0870	<i>Subordinated liabilities in BOF</i>	0
R0880	Any other liabilities, not elsewhere shown	1,332
R0900	Total liabilities	15,422
R1000	Excess of assets over liabilities	215,662

IR.05.02.01.01

Premiums, claims and expenses by country

	C0010		C0070	
	Home Country		Total Top 5 and home country	
	C0080		C0140	
R0010 Non-life				
	Premiums written			
R0110 <i>Gross - Direct Business</i>	215.120		215.120	
R0120 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0130 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0140 <i>Reinsurers' share</i>	0		0	
R0200 <i>Net</i>	215.120		215.120	
	Premiums earned			
R0210 <i>Gross - Direct Business</i>	214,374		214,374	
R0220 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0230 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0240 <i>Reinsurers' share</i>	0		0	
R0300 <i>Net</i>	214,374		214,374	
	Claims incurred			
R0310 <i>Gross - Direct Business</i>	141,666		141,666	
R0320 <i>Gross - Proportional reinsurance accepted</i>	0		0	
R0330 <i>Gross - Non-proportional reinsurance accepted</i>	0		0	
R0340 <i>Reinsurers' share</i>	0		0	
R0400 <i>Net</i>	141,666		141,666	
R0550 Expenses incurred	67,503		67,503	

IR.05.04.02

Non-life income and expenditure : reporting period

All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Non-life insurance and accepted proportional reinsurance obligations
		Medical expense insurance
C0010	C0015	C0110

Income

Premiums written

R0110	Gross written premiums	215,120	215,120
R0111	Gross written premiums - insurance (direct)	215,120	215,120
R0113	Gross written premiums - accepted reinsurance	0	0
R0160	Net written premiums	215,120	215,120

Premiums earned and provision for unearned

R0210	Gross earned premiums	214,374	214,374
R0220	Net earned premiums	214,374	214,374

Expenditure

Claims incurred

R0610	Gross (undiscounted) claims incurred	141,666	141,666
R0611	Gross (undiscounted) direct business	141,666	141,666
R0612	Gross (undiscounted) reinsurance accepted	0	0
R0690	Net (undiscounted) claims incurred	141,666	141,666
R0730	Net (discounted) claims incurred	141,666	141,666

Analysis of expenses incurred

R0910	Technical expenses incurred net of reinsurance ceded	67,503		
R0985	Acquisition costs, commissions, claims management costs	29,723	29,723	29,723

Other expenditure

R1140	Other expenses	292		
R1310	Total expenditure	213,948		

IR.17.01.02
Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance	Total Non-Life obligation
		Medical expense insurance	
		C0020	C0180
Best estimate			
Premium provisions			
R0060	Gross	(18,290)	(18,290)
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0
R0150	Net Best Estimate of Premium Provisions	(18,290)	(18,290)
Claims provisions			
R0160	Gross	11,244	11,244
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0
R0250	Net Best Estimate of Claims Provisions	11,244	11,244
R0260	Total best estimate - gross	(7,046)	(7,046)
R0270	Total best estimate - net	(7,046)	(7,046)
R0280	Risk margin	1,093	1,093
Technical provisions – total (best estimate plus risk margin)			
R0320	Technical provisions - total	(5,953)	(5,953)
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	0	0
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	(5,953)	(5,953)

IR.19.01.21

Non-Life insurance claims

Total Non-life business

Z0010

Accident year / underwriting year

Accident Year

Gross Claims Paid (non-cumulative) (absolute amount)														
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Year	Development year											In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +			
R0100	Prior										9			
R0160	N-9	245,019	24,255	750	206	94	34	21	19	7	4		4	270,408
R0170	N-8	192,105	15,286	675	196	58	40	25	22	8			8	208,415
R0180	N-7	139,105	13,892	658	136	73	40	25	7				7	153,935
R0190	N-6	135,391	12,599	524	157	78	61	17					17	148,828
R0200	N-5	138,102	10,722	717	220	122	34						34	149,918
R0210	N-4	99,067	11,180	580	202	60							60	111,089
R0220	N-3	127,500	11,508	725	99								99	139,831
R0230	N-2	128,200	12,597	685									685	141,483
R0240	N-1	138,041	8,700										8,700	146,741
R0250	N	133,895											133,895	133,895
R0260													Total	1,604,552

Gross undiscounted Best Estimate Claims Provisions (absolute amount)														
	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		Year end (discounted data)	
Year	Development year											C0360		
	0	1	2	3	4	5	6	7	8	9	10 & +			
R0100	Prior										0		0	
R0160	N-9	0	967	202	39	0	0	0	0	0	0		0	
R0170	N-8	17,551	832	217	43	0	0	0	0	0			0	
R0180	N-7	16,516	893	249	28	0	0	0	0				0	
R0190	N-6	15,072	950	155	46	0	0	0					0	
R0200	N-5	14,449	700	185	50	0	0						0	
R0210	N-4	17,454	981	262	76	0							0	
R0220	N-3	16,081	913	370	46								40	
R0230	N-2	16,527	1,133	213									195	
R0240	N-1	13,239	684										650	
R0250	N	9,165											9,007	
R0260													Total	9,892

		IR.19.01.21.22	
		C0570	C0580
Year	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
N-9	309,678	0	
N-8	238,967	0	
N-7	227,185	0	
N-6	212,339	0	
N-5	210,926	0	
N-4	198,255	0	
N-3	213,233	0	
N-2	220,545	0	
N-1	221,276	0	
N	214,374	0	

**IR.23.01.01
Own Funds**

	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
Basic own funds					
R0010 Ordinary share capital (gross of own shares)	0	0		0	
R0030 Share premium account related to ordinary share capital	0	0		0	
R0040 Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050 Subordinated mutual member accounts	0		0	0	0
R0070 Surplus funds	0	0			
R0090 Preference shares	0		0	0	0
R0110 Share premium account related to preference shares	0		0	0	0
R0130 Reconciliation reserve	215,661	215,661			
R0140 Subordinated liabilities	0		0	0	0
R0160 An amount equal to the value of net deferred tax assets	0				0
R0180 Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220 Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as UK Solvency II own funds	0				
Total basic own funds	215,661	215,661	0	0	0
Ancillary own funds					
R0300 Unpaid and uncalled ordinary share capital callable on demand	0				
R0310 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320 Unpaid and uncalled preference shares callable on demand	0				
R0330 A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340 Letters of credit and guarantees	0				
R0350 Letters of credit and guarantees – other	0				
R0360 Supplementary members calls	0				
R0370 Supplementary members calls – other	0				
R0390 Other ancillary own funds	0				
R0400 Total ancillary own funds	0			0	0
Available and eligible own funds					
R0500 Total available own funds to meet the SCR	215,661	215,661	0	0	0
R0510 Total available own funds to meet the MCR	215,661	215,661	0	0	
R0540 Total eligible own funds to meet the SCR	215,661	215,661	0	0	0
R0550 Total eligible own funds to meet the MCR	215,661	215,661	0	0	
R0580 SCR	45,877				
R0600 MCR	11,469				
R0620 Ratio of Eligible own funds to SCR	470.1%				
R0640 Ratio of Eligible own funds to MCR	1880.3%				
Reconciliation reserve					
R0700 Excess of assets over liabilities	215,661				
R0710 Own shares (held directly and indirectly)	0				
R0720 Foreseeable dividends, distributions and charges	0				
R0730 Other basic own fund items	0				
R0740 Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0				
R0760 Reconciliation reserve	215,661				

IR.25.04.21
Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

	C0110
Market Risk	
R0070 Interest rate risk	9,459
R0080 Equity risk	11
R0090 Property risk	625
R0100 Spread risk	15,344
R0110 Concentration risk	0
R0120 Currency risk	292
R0125 Other market risk	0
R0130 Diversification within market risk	(7,320)
R0140 Total Market Risk	18,411
Counterparty default risk	
R0150 Type 1 exposures	2,353
R0160 Type 2 exposures	74
R0165 Other counterparty risk	0
R0170 Diversification within counterparty default risk	(17)
R0180 Total counterparty default risk	2,408
Health underwriting risk	
R0280 Health SLT risk	0
R0290 Health non SLT risk	34,779
R0300 Health catastrophe risk	335
R0305 Other health underwriting risk	0
R0310 Diversification within health underwriting risk	(250)
R0320 Total Health Underwriting Risk	34,864
R0400 Intangible asset risk	0
Operational and other risks	
R0422 Operational risk	6,431
R0424 Other risks	0
R0430 Total Operational and other risks	6,431
R0432 Total before all diversification	69,703
R0434 Total before diversification between risk modules	62,114
R0436 Diversification between risk modules	(11,577)
R0438 Total after diversification	50,537
R0440 Loss absorbing capacity of technical provisions	0
R0450 Loss absorbing capacity of deferred tax	(4,660)
R0455 Other adjustments	0
R0460 Solvency capital requirement including undisclosed capital add-on	45,877
R0472 Disclosed capital add-on- excluding residual model limitation	0
R0474 Disclosed capital add-on- residual model limitation	0
R0480 Solvency capital requirement including capital add-on	45,877

IR.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations		C0010		
R0010	MCR _{NL} Result	10,111	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
			C0020	C0030
R0020	Medical expense insurance and proportional reinsurance		0	215,120
R0030	Income protection insurance and proportional reinsurance		0	0
R0040	Workers' compensation insurance and proportional reinsurance		0	0
R0050	Motor vehicle liability insurance and proportional reinsurance		0	0
R0060	Other motor insurance and proportional reinsurance		0	0
R0070	Marine, aviation and transport insurance and proportional reinsurance		0	0
R0080	Fire and other damage to property insurance and proportional reinsurance		0	0
R0090	General liability insurance and proportional reinsurance		0	0
R0100	Credit and suretyship insurance and proportional reinsurance		0	0
R0110	Legal expenses insurance and proportional reinsurance		0	0
R0120	Assistance and proportional reinsurance		0	0
R0130	Miscellaneous financial loss insurance and proportional reinsurance		0	0
R0140	Non-proportional health reinsurance		0	0
R0150	Non-proportional casualty reinsurance		0	0
R0160	Non-proportional marine, aviation and transport reinsurance		0	0
R0170	Non-proportional property reinsurance		0	0
Linear formula component for life insurance and reinsurance obligations		C0040		
R0200	MCR _L Result	0	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
			C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		0	
R0220	Obligations with profit participation - future discretionary benefits		0	
R0230	Index-linked and unit-linked insurance obligations		0	
R0240	Other life (re)insurance and health (re)insurance obligations		0	
R0250	Total capital at risk for all life (re)insurance obligations			0
Overall MCR calculation		C0070		
R0300	Linear MCR	10,111		
R0310	SCR	45,877		
R0320	MCR cap	20,645		
R0330	MCR floor	11,469		
R0340	Combined MCR	11,469		
R0350	Absolute floor of the MCR	2,400		
R0400	Minimum Capital Requirement	11,469		

Glossary

The Group or SHG	The Simplyhealth Group (Simplyhealth Group Limited together with its consolidated subsidiaries)
The Company	Simplyhealth Group Limited
SHA	Simplyhealth Access
SHVC	Simplyhealth Venture Capital
SHF	Simplyhealth Foundry Limited
Denplan	Denplan Limited
CEO	Chief Executive Officer
CLR	Claims Loss Ratio
ENID	Events not in Data
EPIFP	Expected Profits in Future Premiums
ERMF	Enterprise Risk Management Framework
ESG	Environmental, Social and Governance
ExCo	Executive Committee
FCA	Financial Conduct Authority
GFC	Group Finance Committee
HoIA	Head of Internal Audit
LTIP	Long Term Incentive Plan
MCR	Minimum Capital Requirement
ORSA	Own Risk and Solvency Assessment
PRA	Prudential Regulation Authority
QRT	Quantitative Reporting Template
RICS	Royal Institution of Chartered Surveyors
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
SM&CR	Senior Managers and Certification Regime
TP	Technical Provision
UK GAAP	UK Generally Accepted Accounting Practice
VMF	Vendor Management Framework