

Looking after what matters most

Admiral Group Plc Annual Report and Accounts 2025



Our purpose

Admiral supports more than 11.8 million customers across four countries, offering a diverse range of financial products designed to meet their changing needs. We are committed to being there for our customers at the moments that matter most.

Our purpose framework



[+](#) Read more about our purpose on page 55

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2025 financial and strategic highlights

Financial highlights¹

Group profit before tax²

£957.9m



EPS² (pence)

247.4p



RoE²

53%



Insurance revenue

£4,979m



Turnover³

£5.90bn



Group Risks^{3,4} (million)

11.8m



Dividend per share² (pence)

205p



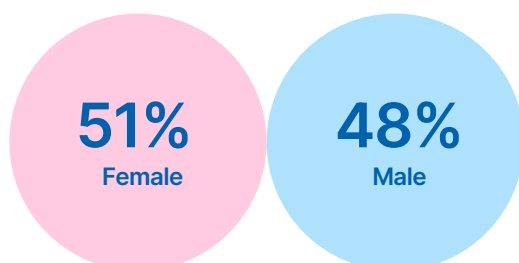
Solvency ratio^{1,2} (post dividend)

193%



Sustainable highlights

Gender split across the Group⁵
(2024: 51% female, 48% male)



Emissions⁶ (tonnes CO₂ per employee)

0.08 tonnes



Net Promoter Score ('NPS')⁷

Group average across our operations (2024: >45)

>50

- All figures include continued operations only, with prior-year comparatives restated to exclude discontinued operations relating to the sale of Elephant – see page 31 for further details.
- For the year ended 31 December 2024, Group profit before tax, EPS, RoE, Dividend per share and Solvency ratio as reported, included a gain of £100 million related to the change in Personal Injury discount rate ('Ogden') from -0.25% to +0.5%. The estimated impact of Ogden in 2025 is circa £30 million.
- Alternative Performance Measures – refer to the end of the report, page 329 for definition and explanation.
- Group risks – refer to the end of the report, page 329, for definition and explanation.
- For 2025, 1% (2024: 1%) includes non-binary and other genders, and colleagues who'd prefer not to say.
- Scope 1 and 2 market-based emissions per employee per SECR. 2024 SECR figures restated to reflect 12 months of actual data. See page 74 for further explanation.
- Relational NPS.



We look after what matters most

From our customers, our colleagues, and the communities we serve, our distinctive culture and the dedication of our colleagues underpin everything we do. We believe that people who like what they do, deliver the best results, and it is our collective success as a team that continues to drive our business forward.



Our customers



Charging ahead: Where repairs meet the road to a greener future

This year, our UK Insurance business, Admiral, launched its first co-branded repair centre in Manchester in partnership with garage network The Vella Group.

The launch marks the start of a wider rollout, with plans to extend the co-branded model to other trusted partners across the UK so that we can help even more customers back on the road as quickly and safely as possible.

Exclusively serving Admiral customers, the state-of-the-art motor repair facility is also equipped for electric vehicle ('EV') repairs, featuring specialist tools, EV bays, charging facilities and trained technicians.



Read more about how we are becoming a more sustainable business on page 55

This aligns with our wider focus on working with repair partners to reduce the environmental impact of motor claims, for example, by encouraging the adoption of science-based targets to accelerate industry-wide decarbonisation.

The Vella Group is certified as carbon neutral to the PAS 2060 standard, with the new repair centre employing UV and ambient cure paint systems, which use less energy for heating than traditional methods, therefore, helping to lower emissions.

The repair centre enhances Admiral's ability to deliver expert repairs in a timely manner and upholding its position as a leading EV insurer. We're continually investing in a repair network that supports our growing customer base and helps drive us towards a more sustainable future.

Our colleagues

Legendary loyalty: 25 years of being one of the UK's Best Workplaces

In 2025, our UK business celebrated 25 consecutive years of being named one of the UK's Best Workplaces by Great Place To Work®.

This remarkable achievement resulted in it being awarded the Legendary Status™ in recognition of consistently being a great employer for colleagues.

We are proud to have so many colleagues who have chosen to grow their career with us. We spoke to our UK Head of Customer Support and Insights, Mike King, who has been a part of the Group for the last 25 years to understand why he believes that Admiral is a great place to work.

"Over the last 26 years, I've had the privilege of working in areas and roles across the Group. I began my journey in motor claims, assisting customers with accident reports and queries, before working my way up to being a manager and then Head of Claims Service. During this time, I led the department dedicated to supporting our customers through the claims process. After spending 17 years in claims, I had the incredible opportunity to move to Canada to support the expansion and upskilling of teams that handle complaints and support vulnerable customers in the UK.

When I returned to the UK, I spent another two years in claims where I spearheaded the digital acceleration of online claims notifications and total loss settlements, which allowed us to get customers back on the road quicker than ever.

In my current role, I manage customer complaints and drive continuous improvement through detailed root cause analysis to ensure that we are providing customers with a seamless service and good outcomes."



Admiral is a company that truly values its people, providing them with endless opportunities to grow and experience different areas of the business."



Our communities



Partnering with the King's Trust to increase digital skills and employment

Since 2022, Admiral has partnered with The King's Trust to deliver the Digital Skills Pathway Cymru, which has supported over 800 young people in Wales. The partnership focuses on supporting disadvantaged young people into sustainable employment by building their confidence and skills.



My confidence grew over the five weeks and I went from feeling shy and timid to feeling much more confident."

Ben

Young person who completed a Get Into: Digital Skills programme

Our commitment has seen us invest over £380,000 in the last three years, leading to 350 positive outcomes, meaning that 350 of these young people have benefitted from employment, education or training. This is helping those furthest from the labour market build confidence and vital digital skills for the future.

Our colleagues have supported The King's Trust further by using their Impact Hours (working hours that can be used for volunteering and charity work) to support young people through CV reviews, mock interviews and digital skills events.

In 2025, our impact was recognised as Admiral was awarded The King's Trust Rising Star Award and Gold Patron Partner status, celebrating our dedication to empowering young people and driving positive change in our communities.

About us

Admiral Group plc is a well-established financial services provider offering Motor, Household, Travel, and Pet Insurance, as well as personal lending services. We serve customers in four countries: the UK, France, Italy, and Spain.

1 United Kingdom



Europe

2 France

3 Italy

4 Spain



People employed globally:

>15,000

Customers worldwide:

11.8 million

Turnover worldwide:

£5,896 million

Our business segments

UK Motor Insurance

Admiral is one of the leading motor insurers in the UK.

Brands



Customers:

5.8 million

(2024: 5.7 million)

Turnover¹:

£4.2 billion

(2024: £4.5 billion)



UK Home, Pet and Travel Insurance

Admiral's business continues to grow in these product lines.

Brands



Customers:

3.8 million

(2024: 3.1 million)

Turnover¹:

£756 million

(2024: £613 million)



European Insurance

Admiral has Motor Insurance businesses in Italy, France, and Spain, a Household Insurance business in France, and a Pet Insurance business in Italy.

Brands



Customers:

1.9 million

(2024: 2.0 million)

Turnover¹:

£674 million

(2024: £640 million)



Admiral Money

Admiral offers unsecured personal loans, car finance products, and secured homeowner loans.

Brand



Customers:

200,000

(2024: 155,000)

Gross balances:

£1.46 billion

(2024: £1.17 billion)



1 Alternative Performance Measures – please refer to the end of the report for definition and explanation.

Market overview

General Insurance markets in the countries in which we operate continue to evolve through consolidation, technological advancement, the continued growth of direct distribution (particularly in the UK), and evolving mobility trends. Admiral remains well positioned to benefit from these shifts by leveraging our strengths across customer centricity, underwriting excellence, agility, and innovation.

Generative and agentic artificial intelligence

Generative and agentic artificial intelligence ('AI') is fundamentally reshaping consumer behaviours across industries, with potential implications for how individuals engage with insurance, as well as likely impacts on efficiency. While predictions vary, future scenarios may include 'hyper-shopping' and shifts in traditional loyalty dynamics and distribution.

In addition, customer expectations for seamless digital experiences are rising, especially among younger generations. Admiral continues to invest in product innovation and process optimisation, leveraging modern technology stacks, cloud-based infrastructure, and agile delivery models to drive increased responsiveness to market and regulatory developments, efficiency, competitiveness, and better customer outcomes.

UK direct insurance market

Over the past ten years, the UK direct insurance market has demonstrated consistent growth, with medium-term forecasts indicating further expansion. Within this landscape, price comparison websites are capturing an increasing share of new business, reinforcing Admiral's competitive edge given our longstanding strength in this channel.

Although the distribution landscape may be impacted by AI in the future, we expect price comparison websites to continue to play a dominant role in the UK insurance market in the medium term, in light of governance, regulations, and the complexity of pricing and claims dynamics.

Motor and mobility trends continue to evolve

Electric vehicles account for a growing proportion of new registrations, with the shift expected to accelerate as the required infrastructure expands. Admiral continues to lead in the UK EV insurance market with an estimated 20% market share and good claims performance.

Autonomous vehicles are expected to gain traction in commercial applications such as RoboTaxis and logistics in the short to medium term, with broader personal adoption in the UK and Europe likely to require a longer time horizon and material progress across regulations, technology, and consumer mindset.

Admiral continues to follow these trends closely, while strengthening the skills that will likely be required to win. This includes partnering with car manufacturers, industry disruptors, underwriting the UK's largest RoboTaxi trials with Wayve, while also focusing on connected car technology, telematics capabilities, and continuously enhancing risk selection.

This approach not only positions Admiral at the forefront of insuring next-generation mobility but also enables the Company to embed insurance directly into the customer journey, whether through commercial fleets, Mobility-as-a-Service platforms, or emerging ownership models like leasing and subscription. By leveraging data-driven insights and digital innovation, Admiral aims to deepen customer relationships, personalise insurance offerings, and play a pivotal role in the evolving mobility ecosystem.

Finally, in an ever-changing landscape, the need for strong governance, responsible business practices, ethical and transparent data use, and robust risk management will remain paramount. Admiral's proven track record in navigating industry and regulatory changes reinforces our reputation as a trusted and forward-thinking market leader.





Weathering the storm: building flood resilience for a more secure future

As a home insurer, we see the impact that extreme weather is having on our customers' properties and lives. We believe that we have an important role to play in building flood resilience by working with government and industry to help people better understand their flood risk.

We are proud to sponsor flood support guidance specialists BeFloodReady's and Flood Re's Floodmobile, which aims to help people better understand and manage their flood risk. The Floodmobile shows people how property flood resilience equipment can help properties withstand flooding, and travels around the UK to raise awareness and give people the opportunity to seek advice from experts.

In October, our Director of Home, Travel and Pet Insurance, Scott Cargill, attended a roundtable with the Minister for Water and Flooding, Emma Hardy, and other senior insurance leaders to discuss how insurers can work with other sectors and government to prevent severe flooding.

As well as this, senior members of our household team, including Household Director Noel Summerfield, visited customers impacted by Storm Claudia in Monmouthshire in December to inspect damage and assess progress on their claims.

Our purpose is to help more people to look after their future, and so we're committed to raising awareness about flood prevention so that our customers' homes are better protected against extreme weather events today and in the future.



Our business model

Everything starts with our purpose:
 Help more people to look after their future.
 Always striving for better, together.

In 2025, we remained focused on looking after what matters most – our customers, our people, our communities, and our planet. This purpose underpins our strategy, culture, and operations, guiding how we serve our customers, empower our people, and create long-term value for all stakeholders.



So we can maximise the value we create for our stakeholders

- Customers
- People
- Partners and Suppliers
- Shareholders
- Communities
- Environment

[+ Read more on page 13](#)

Our business model continued

What we do:

We protect what matters most. From car and home, to travel and pet insurance, plus personal lending solutions – we help customers feel at ease every day.

We generate income through multiple channels: investing premiums, offering ancillary add-ons, charging fees across the lifetime of a policy, and providing unsecured personal loans via Admiral Money. We also invest in new ventures through Admiral Pioneer, which explores innovative products and future revenue streams.



Our customers

We offer a wide range of insurance and lending products tailored to meet specific customer needs. Our core business centres on car, van, home, travel, and pet insurance, primarily sold through price comparison websites, with a smaller share purchased directly or via brokers and agents. Additional income is generated through ancillary products, lending services, and policy-related fees.



Managing claims

We work closely with customers throughout the claims journey, collaborating with partners and suppliers to deliver fair, timely outcomes. We continue to invest in our digital capabilities, for example we have launched a WhatsApp initiative for our motor customers in the UK to ensure our customers are well-informed of any updates. This approach reinforces value, trust and ease, and supports our reputation for excellent service.



Managing risk

Customers pay a fixed premium to insure against defined risks. We pool these risks efficiently and share a portion with external reinsurers and co-insurers. This structure provides protection against large losses and enables us to earn profit commission when the portfolio performs well. Reinsurance is a cornerstone of our capital strategy and a key driver of long-term success.



Our people

People are central to our success. We foster a supportive and inclusive culture that encourages growth and development. Our values include openness, equality, and doing the right thing, which are reflected in how our teams serve customers and collaborate across the business.



Managing investments

We invest collected premiums prudently to generate stable returns. Our strategy prioritises capital preservation and low volatility relative to liabilities. The portfolio maintains high credit quality and liquidity, ensuring we can meet obligations and support customers when needed.



Our shareholders

Profitability stems from the gap between revenue and costs. Most profits are returned to shareholders as dividends, while a portion is reinvested to strengthen capabilities and pursue new growth opportunities. This balance supports sustainable value creation.

Our business model continued

Our drivers of success

These enable us to fulfil our purpose, maximise the value we deliver to stakeholders, and distinguish ourselves as the preferred insurance provider.



Excellent customer service

We are committed to creating high-quality, sustainable insurance products that are easy to understand and are accessible to all. Through clear and simple communication, our customer-facing colleagues ensure customers receive all relevant information, including any limitations, so they can make informed choices.

We continuously review our practices against internal policies and regulatory standards to ensure our sales and claims processes remain responsible and transparent. Customer satisfaction is regularly measured using key benchmarks such as the Net Promoter Score® ('NPS'), helping us track performance and drive ongoing improvements.



Unique Company culture

Admiral's culture is built on four core pillars: communication, equality, reward and recognition and fun, which underpins our reputation as a Great Place to Work®.

We champion open communication across all levels of the organisation, with leadership embracing an open-door approach and initiatives like 'Ask Milena' offering colleagues direct access to our Group CEO. Our inclusive culture empowers individuals to thrive and be themselves, supported by employee-led diversity and inclusion groups that actively shape our workplace policies.

From the beginning, we've believed that, 'if people like what they do, they do it better.' Our 'Ministry of Fun' brings colleagues together through events that foster connection.

Our share ownership scheme is a cornerstone of how we recognise and reward contribution. When colleagues own a stake in Admiral, they share in its success.



Operational excellence

We take pride in offering inclusive, good-value financial products that meet customer needs and encourage greener behaviours. Our decision making is guided by robust risk selection and data analytics, underpinned by decades of claims experience and underwriting expertise.

Efficient claims management is supported by a culture of continuous improvement and proactive engagement. We remain focused on building sustainable, profitable businesses through financial discipline. A cost-conscious mindset is embedded across the organisation, contributing to our competitive expense ratio.



Efficient capital employment

Our capital strategy is strengthened by longstanding partnerships with reinsurers and co-insurers, built on a track record of strong underwriting and effective risk management. By sharing risk, we reduce capital requirements with maintaining robust protection against losses, thus supporting our commitment to delivering strong shareholder returns.



Consistent, profitable growth

Our prudent reserving philosophy plays a key role in our long-term successes. Reserves are released gradually as claims and defaults evolve across our businesses.

We embrace a culture of innovation and organic growth, using a test-and-learn approach to explore opportunities, validate assumptions and apply insights. Our focus on lasting value creation is driven by a commitment to delivering positive outcomes from stakeholders. As their needs change, we adapt to remain a responsible, profitable, and sustainable business.

2025 highlights

Top 3

Trustpilot
(or equivalent)
for UK and Europe¹

96%

of colleagues feel they
are treated fairly regardless
of race or sexual
orientation⁴ (2024: 97%)

2nd

in Great Place
To Work® Super
Large company²
(2024: 6th)

273%

Total shareholder return
over the last ten years^{5,7}
(2024: 285%)

>50

Group average NPS³
(2024: >45)

193%

Solvency ratio^{6,7}
(2024: 203%)

1 Trustpilot for UK, ConTe, Seguros and Admiral Money, relative to comparable competitors and Opinion Assurance for L'olivier.

2 Great Place to Work® award.

3 Relational NPS.

4 Great Place To Work® Survey result.

5 Total shareholder return is defined as the percentage change over the period, assuming reinvestment of income.

6 For the year ended 31 December 2024, Solvency ratio included a gain of £100 million related to the change in Personal Injury discount rate ('Ogden') from -0.25% to +0.5%. The impact of Ogden in 2025 is circa £30 million.

7 Alternative Performance Measures – refer to the end of the report for definition and explanation.

Our business model continued

Creating value for our stakeholders



Our customers



Our customers' needs guide the development of our products and services. We are committed to delivering sustainable, high-value financial solutions that empower more people to take care of their future.

Value created in 2025

- We introduced our new Customer Promise, built on the principles of value, trust, and ease. Its purpose is to shift our focus from delivering customer service excellence to becoming a truly customer-centric organisation
- During storm and flood events in the UK, we managed approximately 7,500 claims. Even at the height of these surge periods, we maintained an average weekly call answer rate of 98%, reflecting our strong commitment to being there when our customers need us most.



Our people



Our unique culture promotes transparency, supports happier and more productive employees, and ultimately drives better outcomes for all stakeholders.

Value created in 2025

- Admiral was proud to be recognised as the 2nd best workplace in the Super Large category by Great Place to Work® and honoured with the Legendary Status award for being part of the programme for 25 consecutive years in the UK¹
- We launched our new Reward Framework to bring greater structure, consistency, and transparency to pay and recognition. The rollout introduced job families, job levels, and salary ranges.



Business: shareholders



Market engagement is key to helping investors understand our investment case, strategy, and performance, and is an opportunity for us to listen to their views.

Value created in 2025

- We met with more than 300 shareholders, investors and analysts across more than 65 events including roadshows, conferences, sales forces and regular meetings
- Group Chair met with Top Twenty shareholders as part of a corporate governance roadshow
- We welcomed investors at our Cardiff head office, giving them the opportunity to meet leaders from across the business and experience our unique culture.

¹ Great Place To Work® award result.

² Volunteering hours completed by UK colleagues.



Society: environment and communities



Acting responsibly and reducing our environmental impact are central to us. A shared culture of giving and accountability across the Group drives positive, lasting change for our people and communities.

Value created in 2025

- We contributed over 45,000 volunteering hours in local communities²
- We donated over £6 million to our communities
- We invested £1.7 million into employability programmes and supported over 3,000 people into jobs outside of our organisation.

Investing in talent to help more people back onto the road

We work hard to get customers back on the road as quickly and safely as possible after an incident, and there are a wide range of roles which ensure that we deliver a seamless customer experience.

We recently launched a motor engineering apprenticeship programme, and two of our apprentices, Lauren and Ellesha, and Network Support Operations Manager Craig, share how their work benefits customers and the importance of increasing opportunities for women in engineering.

Craig, tell us why you introduced this apprenticeship?

We introduced this engineering apprenticeship because we saw a strategic opportunity to enhance our workforce, increase diversity and address skill gaps within the industry. By investing our time in apprentices, we can develop a pipeline of skilled talent tailored to our business needs and continue to foster the culture of learning and development that exists across the Group.

What inspired you to pursue a career as an engineer?

Ellesha: Having worked in a body shop and achieved a qualification in car mechanics, this role felt like the perfect opportunity to bring together my love of cars and passion for helping people.

Lauren: It's been my dream to become an engineer because of my love for cars and having grown up with my dad who works in vehicle body repair. I'm really proud to be following in his footsteps and being able to do this alongside other women has made the process even more enjoyable.

How does your work support Admiral?

Ellesha: The claims process is the moment of truth for customers. We've been learning how to review a repair estimate, for example, by using the Thatcham research methods and Code of Practice. This skill is key to ensuring that the cost estimates given by our repair network are accurate, identifying the safest option for our customers.

Lauren: Learning automotive vehicle body processes, such as welding and fabricating, are essential skills that Admiral needs to be able to quickly support customers whose vehicles have been involved in an incident. Training new engineers from within the business also shows Admiral's commitment to internal talent development and the progression routes that are available here.

What do you love about working at Admiral?

Ellesha: What I love most about Admiral is the supportive culture and the people. It's clear that they value their people, and I truly believe that 'people who like what they do, do it better'. The company genuinely values diversity, inclusion and fun, creating an environment where everyone feels welcomed and respected.

Lauren: I've been at Admiral for 13 years and truly believe it's a company that values their colleagues and is a place where people can have fun, work hard, and be rewarded for their achievements. I've always wanted to get to where I am now and it goes to show that with dedication and effort, you can do that at Admiral!



Chair's statement

Putting people first – because that's what matters most



2025 has been another excellent year for the Group. Despite falling prices in the UK motor insurance market, ongoing political and regulatory scrutiny of the sector and uncertain macroeconomics, the Group has continued to perform strongly by staying focused on its key objectives.

As a leading financial services provider, Admiral's purpose is simple: to help more people look after their financial futures by supporting them as quickly and safely as possible when misfortune strikes. Our colleagues strive every day to bring this promise to life when our customers most need us.

The markets and countries in which the Group operates continue to shift – through consolidation, rapid advances in technology, new mobility trends and changing consumer behaviour. However, Admiral's customer focus, combined with its underwriting and operational expertise, proven agility and willingness to invest and innovate using data and technology, mean we are well-placed to anticipate and respond to these changes. That willingness to adapt can be seen in our investment in technology and predictive AI, our growing electric vehicle book, our progress in connected-car and telematics technology, and our long-standing partnership with Wayve.

To continue to stay ahead, the Group is also actively managing its portfolio of businesses and focussing on markets where it can win. The Group has now completed the acquisition of More Than and the sale of its US business. We wish the Elephant team well as they embark on their new chapter under the ownership of JC Flowers.

The Group now serves nearly 12 million customers in four countries with multiple products. Our ongoing focus will be on countries, customer segments and products where we believe we have the right to win.

In early 2026 we announced our agreement to acquire Flock, a fast-growing digital fleet insurance provider with an innovative telemetry-based proposition. The transaction, which is subject to regulatory approval, builds on the Group's existing expertise in telemetry in the personal lines market, allowing the business to support a broader set of customers as mobility trends change.

As a group, we are committed to positively impacting the environment and our communities. As a provider of home insurance, our colleagues see the devastating impact of flooding and support those who have been impacted. Through the Group's new partnership with the National Trust we hope to make a real difference to people through natural flood management initiatives.

Admiral's unique culture continues to be one of its greatest strengths. This year, we were once again recognised as one of the best workplaces in the world, with the UK business celebrating its 25th consecutive year on the list – achieving "legendary" status. This recognition reflects the commitment our colleagues show to each other every day.

At the start of 2026, it was announced that Geraint Jones will retire from his role as Group CFO this summer. I would like to extend my sincere gratitude to Geraint as he has helped to guide the company through a period of consistent and sustained growth. We are pleased that he will remain with the Group in a part time capacity and the Board are looking forward to working even more closely with his successor, Rachel Lewis.

In 2025, Paola Bonomo and Carlos Selonke joined the Group Board. Both have extensive experience in digital transformation, gained whilst working for well-known consumer-facing brands. I am confident in the quality and mix of skills of the Board and our ability to leverage this deep knowledge and insight to support the business to deliver its commercial and strategic objectives.

The Group's strong 2025 performance was the result of a true team effort. The dedication and agility of Admiral colleagues, coupled with the investment the Group has made, and continues to make, into its technology and core competencies mean that it is well-positioned to continue to deliver long-term sustainable growth.

Mike Rogers

Group Chair

4 March 2026

Chief Executive Officer's statement

Delivering results that matter through focus and discipline

“We deliver strong results, drive growth, good customer outcomes and invest in our capabilities and people so we are well-positioned to succeed in a fast-evolving world.”

Milena Mondini de Focatiis
Group Chief Executive Officer



2025 was another remarkable year for Admiral. We achieved record profits of £958 million up 16 percent, underpinned by strong performances across the Group, while growing our customer base by 7 percent and continuing to provide great service.

We also made important progress beyond financial results, advancing our strategy, strengthening our platform for growth, and investing in capabilities that position Admiral well for the future.

The UK motor market has remained softer for longer than expected, but our strong focus and execution drove excellent results in our core business. Our UK other personal lines businesses and Admiral Money contributed £88 million in profit. Europe also performed well, with strong growth and profitability in France and a rapid recovery in Italy.

We further increased our returns to shareholders, with a 7 percent increase in dividend per share, and maintained a strong capital position, with a solvency ratio at 193%.

2025 marked an acceleration in our strategic progress. We completed the integration of More Than, which is now contributing positively to our results, and finalised the sale of Elephant. Though it is always hard to say goodbye to colleagues, we believe this outcome benefits both businesses, letting us focus on exciting opportunities in the UK and Europe.

Our performance

Group profit before tax¹

£958 million



Group customer numbers¹

11.8 million



¹ Continuing operations only, excludes discontinued operations as a result of the sale of Elephant see page 31 for further details.

Chief Executive Officer's statement continued

In early 2026, we announced plans to acquire Flock, a fast-growing digital fleet insurance provider we have invested in and partnered with since 2024. Flock's telemetry-based insurance uses data to improve safety and performance. Combining their sector expertise and technology with our data, claims management, and pricing strengths, we aim to grow in a large market ripe for disruption, and support our "safer driving" ambitions.

Another key milestone was the forward-flow arrangement in Admiral Money, which allows us to continue to grow, but in a capital-efficient way similar to our insurance model.

We accelerated our investment in artificial intelligence and established a GenAI Centre of Excellence that is scaling priority use cases and equipping our people with the right tools. Early insights suggest significant potential for efficiency and productivity gains. Across the Group, we are now managing over 150 GenAI initiatives across different businesses and functions, including real-time support for more than 4,000 colleagues and the first implementations of agentic technology.

Over the last five years, since the Group strategy was announced in 2020, turnover has grown by 87 percent, profit by 56 percent, and our customers by 58 percent. Since the start of 2020, we have also returned £3.2 billion of capital to shareholders.

Admiral is now more resilient and diversified, with over half our customers from lines or geographies other than UK Motor, contributing nearly £100 million to profits in 2025. Our UK Motor business continues to grow, maintaining a more than 20-point combined ratio advantage over the market.

Since 2020, we have significantly expanded our addressable markets, moving into broker channels in Europe and launching pet insurance and commercial insurance in the UK. The markets we operate in have a combined size of around £130 billion, so there is plenty of room to grow.

We continue to enhance our motor offering and invest early in emerging trends, establishing a leading position in electric vehicle insurance and partnering with Octopus to insure salary-sacrifice EV schemes. Our telematics product keeps growing, and we are testing insurance for autonomous vehicles – expected to be about 4% of the car parc by 2035 – through our partnership with Wayve. Our strengths in data and telematics mean we are well-placed to respond to evolving mobility trends.

We invested early and effectively in machine learning and predictive AI, strengthening our leadership in underwriting with over 120 models live, one of the drivers of our twelve points advantage in loss ratio versus the market. We have fully embedded scaled agile and renewed our tech stack, with over 90 percent of core systems on the cloud.

We are now faster, and more agile, and have kept our cost effectiveness and unique culture. A massive thank you goes out to the 15,000 brilliant colleagues right across Admiral – the real driving force behind all these achievements, with their unwavering dedication to our customers, the business and each other.

As we have now achieved the key objectives of the Group strategy announced in 2020, we are taking the opportunity to refresh it. More details are on page 18, but the approach is to compound our existing strengths in data, technology, diversified products, and operational expertise to drive greater efficiency, economies of scale, and stronger customer retention across single and multi-product policies. We plan to keep growing UK Motor with discipline and drive margin improvement in other lines to deliver even stronger shareholder returns, while amplifying the Admiral DNA through evolving our culture, continuing to develop our people and acting to positively impact our communities.

At the start of the year, we announced that Geraint Jones will retire as Group CFO in the summer. Over many years, Geraint has played a key role in shaping Admiral – not just through his financial leadership, but through the values, integrity and great role modelling he brings to everything he does. He truly embodies Admiral culture and has been a highly valued colleague, trusted adviser and friend to so many of us. I am pleased that he will continue to support the Group in a part-time capacity, and that we have once again been able to promote from within for his replacement.

Rachel Lewis, currently CFO for UK Insurance, will become Group CFO on 1 July 2026. I look forward to working with Rachel, whose commercial finance skills and deep business knowledge make her a great CFO for our organisation.

We also announced Emma Powell's promotion to CEO for Admiral Money following Scott Cargill's move to the new Household, Travel and Pet Director role in UK Insurance.

Our strong record in internal talent development and upskilling is why people choose Admiral and one of the many reasons why we are recognised as a Great Place to Work in all our markets.

Our origins as a disruptor have shaped our agile, efficient culture, allowing us to respond quickly to latest trends. Combined with our customer focus, diversification opportunities, and investment in people and technology, I am confident Admiral is well-positioned for success in 2026 and beyond.



Milena Mondini de Focatiis
Group Chief Executive Officer

4 March 2026

Admiral Group strategy refresh

Over thirty years ago, Admiral launched as a challenger brand, disrupting the UK motor insurance market through direct distribution, cost efficiency, proactive claims management and superior use of data. We have had a great deal of success with this approach, growing our market share in UK Motor to around 20% with a combined operating ratio advantage of more than twenty percentage points and expanding into new products and geographies.

Over the past five years, we have further strengthened our competitive advantages by investing in predictive AI, our data platforms and technology. Our customer base is now far more diverse, with more than 50% of risks now coming from our other business lines and geographies, and we have evolved our motor proposition to reflect new mobility and vehicle technology trends. Throughout this period, we have consistently outperformed the market, continued to grow, and delivered good outcomes for customers and strong financial results.

We are now well-positioned to capitalise on our investments in technology. We operate in large, growing, and attractive markets with a combined size of around £130 billion and plenty of headroom to grow. Our new strategy is not a change of direction – it's an acceleration of value creation using the strong platforms we have built, with benefits compounding through greater scale, synergies and multi-product benefits.

Our strategy is built on three pillars:

1. Scaling selectively and profitably
2. Future-proofing our competitive advantage
3. Amplifying the Admiral DNA

1. Scaling selectively and profitably

Our ambition is to continue to scale all our business and increase margins in our newer lines. That will make us stronger, more resilient, and better prepared for long-term changes in the market.

a) UK Motor

As we always have, we will continue to grow our UK Motor business with discipline and at the right time, investing to drive further improvements in loss ratio and efficiency and maintain our market-leading margins.

b) Other Personal lines: UK household, travel, pet, UK lending, European Insurance

We will grow these businesses faster than UK Motor and drive higher margins, benefiting from economies of scale, higher retention from customers who hold multiple products, and by transferring competitive advantages from our core business.

c) Commercial Motor and SMEs insurance

We aim to scale our UK Commercial business by extending our distribution in SME and integrating Flock to support growth in Commercial Motor.

2. Future proofing our competitive advantage

This pillar underpins our growth ambitions. We will leverage our strengths in data, customer focus, and agility to increase customer lifetime value, giving us greater flexibility to reinvest in growth, enhance capabilities, or sustain higher margins.

We will keep improving our mobile-first, end-to-end digital customer experience, increase multi-product adoption, and improve retention.

We are extending our leadership in predictive AI beyond pricing and underwriting into customer management and across all lines of business. By leveraging GenAI and combining it with automation, digitalisation and our continued cost management, we expect material efficiency gains.

3. Amplifying our DNA

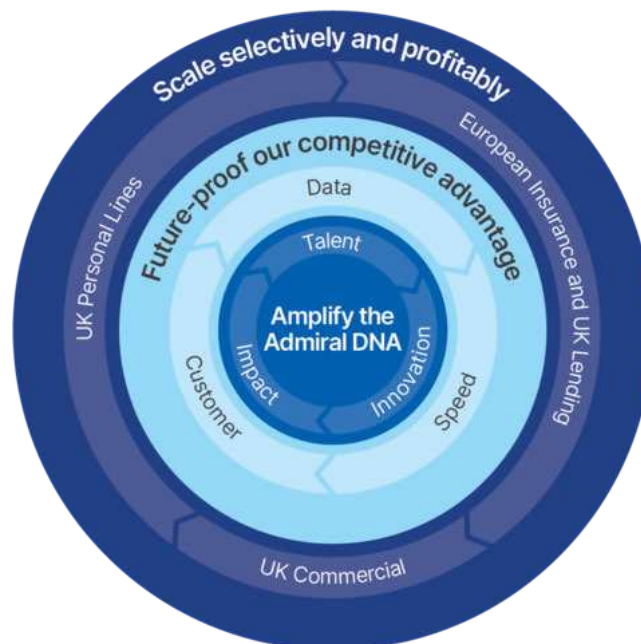
This is about investing in our people, culture and communities: it is what makes Admiral special – our focus on having a greater positive impact in the long-term for all our stakeholders.

As the market evolves, we are ensuring that we help our people evolve too, through reskilling, and supporting internal talent, diversity, development, and mobility across the Group.

We are also focussed on ensuring we retain our culture of curiosity and innovation so we can continue to anticipate and meet our growing and evolving customer base's needs with special attention on safety and greener choices, such as electric vehicles and advanced car safety features.

Finally, we remained committed to supporting the communities in which we operate and mitigating any harm to the environment.

We are excited to begin this new strategy cycle with strong momentum and clear priorities. I am confident that successful execution will increase the value we deliver to both shareholders and customers.



Championing Responsible AI deployment for scalable success

Across the Group, we are committed to working with a range of stakeholders to ensure that artificial intelligence ('AI') is implemented responsibly. In October, our Head of Group Responsible AI and Data, David Crelley, took part in a panel discussion at Momentum AI London. Momentum AI is a two-day event designed to equip business executives with cutting-edge strategies to build scalable generative and agentic AI systems.

At the panel session 'Governance That Scales Without Scaling', the focus was on designing governance that supports scalable AI deployments while ensuring compliance, ethics, and adaptability. David explained the importance of working with regulators, such as the Financial Conduct Authority and Prudential Regulation Authority, as well as the Association of British Insurers, to develop safe and practical governance standards for the financial services industry.



David shared his experience of integrating AI governance into existing model development processes to improve business outcomes and why he believes that human expertise remains vital. He also spoke about the role that our Data and AI Academy plays in helping colleagues across the Group to understand responsible AI and the importance of collaboration across all functions to ensure colleagues are empowered to deliver even better outcomes for customers.



Our Strategy

Accelerating towards Admiral 2.0



Overview

Our ambition is to advance our core businesses towards Admiral 2.0, maintaining traditional strengths, while becoming more agile, digital, and technology focused. Admiral 2.0 prioritises our customers and uses data and advanced analytics to enhance efficiency and improve the overall experience.

Core competencies

- Digital first
- Scaled agile
- Customer-centric innovation
- Data, advanced analytics and enhanced risk selection.

Progress in 2025:

Digital first

- Veybot served as Veygo's main digital entry point in 2025, handling most customer interactions and resolving around five in six journeys without agent involvement. When escalation is needed, cases are handed over with fuller context, leading to more consistent handling and fewer repeat contacts. Veybot has improved service speed and quality for customers
- The UK Insurance business has made progress with their cloud platforms, with more than 90% of core systems now cloud-based enabling faster, and improved data quality. Data requests are now allocated and completed more efficiently, with many fulfilled on the same day
- Admiral Seguros has introduced a fully automated, AI-driven 'touchless' claims process for minor vehicle damage. Through collaboration with Tractable, the company has enhanced claims handling, resulting in quicker settlements, improved customer satisfaction, and greater operational efficiency.

Scaled agile

- Admiral Seguros has embedded engineers into Agile Release Trains to reduce silos, and accelerate delivery by continuous collaboration, and limiting external dependencies.

Customer-centric innovation

- We enhanced the Admiral Mobile App, with a modernised, analytics-enabled homepage aligned to our updated brand, improving clarity, navigation and performance, while laying the foundations for future personalised experiences. We also launched our first customer engagement feature, MOT Reminders, enabling customers to set push-notifications ahead of their MOT and strengthening proactive, value-adding interactions

- We introduced WhatsApp in the UK as a new communication channel for motor claims customers, giving greater choice by allowing customers to receive updates and share evidence without needing to call. Since launch, follow-up calls have reduced, suggesting that WhatsApp helps keep customers better informed, and improves customer experience
- Admiral Money has expanded its use of GenAI, which enhances our ability to review customer calls, increasing automation and improving operational efficiency. This broader oversight helps maintain consistent service standards and identifies opportunities sooner, ultimately supporting better outcomes for our customers.

Data, advanced analytics and enhanced risk selection

- There is widespread use of predictive AI, and machine learning models embedded, driving improved performance, faster speed-to-market, with deployment across the Group
- We have strengthened our UK car pricing capabilities by refreshing our key machine learning models for both risk and retail pricing, helping us to predict claims costs and market prices more accurately. Together, these enhancements build on our established machine learning-driven pricing approach, improving both accuracy, and competitiveness
- We are scaling GenAI, with acceleration planned over the next year under strict governance. In the UK, over a third of agents are using call summarisation, reducing average handling time and allowing them to focus on higher-value tasks, and customer service
- L'olivier and ConTe completed major upgrades to their core insurance system, which was delivered over the year. These developments will generate significant long-term benefits, including faster quotation times, greater efficiency, enhanced document validation, and greater capability to develop new products and features
- This year, we successfully implemented a new rating engine for L'olivier Motor products. This upgrade enhances pricing agility, autonomy, and speed, supporting our goal of delivering market-leading risk selection and maximise business value. The new engine is scheduled to go live for Household in 2026.

Relevant principal risks



+ Read more from pages 97 to 102



Harnessing AI to increase motor claims efficiency and identify fraud

We responsibly use AI within areas of the business where it helps make our colleagues' and customers' lives easier.

This year, we have implemented the use of AI in our UK motor and household claims departments to summarise customer calls for over 440 customer-facing colleagues. The roll-out of AI to summarise calls has accelerated the process, allowing colleagues to take more calls and help more customers to get back onto the road quickly and safely. It has also resulted in better-quality notes, making it easier for any colleague to quickly understand a customer's situation and how best to support them during the claims process.

Within our Spanish business, Admiral Seguros, we are using AI in a similar way to summarise reports during motor claims. This implementation has accelerated certain processes by as much as 80%. All AI applications across the Group are subject to stringent oversight to ensure that our approach remains responsible and customer focused. Through these measures, we are able to safely improve both customer outcomes and operational efficiency.

We continue to review our processes to understand where AI can help us to enhance the support that we offer our customers.

Our strategy continued

Diversification



Overview

Diversification is key to our strategy of building a sustainable and resilient business. We leverage our established capabilities to build future successful propositions and support the transition to a low-carbon economy. We invest selectively in new opportunities that strengthen our current offerings. Over the past decade, we have launched numerous products including Household, Travel and Pet insurance, and a personal lending business. Our diversified model allows us to meet our customers' varied and evolving needs with our suite of products.

Core competencies

- Scale up promising products
- Strengthen customer propositions
- Leverage core strengths.

Progress in 2025:

Scale up promising products

- We achieved robust growth across the UK in Household, Pet, Travel and Lending, with turnover increasing by 25% and the number of customers rising by 21% overall to 3.95 million
- UK Household reported its highest ever customer base, now exceeding 2 million customers, with profits increasing by 60% when compared to 2024
- Both Travel and Pet Insurance delivered strong results, with Pet reaching break-even, and customer numbers rising 75% compared to 2024. Travel also performed well, generating £7.7 million in profits, increasing customer numbers by 29% compared to 2024
- Admiral Money delivered record profits of £25.8 million in 2025, with customer numbers increasing by 29% from the previous year. Part of this performance reflects the impact of our forward-flow deal, following the successful back book sale of £146.4 million of loan sales in H1, which generated income of £5.9 million. Since then, we've continued to forward-flow £279.5 million of loans, creating £11.2 million in income, further diversifying our funding sources and routes to profitable growth
- L'olivier delivered record growth, with Motor reaching over 500,000 policies (15% YoY) and Household surpassing 100,000 policies (+25% YoY), while overall profits increased by 58%, compared to 2024
- Our Spanish brokers have seen double-digit new business growth (albeit from a low base), with good loss ratio. Italy is also performing well, showing growth and an improvement in loss ratio performance.

Strengthen customer propositions

- The RSA More Than renewal rights acquisition book completed for £83 million, which delivered strong strategic and cultural alignment, smooth execution, and accelerated growth, adding over £100 million gross written premium, renewing 380,000 risks and onboarding 300 colleagues. In year one, customer conversion rates were on target, whilst retention and loss ratios outperformed expectations. The deal has expanded capabilities in pricing, claims, and brand, which further strengthens our propositions and deepens our expertise
- Admiral Travel Insurance was awarded Silver in the British Travel Awards for 'Best Company for Travel Insurance', which was voted for by our customers
- We launched an enhanced UK Van insurance product that provides a similar-sized replacement van as standard at the point of claim, helping customers stay on the road and keep working
- Admiral Business in Pioneer partnered with Tide to broaden our proposition, support growth, and deliver great value to customers. The partnership provides direct access to operational banking data, giving a real-time view of how the business operates which we can use to better understand how and when to engage out customers
- Admiral Money introduced new product lines through expanded distribution channels, including car finance via dealers and brokers, supporting greater diversification and meeting a wider range of customer needs.

Leverage core strengths

- We continue to draw on expertise across our entities. For example, learnings from ConTe's large-loss model were used to build prototypes for L'olivier and Seguros, which were successfully implemented following testing.

Relevant principal risks

A B C D E F G H I J

+ Read more from pages 97 to 102

Meet Emma Powell, CEO of Admiral Money

Hi Emma, tell us about your Admiral Money journey.

I joined Admiral Money in 2016, originally as its Head of Risk and Compliance, before becoming Chief Operating Officer in 2019 and Chief Risk Officer in 2020. Having been a member of the business from its inception, I know the business inside-out and was thrilled to take over the role of CEO from Scott Cargill in 2025.

How are you ensuring you deliver for your customers?

As always, our main priority is delivering good outcomes for our customers and so we continue to implement measures that we believe help support them. We continually review a range of metrics, customer feedback and complaints data to identify areas we can improve.

We've recently introduced the use of GenAI to monitor customer calls for quality assurance. Previously, calls were randomly selected for periodic monitoring, whereas we are now able to monitor a much larger number of calls. This allows us to maintain consistently good service standards and identify areas for process changes sooner, so that we can adjust procedures as needed to better serve our customers.

What's your focus going forward?

It's been amazing to see the business grow from just 20 people to over 350 people and a £25.8 million profit. We now offer a range of lending products to help customers with their financial needs. My primary focus is to drive sustainable growth by expanding our distribution channels and enhancing our customer experience. We are committed to leveraging data and technology, allowing us to streamline processes and meet the evolving needs of our customers more effectively.



Our strategy continued

Evolution of Motor



Overview

Our Evolution of Motor strategic pillar is designed to adapt our offerings in response to global mobility changes. While there are differing perspectives on future mobility trends and their potential impacts, we recognise that transportation methods are evolving. This presents an exciting opportunity for the industry, and it is imperative that we thoroughly understand these transformations and their implications for both our customers and our business. We are committed to supporting the transition to electric mobility and we are paving the way for a more sustainable future.

To stay ahead of these trends, we are employing a test-and-learn approach, examining emerging market propositions, and cultivating essential competencies that will be relevant in the future.

Core competencies

- Understand changes in mobility
- Evolve our proposition
- Develop competencies for the future.

Progress in 2025:

Understand changes in mobility

- The UK Government announced a ban on sales of new Internal Combustion Engine ('ICE') vehicles from 2030, and new hybrid vehicles will be sold until 2035. We continue to be consistently recognised as a market leader in Electric Vehicles (EVs) – defined as fully-electric vehicles powered by a battery, rather than a combustion engine – with around 20% of all UK EVs insured by us. This represents 7% of our UK Motor book, up from 5% in 2024. We were the only insurer showing at Everything Electric exhibitions in the UK; and continue to develop our EV product based upon customer feedback, with Defaqto naming Admiral as a 'Trailblazer' for innovation in EV cover
- Our UK business was one of the first to offer telematics insurance to customers, and we continue to be a leader in this market, offering black box to app-based solutions
- Growth in connected cars gives rise to opportunities to provide more innovative products and services to customers, to which Admiral is at the forefront of, through continued pilots and test-and-learn initiatives.

Evolve our proposition

- Veygo, our short-term car insurance provider is designed to support young drivers throughout their journey, from learning to drive, becoming newly qualified, to using an app-based telematics solution and subscription policy. Veygo delivered another strong year, growing premiums to £66 million having served more than 1.5 million customers since launch
- We partnered with Tesla to provide insurance for their EV customers. Admiral is now embedded on Tesla's website and continues to be the preferred insurer of Tesla vehicles in the UK. In 2026, we plan to build on this partnership by exploring opportunities around connected vehicle data, and Advanced Driver Assistance Systems ('ADAS') capabilities
- Admiral Business customer numbers grew in 2025. Our partnership with Flock also performed strongly, delivering solid growth in gross written premiums. The team continued to leverage claims insights from our core motor business to maintain prudent underwriting throughout the year.

Develop competencies for the future

- We have partnered with Wayve, a leading autonomous vehicle technology company since 2018, insuring their fleet of test vehicles in the UK.
- We launched a new loyalty scheme, Zoom EV, which will enable all Admiral EV customers to access rewards covering charging, parking, servicing, and repairs. Following a successful trial in 2025, this will be made available to all EV customers in 2026
- Admiral Pioneer has partnered with Octopus Electric Vehicles to offer a smarter insurance proposition for EV drivers using salary sacrifice schemes. With private registrations now accounting for less than one in four new EVs, and salary sacrifice continuing to grow, this partnership moves beyond traditional fleet-rated insurance models that price cover based on an average risk. Instead, it delivers premiums tailored to individual drivers, ensuring insurance costs better reflect how people drive and providing greater value for customers.

Relevant principal risks

A B D E G H I J

+ Read more from pages 97 to 102



Steering the future of mobility with electric and autonomous vehicles

As a leading motor insurer, it's important for us to be part of the conversation on evolving mobility trends. In 2025, our electric vehicle ('EV') and autonomous vehicle ('AV') teams engaged with businesses and the UK Government to share our knowledge and work on autonomous technology.

We continue to support customers' transition to a greener way of travelling, with our UK business sponsoring the Everything Electric Giga Theatre in 2025. This included the sponsorship of two shows in April and October where colleagues provided guidance on EV ownership and spoke with visitors about their experiences as EV users. Electric Vehicle Product Manager, Craig Codell, also spoke on panels at both shows on investment in the EV industry and how EV users can limit charge anxiety.

We also worked with the Association of British Insurers on its response to the UK Government's Automated Vehicles Act 2024: Call for Evidence on the Statement of Safety Principles, and want to see the government consider how autonomous vehicle insurance will work in the next phase of legislation.

We have insured autonomous vehicle company Wayve's cars in the UK since 2018. This year, we took Baroness Caroline Pidgeon MBE, the Liberal Democrat Lords Spokesperson for Transport; Samantha Niblett MP, co-chair of the Financial Technology all-purpose parliamentary group; and Scott Arthur MP, a member of the Transport Select Committee, to Wayve's headquarters in London to show them how autonomous technology is evolving and the role that insurance plays in enabling its development, and provide a ride around the City in an autonomous vehicle.

Key performance indicators

In order to implement, develop and measure the Group's strategic performance, we monitor several financial and non-financial key performance indicators ('KPIs').

Key

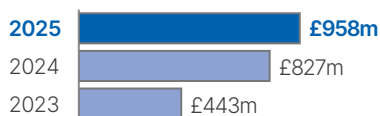
REM Linked to remuneration

Financial measures

Group profit^{1,2}

Group profit before tax

£958m



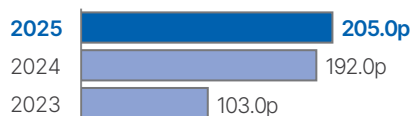
Performance

Group continuing operations grew pre-tax profit 16% compared to 2024, with improved performances across all segments.

Shareholder returns^{1,2}

Dividend per share

205.0p



Performance

Dividend per share was 205.0 pence mainly reflecting higher group profit.

Capital position²

Solvency II ratio

193%



Performance

Admiral maintained a strong capital position of 193%, well in excess of target levels.

Non-financial measures

Group growth^{1,2}

Group risk numbers

+7%



Performance

Mainly driven by a significant increase in Home, Travel and Pet in the UK.

European growth

European risks

-2%



Performance

European risks insured numbers declined by 2% in 2025, mainly driven by portfolio actions undertaken in Italy, while France delivered strong growth.

Diversification growth¹

Other lines

+13%



Performance

This includes all Other Personal Lines and Admiral Money customers, which primarily increased across UK Home, Travel and Pet.

Key performance indicators continued

Customer satisfaction³

Customers likely to renew after a claim

>91%



Performance

Customer satisfaction has improved due to a continued focus on optimising our customer journeys.

Customer service⁴

Net Promoter Score

>50



Performance

Relational NPS reflects improvements across all entities in a continued focus on our customers.

Digital progress⁵

Customer engagement

>52%



Performance

This has remained largely in line with prior years. Improving digital engagement remains a key focus in 2026.

Great Place To Work®

GPTW ranking

2nd



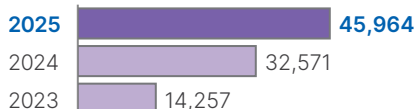
Performance

This year, Admiral ranked 2nd for Great Place to Work® UK in our category as a Super Large company. This is up from 2024's 6th position.

Positive impact on society⁶

Hours donated by employees

>45,000



Performance

This has increased from last year's 32,500, mainly driven by our continued focus on investing in our communities and long-term relationships with local charities.

Net zero by 2040⁷

Movement in carbon emissions

10%



Performance

Scope 1 and 2 market-based emissions increased by 10% compared to 2024, driven by increased electricity usage at our Delhi site and a fugitive gas loss on a critical air conditioning system.

- All 2025 and 2024 figures relate to continuing operations only, excluding discontinued operations as a result of the sale of Elephant see page 31 for further details. All 2023 figures relate to worldwide operations (including Elephant) as was reported then.
- 2024 Group profit, shareholder returns and capital position include the favourable impact of the change in Ogden discount rate from -0.25% to +0.5%. See 2024 Annual Report for further details.
- UK Motor customers, monthly score averaged over the year.
- This is relational NPS, based on a weighted calculation across the Group.
- Mid-term adjustments (UK operations) – adjustments made to a policy, mid-term, by the customer.
- Volunteering hours completed by UK colleagues.
- 2024 SECR figures restated to reflect 12 months of actual data. See page 74 for further explanation. Carbon emission data includes that generated from discontinued operations throughout the year.

Group Chief Financial Officer's review

Results in 2025
exceeded 2024
in almost all aspects

“Much has changed since 2014, but our commitment to customers and our amazing culture has stayed constant throughout.”

Geraint Jones
Group Chief Financial Officer



After setting a pretty high bar in 2024, Admiral's 2025 results exceeded (sometimes significantly) those of the prior year in practically all aspects.

Group pre-tax profit of £958 million was a record result, and if we exclude the impact of Ogden (see below) on both years, then the year-on-year increase of 28% is some achievement. UK Motor insurance breaking through £1 billion of profit for the first time was a decent milestone, and it was especially great to report some excellent results beyond that – the UK Home, Travel and Pet result was just under three times 2024's, Admiral Money's profit doubled and the European result improved by nearly £30 million after the disappointing Italian result of 2024. Our main Other personal lines (excluding UK Motor) reported a combined result of £95 million in 2025 vs. £15 million in 2024 – important and significant progress. I'm really happy with these results, but importantly we have good momentum moving into 2026 and beyond.

We end the year with a strong financial position and very prudent reserves (as usual), and beyond the numbers we have a refreshed Group strategy, a new approach to returning capital to shareholders, likely an imminent application for internal capital model approval and (subject to regulator approval), a new business to integrate into the Group following the announcement of the acquisition of Flock!

Looking in a bit more detail at the results:

£m	2025	2024	Change vs. 2024
UK Motor Insurance	1,024	955	+69
UK Other Insurance Lines	62	22	+40
Europe	7	(20)	+27
Admiral Money	26	13	+13
Share schemes	(72)	(61)	-11
Other	(89)	(82)	-7
Total	958	827	+131
Impact of change in Ogden DR¹	+30	+100	-70

¹ For the year ended 31 December 2024, the results include a gain of £100 million related to the change in the Ogden rate from -0.25% to 0.5%. The impact of Ogden in 2025 is circa £30 million.

Group Chief Financial Officer's review continued

The UK Motor business rightly takes centre stage, with a £69 million increase in profit (£139 million if the impact of Ogden is excluded). The combined ratio remained very positive at 75% (vs. 73% on a like-for-like basis). Total premium was lower than 2024 as prices reduced, reflecting improving claims inflation but also a competitive market. Market prices appear to have plateaued around the end of 2025, and we expect prices to start increasing in the not-too-distant future (and have increased our own motor prices in early 2026).

Our UK Other Lines businesses had a very strong year, completing the migration of the More Than policies acquired from RSA, growing customer numbers by 21% and increasing profits nearly threefold – really strong performance from a part of the business where we plan to maintain growth.

Having called out the Italian result as a disappointment in 2024, it was very positive to see a strong recovery in the European bottom line, which was nearly £30 million better than 2024. We saw good growth and higher profit in France and a small profit in Italy (though at the expense of a smaller portfolio as we expected). In Spain the result was a little worse on the bottom line, though this was mainly due to new reinsurance contracts taking effect (the gross results improved). All in all a very satisfactory year in Europe and we expect further growth and improvement in results over the coming years.

And finally, a really good year from Admiral Money where profits doubled to £26 million, loans balances grew strongly and we started to effectively use third-party capital in the business with a new forward flow arrangement contributing to profits and higher return on capital.

More detailed comments on performance follow throughout the report.

Internal model

We have been developing an internal capital model to be used to calculate the Group capital requirements. Intense work has continued over the past year and we are now very close to the point of submitting our formal application for approval to our main prudential regulators.

The regulators' review will take some time, and we will communicate further on the results of the process and the impact on Admiral's capital position and solvency risk appetite soon.

Capital return change

We have announced that from the interim 2026 dividend onwards, we will change the way we return surplus capital to shareholders. Historically we have paid special dividends, but from the middle of 2026 we will either pay a special dividend, or buy back and cancel shares based on Board determination. We don't generally expect the change itself to mean a different amount of capital is either returned to shareholders or used to buy shares for the employee shares plans (currently guided to total ~90% of post-tax profit). And for 2026 interim and final dividends we expect to buy back shares as opposed to paying special dividends.

Why change? In our view the balance of arguments has tipped in favour of buying back over special dividends (in part due to changes to staff bonus schemes to delink from dividends), and this was further supported by a consultation of our largest shareholders during 2025, which indicated a majority in favour of a change in approach. We will, as always, continue to invest appropriately for growth and the long term, and this change only applies to surplus capital.

Signing off

This is my twelfth and final Annual Report CFO Review. Notable in my first report, back in 2014, was much thicker brown(ish) hair and, according to Mrs Jones, much chubbier cheeks, which I'm taking as a half-compliment. Lots has changed since 2014, including quite a number of businesses I was commenting on then no longer being part of the group (including of course Elephant in the US where the sale completed at the end of 2025) but much remains the same – a leading UK personal lines insurance business and growing, exciting businesses beyond that; a deep focus on doing our best for customers and an amazing culture.

I will hugely miss working day-to-day with my amazing colleagues but am glad to be able to hang around and help in a part-time role. I'm delighted that Rachel Lewis, who I know well, will be taking over as CFO from July 2026. She'll do an amazing job!



Geraint Jones

Group Chief Financial Officer

4 March 2026

2025 Group overview

2025 Group performance overview

£m	2025	2024	% change vs. 2024 ⁴
Group turnover (£bn)^{1, 3, 5}	5.90	5.95	-1%
Net insurance and investment result ⁵	884.2	785.8	+13%
Net interest income from financial services	89.0	76.3	+17%
Other income and expenses	8.7	(9.2)	nm
Operating profit⁵	981.9	852.9	+15%
Group profit before tax from continuing operations	957.9	826.5	+16%
Group profit before tax from discontinued operations	(3.1)	12.7	nm
Group profit before tax	954.8	839.2	+14%

Analysis of profit

UK Insurance ⁶	1,086.3	976.7	+11%
UK Insurance (Ogden -0.25%) ⁶	1,056.3	876.4	+21%
European Insurance	6.6	(19.7)	nm
European Insurance - Motor	9.3	(14.8)	nm
European Insurance - Other	(2.7)	(4.9)	+45%
Admiral Money	25.8	13.0	+98%
Other	(160.8)	(143.5)	-12%
Group profit before tax from continuing operations⁵	957.9	826.5	+16%

Key metrics

Reported Group loss ratio ^{1, 2, 5}	59.2%	55.3%	+3.9pts
Reported Group expense ratio ^{1, 2, 5}	20.9%	21.6%	-0.7pts
Reported Group combined ratio ^{1, 2, 5}	80.1%	76.9%	+3.2pts
Insurance service margin ^{1, 2, 5}	17.3%	16.8%	+0.5pts
Group risks (million) ^{1, 5}	11.77	10.97	+7%
Earnings per share	246.4	216.6	+14%
Earnings per share from continuing operations	247.4	212.8	+16%
Dividend per share	205.0	192.0	+7%
Return on equity ¹	53%	56%	-3pts
Solvency ratio ¹	193%	203%	-10pts

1 Alternative Performance Measures – refer to the end of the report for definition and explanation.

2 Reported Group loss and expense ratios are calculated on a basis inclusive of all insurance revenue – this includes insurance premium revenue net of excess of loss reinsurance, plus revenue from underwritten ancillaries and an allocation of instalment and administration fees / related commissions. See glossary for an explanation of the ratios and Appendix 1a for a reconciliation of reported loss and expense ratios, and insurance service margin, to the financial statements.

3 Alternative Performance Measures – refer to note 14 for explanation and reconciliation to statutory income statement measures.

4 Definition: nm – not meaningful.

5 Reported on a continuing basis only. 2024 comparatives are re-presented to exclude the US Insurance result following its sale.

6 For the year ended 31 December 2024, the result included a gain of £100 million related to the change in Personal injury discount rate ("Ogden") from -0.25% to +0.5% (see Glossary for further information). The estimated impact of Ogden in 2025 is circa £30 million.

2025 Group overview continued

Group highlights

- Group continuing operations pre-tax profit was £957.9 million, 16% higher than 2024, with improved results reported across all segments
- Group risks insured increased by 7% to 11.8 million, with good growth in UK Insurance (in particular 21% across Home, Travel and Pet); though a small reduction in Europe (2%) due to portfolio actions in Italy
- Group turnover was broadly flat as continued growth in UK Other Personal lines was offset by lower UK Motor turnover (7%) as average premiums reduced
- UK Motor Insurance profit increased by 7% to £1,024.0 million from £955.1 million. The increase in profit excluding the Ogden impact was 16% (£994 million vs £855 million), with a strong current year combined ratio due to disciplined growth in a competitive market
- Higher pre-tax profit in UK Household Insurance of £54.4 million (2024: £34.1 million) as the growth and favourable performance from 2024 fully earns through. Profits also increased in UK Travel with a break even result in UK Pet
- A significantly improved result in European Insurance (£6.6 million profit vs. £19.7 million loss), with increased profits in L'olivier and a return to profit in Italy
- Admiral Money profit up, to £25.8 million (2024: £13.0 million) and gross loan balances of £1.46 billion (+24% year-on-year growth) – new forward flow arrangements and a sale of a portion of the back book loan portfolio contributing to the higher pre-tax profits.

Sale of Elephant

As announced in January 2026, the Group has completed the sale of its US motor insurance business, including Elephant Insurance Company and Elephant Insurance Services ("Elephant") to J.C. Flowers & Co. ("J.C. Flowers") a global private investment firm dedicated to investing in the financial services industry, effective as at 31 December 2025. The Elephant result for 2025 is presented separately as a discontinued operation within the Group results, with the prior year comparative results re-presented on the same basis.

Earnings per share

Earnings per share for continuing operations for 2025 were 247.4 pence (2024: 212.8 pence). The increase from 2024 is broadly aligned to the increase in continuing operations pre-tax profit.

Return on equity

Return on equity was 53% for 2025, 3 points lower than the 56% reported for 2024. Excluding the impact of Ogden in both years, return on equity was broadly flat.

Dividends

The Group's dividend policy is to pay 65% of post-tax profits as a normal dividend, and to pay a further special dividend comprising earnings not required to be held in the Group for solvency, buffers or purchasing shares for the Group's employee share plans.

Subject to regulatory approval, from the interim 2026 dividend this policy will change such that in addition to the normal dividend, the Group will either pay a special dividend and/or buy back and cancel shares based on Board determination. See the Group Capital Structure section later in this report for further information.

The Board has proposed a final dividend of 90.0 pence per share (approximately £274.6 million) splits as follows:

- 72.8 pence per share normal dividend
- A special dividend of 17.2 pence per share.

The final dividend, plus share purchases for the employee share scheme made in late 2025, equate to 90% of second half continuing operations post-tax profits; excluding share purchases, the final dividend reflects a pay-out ratio of 81%. The dividend of 90.0 pence per share is 26% lower than the final 2024 dividend (121.0 pence per share), reflective of share purchases and lower second half earnings per share.

The 2025 final dividend payment date is 5 June 2026, ex-dividend date 7 May 2026, and record date 8 May 2026.

Honouring Admiral's top talent

Recognition is one of the pillars that the Group was founded on, so our 'Top 10' and Group Managers' Awards evening is always a hotly anticipated event in the Admiral calendar, as it celebrates our amazing colleagues.

Top 10 is the Group's annual competition to determine the best department to work for, based on scores and engagement from the annual Great Place To Work survey, alongside presentations responding to that year's Top 10 question.

This year, colleagues were asked to show how they are ensuring that their departments are making Admiral a place where colleagues can grow and progress, share in our future, be you and make a difference. This led to responses that outlined examples of how the Group supports colleagues to grow their careers through leadership programmes and qualification funding, and examples of how we make a difference by ensuring we uphold our Customer Promise of value, trust and ease.

Each Top 10 Awards evening also hosts the annual Group Managers' Awards. The awards recognise colleagues who have been nominated for going above and beyond in different ways to support other colleagues and our customers. Winners included Justin Beddows, UK Consumer Public Relations Specialist, who led on the UK's "Your ride, your rules" road safety campaign, and Vero Hermelo, Head of European Strategy, for her passion and dedication in executing our European strategy.

Celebrating 20 years of our Future Leaders programme

Our colleagues are critical to our success, which is why we're so passionate about attracting and nurturing the talent we need to meet and anticipate customers' needs.

>60

people have participated in the Future Leaders programme

This year marked 20 years since we launched our Future Leaders programme, an MBA graduate programme, which gives participants the opportunity to work closely with our executive team on key strategic projects. The programme is designed to deepen their understanding of our strategy and culture, ultimately preparing them for leadership roles.

Since its inception, more than 60 people have participated in the scheme, including our Group CEO, Milena Mondini de Focatiis; Head of Travel Insurance in Admiral UK, Cosmin Sarbu; and CEO of our Spanish business 'Admiral Seguros', Sarah Harris, who have been, and continue to be, instrumental to the Group's success.

To celebrate its 20th anniversary, we made it a night to remember by bringing together alumni from the programme to connect and discuss how the experience has helped shape their career with the current intake, as well as share how the business continues to support their personal and professional development.



UK Insurance review

2025 was another year of strong results for UK Insurance, **we have grown in all business lines reporting a record profit** in motor, and reaching profitable scale in Other UK Personal lines.

“Our UK Insurance business has delivered a strong set of results demonstrating our ability to deliver good outcomes for customers, our competitive advantages in Motor, and our ability to replicate our success in other business lines.”

Alistair Hargreaves
CEO, UK Insurance



Our performance

UK Insurance profit before tax

£1,086m



UK Insurance customer numbers

9.6 million



Our customer centricity, Motor operational excellence, disciplined cycle management, and growing Home, Travel and Pet businesses all combined to result in us welcoming 780,000 new customers, sustain our market-leading combined ratio and deliver £1.1 billion profit before tax, whilst having an industry leading Trustpilot customer rating of 4.5.

In Motor, 2025 saw positive claims trends, with severity moderating and frequency improving. These trends translated into falling motor premiums, which is good news for motorists and demonstrates how highly competitive this market is. We welcomed the Government’s motor taskforce’s final report in December, which recognised this and the direct link between claims costs and motor premiums.

The 2025 market dynamic of declining premiums and continued moderation of claims inflation required our disciplined pricing approach. We reduced prices slightly less than the market in the first half of the year, then kept prices broadly flat in the second half as market prices continued to decline. This, combined with continued growth through MultiCar and MultiCover, a focus on electric vehicles with a market share that is now 20%, and strong retention, enabled us to deliver a strong loss ratio, whilst growing modestly to the end of the year with 5.8 million Motor customers. We were pleased that we simultaneously delivered efficiency savings resulting in a reduced cost per risk, whilst maintaining very strong service levels, with overall NPS >55. This all culminated in an increased profit before tax of £1.1 billion for all UK Insurance.

UK Insurance review continued

2025 saw a step change for Other UK Personal Lines, as we proved we can replicate our UK Motor operational excellence in distribution, pricing, and claims management, to deliver good customer outcomes and sustainable profits.

Across Pet, Home and Travel, we grew by 21% and now cover 3.8 million customers. This growth was both organic, with MultiCover a key driver for household, and inorganic with the successful completion of the More Than Home and Pet renewal migration. Turnover rose to £756 million, and profit before tax to £62.3 million, with record results in Home and Travel, and Pet achieving break-even just three years since its launch. We're pleased with this progress, in markets totalling £11 billion, we have top five market positions and are confident we can achieve top three market positions with market leading combined ratios.

We continue to invest to further improve customer journeys and this has supported us to reach 1.6 million unique customers with two or more risks. We've built strong capability in predictive AI, accelerating machine learning model deployment in pricing and claims. In 2025, we laid good foundations in GenAI and Agentic AI to enhance our operational excellence.

This includes completion of a wide range of proof of concepts and scaling some processes; call summarisation is now deployed to over a third of agents. Ongoing investments in cyber and operational resilience ensure we operate at a market-leading standard.

The driving force of our business is our culture and people, we were extremely proud to be named a Great Place to Work® for the 25th consecutive year, receiving a Legendary Status™ as a result. We were again listed in the Top Ten for both Great Places to Work®, and for Great Places to Work® for Women and were recognised at the Women in Technology Excellence Awards.

2025 has been another good year for UK Insurance. By remaining disciplined and customer focused, we have continued to grow profitably. Looking ahead, some uncertainty remains around near-term market dynamics, but our strong team and fundamentals give us a great platform to continue to provide value, trust, and ease for customers and in doing so, make the most of our opportunities for sustainable profitable growth in 2026 and beyond.

UK Insurance financial performance

£m	2025	2024
Turnover ^{1, 2}	4,952.5	5,108.5
Total premiums written ¹	4,586.3	4,745.2
Insurance revenue	4,221.6	3,873.4
Underwriting result¹	843.1	764.4
Net investment income	87.9	70.5
Co-insurer profit commission and net other revenue	155.3	141.8
UK Insurance profit before tax¹	1,086.3	976.7

Segment result: UK Insurance profit before tax¹

£m	2025	2024
Motor	1,024.0	955.1
Motor (Ogden -0.25%) ³	994.0	854.8
Household	54.4	34.1
Travel and Pet	7.9	(12.5)
UK Insurance profit before tax³	1,086.3	976.7

Segment performance indicators¹

million	2025	2024
Vehicles insured at period end	5.83	5.69
Households insured at period end	2.19	1.97
Travel and Pet policies at period end	1.56	1.14
Total UK Insurance risks	9.58	8.80

1 Alternative Performance Measures – refer to the end of this report for definition and explanation.

2 Alternative Performance Measures – refer to note 14 for explanation and Group reconciliation to statutory income statement measures.

3 For the year ended 31 December 2024, the result included a gain of £100 million related to the change in Personal injury discount rate ('Ogden') from -0.25% to +0.5%. The estimated impact of Ogden in 2025 is circa £30 million.

UK Insurance review continued

Highlights for the UK Insurance business include:

- In UK Motor:
 - Profit of £1,024.0 million, 7% higher than 2024 (£955.1 million), 16% higher when excluding the impact of the change in Ogden discount rate (£994.0 million vs. £854.8 million). Strong profitability from underwriting year 2024 continued to earn through combined with a disciplined approach to growth in 2025, resulting in a strong current year combined ratio
 - A 2% increase in risks insured – modest growth with Admiral focusing on medium-term profitability in a more competitive market
 - Turnover reduced by 7% due to rate reductions and a shift in sales mix from new business to renewals, leading to lower average premiums.
- In UK Household:
 - Profit significantly increased to £54.4 million (2024: £34.1 million) – a result of higher insurance revenue following growth in 2024 and 2025, along with continued relatively benign weather, and lower quota share charges due to higher profit commission
 - Continued growth in numbers of risks insured, of 11% to 2.19 million (31 December 2024: 1.97 million).

- In UK Travel and Pet Insurance:

- A combined profit for the first time (2025: £7.9 million profit vs. 2024: £12.5 million loss). Travel profits continue to grow, whilst Pet achieved a break even result
- Both businesses continued to grow their customer base and turnover through organic means and as a result of the More Than renewals in Pet.

UK Motor Insurance financial review

Insurance revenue increased, despite lower written premiums, as a result of the significant growth in 2024 continuing to earn through.

The current year loss ratio remained strong following disciplined growth in a more competitive market, although the decrease in written premiums resulted in a higher written expense ratio.

Quota share costs reduced in 2025, with underlying claims releases in 2024 resulting in a higher charge for the unwind of quota share assets on underwriting years 2021–2023.

Favourable net investment income continues to be primarily driven by higher investment balances.

£m	2025	2024
Turnover ¹	4,196.9	4,495.9
Total premiums written ^{1, 2}	3,860.2	4,157.7
Insurance premium revenue ¹	3,306.2	3,160.5
Other insurance revenue ¹	205.3	209.0
Insurance revenue	3,511.5	3,369.5
Insurance revenue net of XoL ^{2, 4}	3,429.6	3,271.4
Insurance expenses ^{1, 2, 3}	(600.2)	(586.8)
Insurance claims incurred net of XoL ^{2, 4}	(2,283.9)	(2,078.1)
Insurance claims releases net of XoL ^{2, 4}	310.4	374.6
Underwriting result, net of XoL reinsurance	855.9	981.1
Quota share reinsurance result ^{2, 3}	(60.7)	(228.8)
Movement in onerous loss component net of reinsurance ²	–	1.1
Underwriting result²	795.2	753.4
Investment income	183.2	150.0
Net insurance finance expenses	(102.9)	(83.4)
Net investment income	80.3	66.6
Co-insurer profit commission	74.5	53.3
Other net income	74.0	81.8
UK Motor Insurance profit before tax^{1, 9}	1,024.0	955.1
UK Motor Insurance profit before tax (Ogden -0.25%)	994.0	854.8

UK Insurance review continued

Segment performance indicators

	2025	2024
Reported Motor loss ratio ^{1, 2, 5}	57.5%	52.1%
Reported Motor expense ratio ^{1, 2, 5}	17.5%	17.9%
Reported Motor combined ratio ^{1, 2, 5}	75.0%	70.0%
Reported Motor combined ratio (Ogden -0.25%) ^{1, 2, 9}	75.6%	73.2%
Reported Motor Insurance service margin ^{1, 2, 5}	23.2%	23.0%
Core Motor loss ratio before releases ^{1, 2, 6}	72.8%	69.2%
Core Motor claims releases ^{1, 2, 6}	(10.0)%	(12.7)%
Core Motor loss ratio ^{1, 2, 6}	62.8%	56.5%
Core Motor expense ratio ^{1, 2, 6}	17.7%	18.2%
Core Motor combined ratio ^{1, 6}	80.5%	74.7%
Core Motor written expense ratio ^{1, 2, 7}	18.4%	16.8%
Vehicles insured at period end ^{1, 2}	5.83m	5.69m
Other revenue per vehicle ^{2, 8}	£71	£76

1 Alternative Performance Measures – refer to the end of this report for definition and explanation.

2 Alternative Performance Measures – refer to Appendix 1b for explanation and reconciliation to statutory income statement measures.

3 Insurance expenses and quota share reinsurance result excludes gross and reinsurers' share of share scheme charges respectively. Share scheme charges are reported in Other Group Items.

4 XoL refers to Excess of Loss (non-proportional) reinsurance; see glossary at end of report for further information.

5 Reported Motor loss ratio, expense ratio and insurance service margin are all net of XoL, as defined in the glossary. Reconciliation in Appendix 1b.

6 Core Motor loss ratio, expense ratio and combined ratio are all net of XoL, as defined in the glossary. Reconciliation in Appendix 1b.

7 Core Motor written expense ratio defined as insurance expenses divided by core product written insurance premium, net of excess of loss reinsurance.

8 Other revenue per vehicle includes other revenue included within insurance revenue. See 'Other Revenue' section for explanation.

9 For the year ended 31 December 2024, the results include a gain of £100 million related to the change in the Ogden rate from -0.25% to 0.5%. The impact of Ogden continuing to earn through 2025 is circa £30 million.



UK Insurance review continued

Claims

Estimated claims inflation is stable, with Admiral's current estimate of average claims cost inflation for full-year 2025 being mid-single digits (2024: mid-to-high single digits). Admiral's observed claims frequency has marginally reduced.

As usual, the longer-term impacts of inflation on bodily injury claims remain uncertain. Admiral did not observe material changes in inflation for bodily injury claims settled in 2025 when compared to 2024. A prudent allowance is held in the best estimate reserve to reflect potential impacts of higher than historic levels of future wage inflation on certain elements of large bodily injury claims reserves.

There is still uncertainty within motor claims across the market arising from inflation, and future developments relating to economic, political and regulatory changes. The Ogden discount rate of +0.5%, as announced in December 2024, continues to be used within the best estimate reserves.

Admiral continues to hold a significant and prudent risk adjustment above best estimate reserves, with the risk adjustment confidence level held at the 94th percentile in UK Motor (31 December 2024: 95th percentile) and at, or close to, the maximum across all lines of business.

When setting the level of risk adjustment, due consideration has been given to the inherent uncertainty in bodily injury claims, the Group's ongoing assessment of uncertainty arising from internal and external factors and continued releases seen in recent periods in the UK motor book. There has been no significant change in the reserve risk distribution from which the percentile is selected since 2024.

As reported in H1 2025, in line with the FCA's multi-firm review into UK Motor Insurance total loss claims valuations, Admiral has conducted a review of its total loss and related processes, considering current practice and customer outcomes in the recent past. Primarily as a result of certain internal processes failing to respond swiftly enough to evolving external factors, including significant volatility in used car prices in recent years, the review has concluded that some action is required in respect of total loss settlements covering the period 2019 to 2024.

The estimated incremental claims cost of this action to Admiral (excluding statutory interest) is aligned to that reported in August 2025, at approximately £50 million, around half of which has been accounted for in 2025, the remainder in the previous financial year. For context, the cost represents approximately 3% of Motor total loss claims over the relevant period. Admiral started contacting impacted customers during H2 2025, and whilst noting uncertainty remains, does not expect the final cost of the action to vary materially from that noted above.

The core Motor loss ratio has increased to 62.8% (2024: 56.5%) with offsetting movements in the current period loss ratio and prior year reserve releases, as follows:

	Core motor loss ratio before releases	Impact of claims reserve releases	Core motor loss ratio
Core Motor loss ratio^{1,2}			
FY 2024	69.2%	(12.7%)	56.5%
Prior period impact of Ogden change (-0.25% to +0.5%)	0.9%	2.7%	3.6%
FY 2024 (excluding Ogden impact)	70.1%	(10.0%)	60.1%
Change in current period loss ratio	3.4%	—%	3.4%
FY 2025 (excluding Ogden impact)	73.5%	(10.0%)	63.5%
Impact of Ogden discount rate change	(0.7%)	—%	(0.7%)
FY 2025	72.8%	(10.0%)	62.8%

1 Core Motor loss ratio shown on a discounted basis, excluding unwind of finance expenses.

2 Alternative Performance Measures – refer to Appendix 1b for explanation and reconciliation to statutory income statement measures.

The core motor loss ratio before releases has remained strong in 2025, with reduced average premiums leading to a modest increase of just over 3 percentage points, excluding the impact of Ogden.

The benefit from prior-period releases includes both the positive development of the best estimate reserve and the unwind of risk adjustment for prior-period claims. Both the absolute value of releases and releases as a percentage of premium are lower than that observed in 2024, with higher releases on the best estimate in 2024 given the increase in Personal Injury ('Ogden') Discount Rate.

Quota share reinsurance

Admiral's quota share reinsurance result reflects the net movement on ceded premiums, reinsurer margins and expected recoveries (claims and expenses, excluding share scheme charges) for underwriting years on which quota share reinsurance is in place (2021 underwriting year onwards).

The 'Group capital structure' section sets out further details on Admiral's UK Motor quota share arrangements.

UK Insurance review continued

Quota share reinsurance result¹

£m	31 December 2025	31 December 2024	Quota share claims asset 31 December 2025
2022 and prior	(34.6)	(111.2)	52.0
2023	(1.0)	(81.0)	–
2024	(21.9)	(36.6)	–
2025	(3.2)	–	39.4
Total	(60.7)	(228.8)	91.4

1 Quota share result in underwriting year 2025 includes a £15.3 million recharge for the reinsurer's assumed share scheme recoveries out of other Group costs in line with prior period (2024: £11.1 million).

The significantly reduced quota share charge in 2025 is the result of:

- A lower quota share charge for the reinsurers' share of favourable developments on underwriting years 2021 and 2022, given lower comparative releases net of XoL in 2025 relative to 2024 excluding the impact of Ogden
- The charge on underwriting years 2023 and 2024 reflecting only the cost of the margin in 2025, given that these years are already profitable with no remaining quota share asset at year-end 2024. In 2024, the charges were significant, as a result of sharing the impact of favourable claims development
- A small charge in 2025, reflecting the cost of the margin offset by the recognition of a modest quota share asset on underwriting year 2025 due to the booked combined ratio for underwriting year 2025 being over 100% on an undiscounted basis.

Co-insurer profit commission

Co-insurer profit commission of £74.5 million is higher than in 2024 (£53.3 million).

In 2024, profit commission was suppressed on underwriting year 2024 (and 2023) due to losses on underwriting years 2021 and 2022 being carried forward in line with contractual clauses. Over the last 12 months, the loss ratios on underwriting years 2021-23 have developed favourably, which, combined with the strong performance of the 2024 underwriting year, means that profit commission is now recognised on the 2024 year, which contributes the majority of profit commission recognised.

The combined ratio is not yet low enough to recognise profit commission on underwriting years 2021-23, or 2025 where a cautious approach has been taken, as usual, given the early stage of development.

Net investment income

Net investment income increased to £80.3 million from £66.6 million, benefiting from higher investment income, which was partly offset by increased net insurance finance expenses.

Investment income grew by 22% to £183.2 million (2024: £150.0 million), primarily as a result of the continued increase in investment balances. Further information on the Group's investment portfolio and the income generated in the period is provided later in the report.

Net insurance finance expense reflects the unwind of the discounting benefit recognised when claims are initially incurred. The expense has increased by 23% in 2025 (£102.9 million; 2024 £83.4 million), impacted by both the significant increase in risk-free rates from 2022 onwards, and the increasing size of claims liabilities given the continued growth in the book. A significant proportion of the insurance finance expense in 2025 relates to claims incurred during 2023 and 2024.

Other revenue

Admiral generates other revenue from a portfolio of insurance products that complement the core motor insurance product, and also fees generated over the life of the policy. The most material contributors to other revenue continue to be:

- Profit earned from Motor policy upgrade products underwritten by Admiral, including breakdown, car hire and personal injury covers
- Revenue from other insurance products, not underwritten by Admiral
- Fees such as administration and cancellation fees
- Interest charged to customers paying for cover in instalments.

Under IFRS 17, income from underwritten ancillaries, and an allocation of instalment income and administration fees, in line with Admiral's gross share of the core motor product premium, are included within Insurance revenue in the underwriting result. The remaining income from instalment income and fees, as well as income from other non-underwritten ancillary products is presented in other net income.

Overall contribution increased to £333.3 million (2024: £321.8 million), primarily due to continued growth in customer numbers in the past year.

Other revenue was equivalent to £71 per vehicle (gross of costs) (2024: £76), with net other revenue per vehicle at £58 per vehicle, (2024: £61) the decrease being the result of lower instalment income due to lower average premiums and a reduction in the rate of interest charged for this payment method over the year.

UK Insurance review continued

Other revenue

UK Motor Insurance other revenue

£m	2025		
	Within underwriting result	Other net income	Total
Premium and revenue from additional products and fees ¹	157.9	88.0	245.9
Instalment income and administration fees ²	205.3	43.2	248.5
Other revenue	363.2	131.2	494.4
Claims costs and allocated expenses ³	(103.9)	(57.2)	(161.1)
Net other revenue	259.3	74.0	333.3
Other revenue per vehicle⁴			£71
Other revenue per vehicle net of internal costs			£58
	2024		
£m	Within underwriting result	Other net income	Total
Premium and revenue from additional products and fees ¹	139.8	83.4	223.2
Instalment income and administration fees ²	209.0	45.7	254.7
Other revenue	348.8	129.1	477.9
Claims costs and allocated expenses ³	(108.8)	(47.3)	(156.1)
Net other revenue	240.0	81.8	321.8
Other revenue per vehicle⁴			£76
Other revenue per vehicle net of internal costs			£61

1 Premium from underwritten ancillaries is recognised within the insurance service result (underwriting result). Other income from non-underwritten products and fees is included within other net income, below the underwriting result but part of the insurance segment result.

2 Instalment income and administration fees are recognised within insurance revenue (% aligned to Admiral's share of premium, net of co-insurance) and other revenue (% aligned to co-insurance share of premium).

3 Claims costs relating to underwritten ancillary products, along with an allocation of related expenses, are recognised within the insurance result. Expenses allocated to the generation of revenue from non-underwritten ancillaries are recognised within other net income.

4 Other revenue per vehicle (before internal costs) divided by average active vehicles, rolling 12-month basis. Presented here based on all ancillary income.

UK Household Insurance financial review

£m	2025	2024
Turnover ¹	538.3	475.4
Total premiums written ¹	508.9	450.3
Insurance revenue	521.0	399.6
Insurance revenue net of XoL ¹	494.6	376.4
Insurance expenses ¹	(114.0)	(102.9)
Insurance claims incurred net of XoL ¹	(321.3)	(225.7)
Insurance claims releases net of XoL ¹	19.2	37.0
Underwriting result, net of XoL reinsurance¹	78.5	84.8
Quota share reinsurance result ^{1, 3}	(35.3)	(61.2)
Underwriting result¹	43.2	23.6
Net investment income	4.6	3.9
Other income	6.6	6.6
UK Household Insurance profit before tax¹	54.4	34.1

UK Insurance review continued

Segment performance indicators

	2025	2024
Reported Household loss ratio ^{1, 2}	61.1%	50.1%
Reported Household expense ratio ^{1, 2}	23.0%	27.3%
Reported Household combined ratio ^{1, 2}	84.1%	77.4%
Household insurance service margin ^{1, 2}	8.7%	6.3%
Household loss ratio before releases ^{1, 2}	65.0%	60.0%
(Favourable) impact of weather on reported loss ratio vs budget ⁴	(1.0)%	(7.9)%
Households insured at period end	2.19m	1.97m

1 Alternative Performance Measures – refer to the end of this report for definition and explanation.

2 Alternative Performance Measures – refer to Appendix 1c for explanation and reconciliation to statutory income statement measures.

3 Quota share reinsurance result within the segment result excludes reinsurers' share of share scheme costs.

4 Weather impact, being the combined impact of claims related to freeze, flood, storm and subsidence, is disclosed relative to a budget expectation.

The UK Household Insurance business reported a record profit of £54.4 million, with strong growth in customers and turnover over 2024 and 2025 arising from both the renewal rights acquired through the More Than acquisition, and organic growth, notably from Admiral's multi-product offering, now earning through.

Turnover of £538.3 million was 13% higher than 2024 (£475.4 million), largely aligned to the increase in the number of homes insured, which increased by 11%.

The net of XoL underwriting result was slightly lower than 2024, impacted by:

- A significant increase in insurance revenue arising from higher earned premiums reflecting increases in both customers and price increases, primarily during 2024 to reflect ongoing inflation
- A higher current period loss ratio of 65% (2024: 60%). Although weather was not a significant factor, it was less benign than 2024 with more subsidence, following the dry UK summer weather. The overall impact of weather was considered slightly below a budget expectation, creating a net benefit to the current period loss ratio of just under (1%) (2024: benefit of 7.9%)
- Lower prior year reserve releases of £19.2 million compared to an exceptionally high 2024 (£37.0 million) – the comparative figure reflected the unwind of reserves in relation to the freeze event in late 2022, along with the impact of some unwind of storm events in 2023
- An improved expense ratio, with absolute expenses increasing due to ongoing growth in the business, but at a lower rate than the increase in earned premiums. Expenses in 2024 also included one-off IT integration costs related to the More Than acquisition.

The quota share result for the period (a charge of £35.3 million compared to £61.2 million in 2024) arises as a result of the proportional sharing of the positive underlying underwriting result. The lower charge in 2025 is primarily the result of profit commission recognition on underwriting year 2024, as that year continues to perform favourably. No profit commission has been recognised to date on underwriting year 2025.



UK Insurance review continued

UK Pet and Travel Insurance financial review

£m	2025	2024
Turnover ¹	217.3	137.2
Insurance revenue net of XoL ¹	188.3	103.4
Insurance expenses ¹	(73.1)	(56.0)
Insurance claims net of XoL ¹	(110.5)	(59.9)
Underwriting result, net of XoL reinsurance¹	4.7	(12.5)
Net investment income	3.0	–
Other income	0.2	–
UK Travel and Pet result before tax¹	7.9	(12.5)

Segment performance indicators

	2025	2024
Loss ratio ^{1, 2}	58.7%	57.9%
Expense ratio ^{1, 2}	38.8%	54.2%
Combined ratio ^{1, 2}	97.5%	112.1%
Insurance service margin ^{1, 2}	2.5%	(12.1%)
Customers insured at period end	1.56m	1.14m

1 Alternative Performance Measures – refer to the end of this report for definition and explanation.

2 Alternative Performance Measures – refer to Appendix 1c for explanation and reconciliation to statutory income statement measures.

The combined Travel and Pet Insurance businesses reported a profit in 2025 (£7.9 million; (2024 loss: £12.5 million), with Pet achieving break-even for the first time and Travel reporting higher profits. The improvement reflects the impact of increased premiums earned through from the strong growth in both customers (+38% to 1.6 million) and turnover (+58% to £217.3 million), reflecting both organic growth and the impact of Pet Insurance renewals from the More Than acquisition.

UK regulatory developments

Over recent periods there have been a number of industry-wide regulatory reviews and publications that have a potential impact on the general insurance market and the Group. In particular, the FCA has conducted reviews in respect of motor total loss claims, premium finance, motor insurance pricing and claims, home and travel insurance claims practices, the evaluation of general insurance pricing practices and add-on products that have involved the Group.

The Group engages extensively with its regulators as part of normal operations and has participated in these industry-wide regulatory reviews, with UK Motor total loss costs recognised and remediation underway, the premium finance review concluded, and no material impacts expected as a result of other ongoing reviews.

Admiral continues to focus on providing fairly priced products which meet the needs of its customers, as well as monitoring and responding to regulatory developments as they progress.



How our '20% Projects' power people, progress and problem-solving

Using data and artificial intelligence ('AI') to make our colleagues' and customers' lives easier is a key priority for us.

In the UK, we've launched our 20% Projects programme, which is a cross-functional initiative that provides colleagues with the opportunity to spend 20% of their time using data and AI to solve real business challenges outside of their normal role for up to 12 weeks.

Teams of up to five people from across the UK's 900-person strong data community come together to explore, test and deliver solutions that create tangible business value. It is also a great opportunity to build connections, with colleagues at every level and from each UK business taking part.

The Data and AI Academy completed 11, 20% Projects in 2025, which included a review of the way that Veygo evolves its customer chatbot to provide personalised policy help, with a pilot for existing customers already live, as well as building a platform that supports our fraud analysts to make smarter and faster decisions when detecting application fraud.



11

20% projects completed in 2025

Going the extra mile with our road safety campaigns

As a leading motor insurer, we regularly see the devastating impact of dangerous driving. We want to see safer roads for all and believe that we have an important role to play in this beyond the products that we offer that reward good driving behaviour.

Following on from our award-winning 'Words To Live By' road safety campaign in 2024, one in five respondents surveyed by Admiral said that they would have a meaningful conversation about safer driving with a family member¹. In 2025, our UK Motor Insurance business, Admiral, launched its second road safety campaign 'Your Ride, Your Rules'. The campaign urged young drivers and passengers to set the rules when in the car with their peers and to speak up about unsafe driving habits. The campaign also supports the UK Government's aim of reducing the number of deaths and injuries on British roads by 65% by 2035.

Young drivers with passengers their own age are four times more likely to be in a fatal crash than if they drive alone. What happens inside the car influences how people drive - whether it's pressure to take risks, distractions from friends, or silence when things don't feel right.

This campaign was inspired by research which found that 79% of young adults behave differently behind the wheel with friends in the car, with a third saying they wouldn't call out risky driving, even if they felt uncomfortable².



- 1 Survey conducted by YouGov involving 2,000 people who had seen the Words To Live By campaign.
- 2 Survey conducted by Admiral Motor Insurance involving 2,000 young drivers under the age of 24.

Admiral wanted the campaign to be authentic and relevant, so it teamed up with a range of young content creators who shared their own experiences of calling out risky driving, and how they turn awkward silences into confident conversations. This includes assigning roles before the journey and using humour to take away the awkwardness. Behavioural psychologist Jo Hemmings also shared her advice with young people on how to open up the conversation on safe driving behaviours, which was included on the campaign page to empower young people to speak up about unsafe driving habits and make our roads safer for everyone.

Post campaign research showed that the message had got through to young adults, with 58% saying that they would speak up when they are a passenger and the driver is driving recklessly, while 55% said they would speak up when driving if their passengers were distracting them.

In Italy, various new legislation has been passed such as new penalties for driving whilst using a mobile phone and new speed limits in major cities. Our Italian business, ConTe, continues to promote responsible driving behaviours on its social media channels. Its 'superpower' campaign aims to encourage safer driving habits by highlighting that drivers that respect the rules of the road are true 'superheroes', as doing so helps to save lives.



Young adults fear creating awkwardness or seeming boring to their mates when calling out risky behaviour in the car. Your Ride, Your Rules aims to give young adults the confidence to speak up in a way that feels comfortable for them. We hope to spark conversations about shared responsibilities and provide practical ways to help reduce the number of incidents on our roads."

Adam Gavin,
Admiral Motor Director

European Insurance review

2025 has been a year of **significant recovery** and strategic progress

“Prioritising underwriting discipline and a sustained focus on margin enhancement has contributed to healthier books across the region and improved operational efficiency.”

Costantino Moretti
CEO, European Insurance



Our performance

European Insurance profit before tax

£7m



European Insurance customer numbers

1.9 million



2025 has been a year of significant recovery and strategic progression for our European businesses, returning to a state of combined profitability, with continued focus on strengthening portfolio health.

The European entities have made good progress on their strategic plan, whilst prioritising underwriting discipline and a sustained focus on margin enhancement. This emphasis on portfolio quality has contributed to healthier books across the region and improved operational efficiency.

While market conditions varied, with some regions experiencing continued tariff increases, and others seeing modest premium growth, our businesses successfully navigated these environments through rigorous risk selection and cost control.

France had an exceptional year, with L’olivier increasing its Motor Insurance policy count by 15%, while simultaneously enhancing margins and service quality. Household Insurance also showed strong momentum with a 25% increase in policies, albeit from a low base. Looking ahead, the recruitment of experienced personnel and improved segmentation will be key levers for continued acceleration.

Italy has seen 2025 as a year of restoration of profits, focusing on risk selection and improving the health of the book. Although this led to a 15% reduction in the customer base, a thorough cost review, fully modernised technology and data infrastructures have created a leaner organisation, putting us in a good position to return to sustainable growth in 2026.

Spain advanced its multichannel growth and maintained strong underwriting discipline. The core direct business continues to deliver a good performance, while we maintained investments in the broker channel as well as in the ING bank insurance partnership, both of which saw improvements in commercial and technical results.

Our modern, cloud-native infrastructure gives us a strong foundation of high-quality data assets. Building on this, we are scaling our core AI capabilities and piloting GenAI in the areas with the greatest potential.

Our focus remains on our people and culture, with Spain achieving a “Level A” Certificate of Excellence from Fundación MásFamilia, France volunteering over 2,000 hours to local charities, and Italy receiving a special recognition for Women, Diversity, Equality and Inclusion for Great Place to Work®. I am very grateful for the hard work and dedication of our employees across Europe, whose commitment remains instrumental to our success.

European Insurance review continued

France



Julien Bouverot
CEO L'olivier



In Motor Insurance, we grew our policy count by 15%, while strengthening our margins (combined ratio of 85%), delivering £13.4 million in profits and enhancing excellent service levels, reflected by great customer feedback scores from all major customer platforms. This is especially notable in the French market where many insurers have had to maintain, or intensify, tariff increases. Our recent strategic choices, particularly around pricing, customer mix, and investments in operational efficiency are bearing fruit and position us well for continued rapid and profitable growth.

In Household Insurance, we pursued a focused growth strategy, expanding our in-force policy base by 25%, while strengthening our segmentation and pricing capabilities. These enhancements, supported by the addition of experienced talent from the French market, will be essential in sustaining our momentum in the years ahead.

In addition, we achieved the Great Place to Work® for Women award, Top 30 in the Great Place to Work® in our category, 100% in the Gender Equality index, and exceeded 2,000 volunteering hours.

These strong results are a testament to the dedication and hard work of every L'olivier team member. Their commitment continues to impress me, and I extend my sincere thanks to each of them.

Spain



Sarah Harris
CEO, Admiral Seguros



In 2025, Admiral Seguros continued to advance its multichannel growth strategy, while maintaining sound underwriting practices. We also earned the "Level A" Certificate of Excellence from Fundación MásFamilia, recognising our commitment to work-life balance and equal opportunities.

The market saw further premium increases, particularly in the first half, marking its first return to profitability since 2022. Against this backdrop, we remained focused on risk selection and cost control within our core direct business, keeping volumes stable.

In our expanding distribution channels, brokers delivered a strong improvement in technical results, driven by new commercial agreements and a continued shift toward higher-margin segments. Our partnership with ING bank also gained momentum, with policy numbers doubling over the year, albeit from a small base.

We made progress in technology and transformation and began the adoption of the new European data platform as well as enhancing customer processes, leading to improved contact centre efficiency and customer satisfaction.

While underlying margins continued to improve, reported results were affected by accounting adjustments due to delays in profit recognition under new reinsurance contracts. I am grateful to the team for their hard work throughout 2025 and look forward to new opportunities in 2026.

Italy



Antonio Bagetta
CEO, ConTe



2025 marked a year of recovery for ConTe. In an environment of contained inflation and modest market-wide premium increases, the team succeeded in significantly improving the health of the portfolio and ultimately restoring profitability. This improvement in performance was driven by rate increases, risk selection, and more robust rating controls. As a result of our sustained focus on margins, our policy count was reduced by 15%. Our expense ratio remained stable despite the reduced scale thanks to a thorough cost review and efficiency mindset.

ConTe also accelerated its digital transformation, achieving a full legacy-free infrastructure. Importantly, this progress was made while preserving market-leading customer service, reflected in our top Google and Trustpilot scores across the insurance sector.

Our people continue to see ConTe as a special place to work, supported by our inclusive culture – reflected in our third-place Great Place to Work® ranking for the second year running, and a record 88% Trust Index.

Looking ahead to 2026, our focus will centre on three pillars: strengthening governance through our new data platform and rating system, returning to sustainable growth, whilst remaining disciplined, and scaling our presence in the intermediary market so we can support even more customers.

European Insurance review continued

European Insurance financial performance

£m	2025	2024
Turnover ¹	674.3	639.9
Total premiums written ¹	620.2	596.7
Insurance revenue	654.5	606.7
Insurance revenue net of XoL ¹	623.5	572.7
Insurance expenses ¹	(175.0)	(168.0)
Insurance claims net of XoL ¹	(414.0)	(437.7)
Underwriting result, net of XoL¹	34.5	(33.0)
Quota share reinsurance result ^{1, 3}	(31.3)	12.4
Movement in net onerous loss component	1.2	0.4
Underwriting result¹	4.4	(20.2)
Net investment income	2.7	1.4
Net other revenue	(0.5)	(0.9)
European Insurance result, before tax¹	6.6	(19.7)

Segment performance indicators

	2025	2024
Loss ratio ^{1, 2}	66.4%	76.4%
Expense ratio ^{1, 2}	28.1%	29.3%
Combined ratio ¹	94.5%	105.7%
Insurance service margin ^{1, 2}	0.7%	(3.5%)
Customers insured at period end ¹	1.92m	1.97m

Segment result: European Insurance result¹

£m	2025	2024
European Motor	9.3	(14.8)
Spain Motor	(6.7)	(3.1)
Italy Motor	2.6	(22.8)
France Motor	13.4	11.1
Other	(2.7)	(4.9)
European Insurance profit/(loss) before tax	6.6	(19.7)

European Motor Insurance - Geographical analysis¹

2025	Spain	Italy	France	Total
Vehicles insured at period end	0.46m	0.81m	0.52m	1.79m
Turnover (£m)	140.1	240.4	275.4	655.9
2024	Spain	Italy	France	Total
Vehicles insured at period end	0.45m	0.96m	0.45m	1.86m
Turnover (£m)	131.8	269.1	224.0	624.9

1 Alternative Performance Measures – refer to the end of this report for definition and explanation.

2 Alternative Performance Measures – refer to Appendix 1d for explanation and reconciliation to statutory income statement measures.

3 Quota share reinsurance result within the segment result excludes reinsurers' share of share scheme costs.

European Insurance review continued

Admiral's European Insurance businesses reported an increase in turnover to £674.3 million (2024: £639.9 million). Customer numbers reduced modestly (2%) to 1.92 million (31 December 2024: 1.97 million), with growth in France more than offset by the result of the strong pricing action taken in Italy.

The combined result for the segment improved significantly by £26.3 million to a profit of £6.6 million (2024: loss of £19.7 million) with the combined ratio improving to 94.5% (2024: 105.7%) largely as a result of the pricing action referred to in Italy leading to a much-improved result compared to 2024, along with continuing strong profits in France.

The improved underwriting result in the period was partially offset by the movement in the quota share result, which changed from a recovery of £12.4 million to a charge of £31.3 million, reflecting the quota share reinsurers' share of the much improved underwriting result. The charge is greater than the quota share's proportional value due to the varying quota share arrangements in each line of business leading to different phasing of recoveries and charges depending on the underwriting performance.

Claims reserves in Europe continue to be set at, or very close to, the maximum 95th percentile risk adjustment strength allowed under the Group's reserving policy.

ConTe in Italy reported a small profit of £2.6 million (2024: loss of £22.8 million), the 2024 result being impacted by the significant increase to the settlement inflation rate for large bodily injury claims provided by the court of Milan (known as the Milano tables) and also the impact of continued inflation on claims settlement costs, particularly on business written in 2023. Strong pricing and underwriting actions taken throughout 2024 and in 2025 show signs of significantly improved loss ratios, which are now starting to earn through. Vehicles insured decreased by 16% to 0.81 million (2024: 0.96 million), as a result of the actions, with turnover decreasing by slightly less at 11% to £240.4 million (2024: £269.1 million).

L'olivier assurance (France) continued to grow strongly, with vehicles insured increasing by 15% to 0.52 million (2024: 0.45 million), and turnover increasing by 23% to £275.4 million (2024: £224.0 million). Both the reported loss and expense ratio continued to improve in 2025 with growth achieved in relatively favourable current market conditions, resulting in the business reporting higher profits in 2025 (£13.4 million vs. £11.1 million).

In Admiral Seguros (Spain) customer numbers were slightly higher at 0.46 million (2024: 0.45 million), leading to a modest increase in turnover. The underwriting result excluding quota share reinsurance improved as a result of decreases in both the loss and expense ratios, in line with the main focus of the business to improve underlying profitability. The reported loss for the period was higher (£6.7 million vs £3.1 million), impacted by new quota share arrangements in 2025 which result in lower recoveries on a booked combined ratio basis. Admiral Seguros continues to focus on sustainable growth, balancing its direct business with growing in the intermediary channel.



Women in Technology: ConTe's Serena Banci

1. Can you tell us about your journey at ConTe?

I joined ConTe in November 2018 and I started my journey as a developer working in a team that was responsible for managing legacy products. Over time I became passionate about the world of rate analysis and was given the opportunity to work closely with colleagues from in the Domain Risk team to protect the business' digital assets. Today, I am a Software Architect in the Gold Standard Pricing team, where we analyse machine learning models to identify patterns in customer data so that we can better serve our customers' needs.

2. How has ConTe helped you grow your career?

Thanks to ConTe, I've been able to embark on a professional growth path that aligns with my personal values and skills. I'm supported with training not only aimed at increasing my technical skills, but also at evolving my soft skills such as communication and emotional resilience. Working here I have learned that you can make mistakes (as long as you learn from them) and that asking for help from colleagues is not a sign of weakness, but a sign of strength.

3. How does ConTe support women?

Here, my opinion and my voice are listened to and respected in exactly the same way as my male colleagues and have helped spark further conversation and innovation. I recently completed the Leading at Admiral programme which supports colleagues who have been identified with leadership potential to grow within the business with management training and workshops. Also, ConTe really supported me when I became a mother. When I returned from maternity leave, I was given the opportunity to find my work-life balance without pressure – not many employers offer colleagues such flexibility.

Admiral Money review

Another year of significant growth and positive momentum

“We continue to deliver sustainable growth and are proud of the meaningful steps forward in how we fund, scale, and serve our customers.”

Emma Powell
CEO, Admiral Money



Our performance

Admiral Money profit before tax

£26m



2025 was another strong year for Admiral Money, with several significant milestones delivered, evolving us into a multi-product lender with broader distribution. It was a year in which we combined controlled growth with meaningful steps forward in how we fund, scale and serve our customers.

Our vision remains to help more customers with their lending needs. We provide customers with affordable guaranteed rates, ensuring transparency and certainty. We ended the year with over 200,000 customers and managing over £1.8 billion of loan balances, a 50% increase since full year 2024. As a result, our gross income of £159 million has grown 40%.

We continue to be agile in our approach to credit decisioning and pricing changes, resulting in stable and expected credit performance with full year cost of risk of 2.5%, which is the same as 2024.

We effectively managed costs during our growth and expansion into new distribution channels while simultaneously enhancing efficiency through increased automation, delivering a cost income ratio of 39%. The outcome of this balanced growth, high quality risk selection and cost discipline has been our fourth consecutive year of increased profits.

Gross loans

£1.46bn



In 2025 we evolved our capital efficient funding strategy to support future growth with our first forward flow arrangement. We completed a £146 million back-book sale of unsecured personal loans (UPLs) alongside the transfer of additional balances through ongoing originations. This resulted in loans with original balances of £426 million being off-balance sheet at year end. Importantly, Admiral Money continues to service all loans sold in both the back book and forward flow sales earning further revenue.

As we grow, our customer promise of value, trust and ease remains central to everything we do. I'm proud that our customer satisfaction scores reached new highs and Trustpilot scores rose to 4.9, compared to 4.4 in 2024, following enhancements to our customer journeys which helped us deliver faster decisions and better service at scale.

Internal mobility has helped deepen capability across the business, colleague satisfaction remained high, and we were recognised with a People & Culture award at Cnet Wales, an industry-led employers' forum for the Welsh contact centre community. Our commitment to community also doubled, with over 1,400 volunteering hours.

As I reflect on my first year as CEO, I am incredibly proud of the team and what we have delivered in 2025 and I'd like to thank our customers, partners and all my colleagues for their support.

Looking ahead to 2026, we are in a strong position to grow further both on- and off-balance sheet, particularly with our wider distribution channels.

Admiral Money review continued

Admiral Money financial review

£m	2025	2024
Total interest income	139.2	112.5
Interest expense ¹	(61.2)	(43.2)
Net interest income	78.0	69.3
Origination fee income ²	17.1	–
Other income	2.4	0.5
Total income	97.5	69.8
Credit loss charge	(33.3)	(26.9)
Expenses	(38.4)	(29.9)
Admiral Money profit before tax³	25.8	13.0

1 Includes £8.3 million intra-group interest expense (2024: £6.1 million).

2 Origination fee income in the year ended 31 December 2025 includes £5.9 million of income relating to a back-book sale of £146.4 million of loans through a forward flow agreement.

3 Alternative Performance Measures – refer to the end of this report for definition and explanation.

Admiral Money distributes and underwrites unsecured personal loans ('UPLs') and car finance products for UK consumers through the comparison channels, credit scoring applications, through car dealerships, and direct to consumers via the Admiral website. The business aims to provide customers with affordable guaranteed rates, ensuring transparency and certainty.

Admiral Money recorded a pre-tax profit of £25.8 million in 2025 (2024: £13.0 million), continuing the positive trajectory of the business. During the year, Admiral Money entered into a forward flow funding arrangement with an external counterparty, which included an initial sale of existing UPLs on day one of the arrangement, alongside the ongoing sale of newly originated loans. As part of the day-one transaction, a portfolio of UPLs with a total carrying value of £146.4 million was sold, generating origination fee income of £5.9 million, alongside a credit provision release of £4.9 million. After recognising transaction-related costs of £1.0 million, including the immediate write-off of unamortised deferred acquisition costs, the initial sale contributed £9.8 million to profit before tax.

In addition, £279.5 million of newly originated UPLs were sold during the year under the same forward flow arrangement, generating further origination fee income of £11.2 million. Admiral Money continues to service all loans sold under the arrangement and earned servicing income of £1.1 million during the period, with incremental servicing costs driven by increased assets under management recognised within operating expenses. Gross loan balances administered for third parties totalled £343.3 million as at year end 2025 (2024: £nil).

Despite the loan sales, the business has also grown net interest income by 13% to £78.0 million (2024: £69.3 million). Gross on-balance sheet loan balances totalled £1.46 billion at the end of the period (2024: £1.17 billion), with a £0.10 billion (2024: £0.08 billion) expected credit loss provision. This leads to a net on-balance sheet loan balance of £1.36 billion (2024: £1.09 billion).

Admiral Money is funded through a combination of internal and external funding sources. The external funding is secured against certain loans via a transfer of the rights to the cash flows to special purpose entities ('SPEs'). The securitisation and subsequent issue of notes via SPEs does not result in a significant transfer of risk from the Group. The new forward flow facility provides further diversification of funding and capacity to support origination growth. Loans sales made through the forward flow arrangement and initial back book sale do result in a significant transfer of risk from the Group, and as such the loans sold are derecognised from the balance sheet.

During the second half of the year, a portion of the loans sold through the forward flow were subsequently securitised through the public markets by the purchaser. The business continues to service the loans included in this transaction on the same commercial basis as those in the forward flow.

Credit loss models reflect the latest economic assumptions and post model adjustments ('PMA') remain in place to maintain an appropriately prudent level of provisioning reflecting the credit risk in the loan book.

The provision coverage ratio varied by asset class, with UPLs increasing to 7.6% (2024: 7.2%) and car finance increasing to 1.9% (2024: 1.6%). The slight increase in coverage in the year is largely driven by some softening in economic forecasts, particularly in the expected UK unemployment rate. Despite the macro back drop, the performance of the portfolios remain strong, with an ongoing focus on writing high-quality loans contributing to this positive loss performance.

Post-model adjustments reduced to £3.8 million (2024: £4.6 million) reflecting continued refinements to the IFRS 9 provisioning model, particularly in relation to economic uncertainty, as well as reductions in cost-of-living related PMAs.

Other Group items

Other Group items financial review

£m	2025	2024 ²
Share scheme charges	(71.9)	(60.7)
Other central costs	(53.4)	(51.1)
Admiral Pioneer result	(11.3)	(11.3)
Business development costs	(18.4)	(20.1)
Finance charges ¹	(23.5)	(26.3)
Sale of shares in Insurify	–	12.5
Other interest and investment income	17.7	13.5
Total	(160.8)	(143.5)

1 Finance charges within other Group items include £1.1 million (2024: £1.8 million) that relate to intra-group arrangements, with the corresponding income presented within the UK Insurance result.

2 Other group costs in 2024 have been re-presented to exclude costs in relation to the US Motor business, which are presented within discontinued operations following its sale.

Share scheme charges relate to the Group's two employee share schemes. The increase in charge in the period is driven by both increases in bonuses linked to dividends paid in the year and the higher share price.

Other central costs consist of Group-related expenses, an allocation of Group employee costs and the cost of a number of significant Group projects. Total costs increased modestly in 2025 primarily as a result of higher spend on the Group's internal model development as activity continues, towards application for approval, and higher ongoing spend on central Group employee expenses and community initiatives, which outweighed the 2024 additional one-off employee bonus costs.

Admiral launched Admiral Pioneer in 2020 to focus on new product diversification opportunities. Pioneer businesses include Veygo (short-term and learner driver car insurance in the UK), and Admiral business (commercial insurance, including fleet). Pioneer's businesses reported a loss of £11.3 million in 2025 (2024: £11.3 million), due primarily to costs of investing in the development of new products, offset in part by profits in Veygo. Losses continue to be recognised on new commercial insurance lines as premiums are not yet materially earning through.

Business development costs were lower at £18.4 million (2024: £20.1 million), with 2024 including non-recurring transaction and other costs of £6.5 million related to the More Than acquisition, whilst 2025 comprises increased spend on alternative lending products such as secured homeowner loans in the UK.

Finance charges of £23.5 million (2024: £26.3 million) primarily related to interest on the £250 million subordinated notes issued in July 2023 at a rate of 8.5%, with the charge in 2024 including interest on the £55 million subordinated loan notes issued in July 2014 prior to redemption.

Other interest and investment income increased to £17.7 million (2024: £13.5 million), primarily due to higher investments held in 2025.

As part of the disposal of compare.com in 2023, the Group received shares as a minority interest shareholder of the acquirer, Insurify.com. In 2024, the Group sold those shares, resulting in a one-off gain of £12.5 million.



Award-winning governance

In October, our Group Company Secretary team and Responsible AI and Data team were acknowledged for their outstanding efforts to keeping our business and customers safe.

Our Group Company Secretary team picked up Team of the Year at the Chartered Governance Institute UK & Ireland awards for blending legal expertise and innovation, and integrating AI into board operations, while our Responsible AI and Data team were Highly Commended at the DatalQ awards for the way that they ensure that AI is used responsibly across the Group.

Group capital structure and financial position

The Group manages its capital to ensure that all entities are able to continue as going concerns, and that regulated entities comfortably meet regulatory capital requirements. Surplus capital within subsidiaries is regularly paid up to the Group holding company in the form of dividends.

The Group's regulatory capital is based on the Solvency II Standard Formula, with a capital add-on to reflect recognised limitations in the Standard Formula with respect to Admiral's business, predominantly in respect of profit commission arrangements in co-insurance and reinsurance agreements.

The current regulatory approved capital add-on is £24 million.

Admiral continues to develop its partial internal model to form the basis of calculating capital requirements post-approval. Intense work has continued over the past year, including regular engagement with the regulator, and the Group is now close to submitting a formal application for approval to its main prudential regulators.

The estimated and unaudited Solvency ratio for the Group at the date of this report is as follows:

Group capital position (estimated and unaudited)

£bn	2025	2024
Eligible Own Funds (post-dividend) ¹	1.83	1.74
Solvency II capital requirement ²	0.95	0.86
Surplus over capital requirement	0.88	0.88
Solvency ratio (post-dividend)³	193%	203%

1 Own Funds include approximately £250 million of Tier 2 capital following the Group's issue of subordinated loan notes in 2024. Own Funds reported above are inclusive of additional own funds generated post-period-end up to the date of this report.

2 Solvency capital requirement ('SCR') includes updated, unapproved capital add-on.

3 Solvency ratio calculated on a volatility adjusted basis.

The Group's solvency position remains strong at 193%, though lower than the 2024 closing position of 203%.

There has been continued growth in own funds during 2025, but at a lower rate due to both high dividends declared and paid as a result of the strong reported result in H2 2024 and H1 2025, the purchase of shares to fund the employee share trusts, and lower written profits from the core UK Motor business relative to 2024.

The SCR also increased over the year, primarily due to the growth in the loans balances, particularly in H2 2025, along with premium growth across the Group's businesses and the associated impact on underwriting and operational risk elements of the capital requirement.

The estimated solvency ratio including the fixed Group capital add-on of £24 million, that is calculated at the balance sheet date rather than the date of this report, and is expected to be reported in the Group's 2025 Solvency and Financial Condition Report ('SFCR') is as follows:

Regulatory solvency ratio (estimated and unaudited)	2025	2024
Solvency ratio as reported above	193%	203%
Change in valuation date ¹	(11)%	(9)%
Other (including impact of updated, unapproved capital add-on)	3%	4%
Solvency ratio to be reported ('SFCR')	185%	198%

Solvency ratio sensitivities

	2025	2024
UK Motor – incurred loss ratio +5% ²	(21)%	(26)%
UK Motor – 1-in-200 catastrophe event	(4)%	(3)%
UK Household – 1-in-200 catastrophe event	(3)%	(3)%
Interest rate – yield curve up 100 bps	(1)%	(1)%
Interest rate – yield curve down 100 bps	1 %	–%
Credit spreads widen 100 bps	(2)%	(2)%
Currency – 10% (2024: 10%) movement in euro and US dollar	(3)%	(2)%
ASHE – long-term inflation assumption up 100 bps (2024: 100 bps)	(6)%	(6)%
Loans – 100% weighting to 'severe' scenario ³	(1)%	(1)%

1 The solvency ratio reported above includes additional own funds generated post-year-end up to the date of this report.

2 The lower sensitivity of the incurred loss ratio stress is the result of the lower written premium and relative profitability of the most recent underwriting year following increased competition in the period driving rate reduction.

3 Refer to note 7 to the financial statements for further information on the 'severe' scenario.

Group capital structure and financial position continued

Change in capital return policy

As set out previously, there has been a change in the Group's approach to capital return which will be in place from the interim 2026 dividend onwards (subject to regulatory approval). The Group's revised dividend approach is to:

- Pay a normal dividend equal to 65% of post-tax profits for the period
- Pay either a special dividend or buy back and cancel shares to the value of surplus economic capital available at the dividend calculation date (with reference to available distributable reserves at the calculation date).

Surplus economic capital is calculated as at the dividend valuation date and is defined as:

- Available capital
- Less capital requirements
- Less risk appetite buffer
- Less any further buffer determined by the Board at the appropriate time.

The decision whether to distribute via dividend or to buyback shares will be made by Board determination.

Investments and cash

Investment strategy

Admiral Group's investment strategy focuses on capital preservation and low volatility of returns relative to liabilities, and follows an asset liability matching strategy to control interest rate, inflation and currency risk. A prudent level of liquidity is held and the investment portfolio has a

high-quality credit profile. In 2025, the focus remained on matching, and cashflows were invested into high-quality assets to take advantage of healthy risk-free rates, whilst being appropriately cautious on the credit outlook. The Group holds a range of government bonds, corporate bonds, alternative and private credit assets, alongside liquid holdings in cash and money market funds.

A further aim of the strategy is to reduce the Environmental, Social, and Governance ('ESG') related risks in the portfolio, whilst continuing to achieve sustainable long-term returns. Admiral's corporate bond portfolio has an average MSCI rating of AA.

Total investment income for 2025 was £215.5 million (2024: £170.9 million).

The investment return on the Group's investment portfolio (excluding unrealised losses on derivatives and the movement in provision for expected credit losses) was £209.8 million (2024: £177.4 million).

The credit in relation to the movement in provision for expected credit losses is the result of an accounting reclassification of a number of assets from fair value through other comprehensive income to fair value through profit and loss, and does not impact the overall valuation of assets.

The reduction in interest rates during 2025 has resulted in an increase in the market value of the portfolio of £48.7 million (2024: £11.3 million increase), which is reflected in the Statement of Other Comprehensive Income.

The annualised rate of return was slightly up at 4.1% (2024: 4.0%), driven by reinvestment at improved risk-free rates.

Investment return

£m	2025	2024
Underlying investment income yield	4.1%	4.0%
Investment return	209.8	177.4
Unrealised losses on derivatives	(0.4)	(0.2)
Movement in provision for expected credit losses	6.1	(6.3)
Total investment return	215.5	170.9

Cash and investments analysis

£m	2025	2024
Fixed income and debt securities	3,707.6	3,335.4
Money market funds and other fair value through P&L investments	1,479.3	1,421.0
Cash deposits	57.9	91.7
Cash	301.1	313.6
Total¹	5,545.9	5,161.7

¹ Total Cash and Investments includes £500.1 million (2024: £354.5 million) of Level 3 investments. Refer to note 6d in the financial statements for further information.

Group capital structure and financial position continued

Cashflow

£m	2025	2024
Operating cashflow, before movements in investments	874.4	1,303.4
Transfers to financial investments	(245.8)	(810.3)
Operating cashflow	628.6	493.1
Tax payments	(192.1)	(124.1)
Investing cashflows (capital expenditure)	(95.2)	(144.2)
Financing cashflows	(712.6)	(436.0)
Loans funding through special purpose entity	414.7	178.1
Acquisition of shares	(35.3)	—
Foreign currency translation impact	(20.6)	(6.4)
Net cash movement	(12.5)	(39.5)
Unrealised gains on investments	48.7	11.4
Movement in accrued interest, foreign exchange and unrealised gains on derivatives	102.2	165.0
Net increase in cash and financial investments	384.2	947.2

The main items contributing to the operating cash inflow are as follows:

£m	2025	2024
Profit after tax	742.3	662.9
Change in net insurance contract liabilities	379.5	606.5
Net change in trade receivables and liabilities	29.1	46.3
Change in loans and advances to customers	(539.9)	(231.4)
Non-cash income statement items	50.8	42.8
Taxation expense	212.6	176.3
Operating cashflow, before movements in investments	874.4	1,303.4

The Group continues to generate significant amounts of cash, and its capital-efficient business model enables the distribution of the majority of post-tax profits as dividends. Total cash and investments at 31 December 2025 was £5,545.9 million (31 December 2024: £5,161.7 million).

The net increase in cash and investments in the period is £384.2 million (2024: increase of £947.2 million), the difference due primarily to higher dividend payments in 2025 relative to 2024, as well as a lower relative increase in cash inflows from the insurance businesses.

Taxation

The tax charge for the period for continuing operations is £212.6 million (2024: £175.3 million), which equates to 22.2% (2024: 21.2%) of profit before tax. The effective tax rate in 2025 was higher than in 2024 due to a reduced impact from lower overseas tax rates, resulting from a change in the relative split of profits across different tax jurisdictions.

Co-insurance and reinsurance

Admiral makes significant use of proportional risk sharing agreements, where insurers outside the Group underwrite a majority of the risk generated, either through co-insurance or quota share reinsurance contracts. These arrangements include terms which allow Admiral to retain a significant portion of the profit generated.

Although the primary focus and disclosure is in relation to the UK Motor Insurance book, similar longer-term arrangements are in place in the Group's European Insurance operations and the UK Household and Van businesses.

Group capital structure and financial position continued

UK Motor Insurance

Munich Re and its subsidiary entity, Great Lakes, currently underwrite 40% of the UK Car business. From 2022, 20% of this total is on a co-insurance basis (via Great Lakes) and will extend to 2029. The remaining 20% is on a quota share reinsurance basis and these arrangements extend to 2026 and 2027 (with discussions on extensions due to take place in Q2 2026).

The Group also has other quota share reinsurance arrangements confirmed to at least 2027 covering 38% of the business written.

The nature of the co-insurance proportion underwritten by Munich Re (via Great Lakes) in the UK is such that 20% of all Car premium and claims accrue directly to Great Lakes and are not reflected in the Group's financial statements. Similarly, Great Lakes reimburses the Group for its proportional share of expenses incurred in acquiring and administering this business.

Admiral's UK Motor quota share reinsurance arrangements result in all premiums, claims and expenses that are ceded to reinsurers being included within the quota share result in the Group's financial statements, with a recovery recognised where years are not yet profitable.

These agreements operate on a funds withheld basis with Admiral retaining ceded premium (net of the reinsurer margin), which then covers claims and expenses. If an underwriting year is not profitable, investment income is allocated to the withheld fund and used to delay the point at which cash recoveries are collected from the reinsurer. Other features of the arrangements include expense ratio caps and commutation options for Admiral that become available 24-36 months after the start of the underwriting year.

Admiral tends to commute its UK Car Insurance quota share reinsurance contracts 24-36 months after inception of an underwriting year, assuming there is sufficient confidence in the profitability of the business covered by the reinsurance contract and having assessed the solvency implications of the commutation for the Group and its underwriting subsidiary.

All arrangements covering the 2020 and prior underwriting years, and a majority of contracts from underwriting year 2021, were commuted as at 31 December 2024. In addition, the UK Van arrangements for underwriting years 2021 and 2022 were commuted during 2025, along with a small number of UK Car commutations on underwriting years 2022 and 2023.

UK Household Insurance

The Group's Household business is supported by long-term proportional reinsurance arrangements covering 70% of the risk, that run to at least 2027. In addition, the Group has non-proportional reinsurance to cover the risk of catastrophes stemming from weather events.

European Car Insurance

In 2023 and 2024, Admiral retained 35% (Italy), 30% (France), and 30% (Spain), of the underwriting risk in each country, respectively, whilst in 2025, Admiral retained 60% of the underwriting risk in Italy, with the retained share in France and Spain unchanged. In 2026, Admiral will retain 52.5% (Italy), 40% (France) and 42.5% (Spain) of the underwriting risk in each country respectively.

Excess of loss reinsurance

The Group also purchases excess of loss reinsurance to provide protection against large claims and reviews this cover annually. The UK Motor excess of loss cover in 2025 remained similar to prior years with cover starting at £10 million.



Sustainability overview

Our approach to sustainability

Our approach to sustainability is rooted in our cultural DNA and shaped by our purpose: ‘Help more people look after their future. Always striving for better, together’. In 2025, we focused on embedding sustainability more deeply into our business, taking practical steps that support long-term progress.

Our strategy is anchored in the United Nations Sustainable Development Goals (‘SDGs’), which provide a global blueprint for tackling the world’s most pressing challenges. We use this framework to guide our priorities and identify where our initiatives can contribute – such as reducing emissions (SDG 13: Climate Action), improving circularity in claims (SDG 12: Responsible Consumption and Production), and supporting financial resilience and wellbeing (SDG 3: Good Health and Well-being, and SDG 8: Decent Work and Economic Growth).

As the only FTSE 100 company headquartered in Wales, we also take inspiration from the principles of the Well-being of Future Generations Act, which calls for long-term thinking and collaborative action. This perspective helps us consider the needs of future generations alongside today’s priorities, reinforcing our commitment to responsible business practices across all regions where we operate.

For Admiral, sustainability means moving beyond compliance to deliver real impact. This includes working with suppliers and partners to accelerate responsible practices and improve how we measure and report impact. In 2025, we brought sustainability into everyday decisions through initiatives focused on climate action, economic opportunity, and wellbeing, while continuing to build inclusion across our global operations. Our ambition remains clear: to embed sustainability into every part of our business so that progress is practical, lasting, and makes a positive difference for people and the planet.

Our reporting suite

For more information on our sustainability commitments and progress, visit our website to explore our reporting suite:

admiralgroup.co.uk/investor-relations



Sustainability Report



Net Zero Transition Plan



Gender Pay Gap Report



Modern Slavery Statement

Our purpose framework



Sustainability overview continued

Key achievements and focus areas



£4.4m

spent in community investment



45k

colleague volunteering hours



£500k

in colleague match funding and small grants



8

New Green Earth Schools created through Earthwatch (two in 2024)



Joined Save the Children Humanitarian Network



Advanced sustainability in vehicle repair



Flood Force launched (reach: 4.8 million)



Expanded flood support: FloodMobile, Build Back Better, £1 million National Trust partnership



EV book growth; Defaqto EV Trailblazer



Joined Partnership for Carbon Accounting Financials ('PCAF')

External recognition



Rising Star Partnership Awards The King's Trust



Sustainability & Privacy Initiative of the Year PICASSO Awards



Legendary Status Great Place to Work® UK



Highly Commended Best Privacy Initiative British Data Awards



India's Best Workplaces for Women™ Great Place to Work®



Highly Commended Responsible AI Initiative DataIQ Awards



4th Best Workplace for Women™ Great Place to Work® UK



Silver, Mental Health & Wellbeing Wales Awards

MSCI ESG rating assessment



2025: AAA
2024: AAA
2023: AA
2022: AA

CDP Climate Score



2025: B
2024: C
2023: B
2022: D

Sustainalytics ESG Risk Rating



2025: 21.6
2024: 24.2
2023: 24.3
2022: 21.0

ISS ESG performance



2025: C Prime
2024: C-
2023: C-
2022: C-

Sustainability overview continued

Our approach to materiality

At Admiral, we know that for our sustainability efforts to have real impact, we first need to focus on what matters most – to our people, our communities, the environment, and our business.

That's why, in 2025, we refreshed our Double Materiality Assessment ('DMA'). Updating the DMA each year helps us stay ahead of change, allocate resources effectively, maintain transparency with stakeholders, and integrate sustainability into everyday decision making.

The DMA helps us to identify the sustainability issues that matter most by looking at two perspectives:

- Impact materiality – how our activities affect people and the environment
- Financial materiality – how sustainability issues could influence Admiral's long-term performance and value.

Turning insight into action

The DMA is a strategic tool that guides decision making across the business. It helps us to:

- Manage sustainability-related risks
- Identify opportunities for innovation and long-term sustainable growth
- Focus resources where they create the greatest impact.

In 2025, these insights shaped the creation of our RISE Framework, which focuses on four key areas: Responsibility, Inclusion, Safety, and Employability. Our RISE framework provides a clear foundation for further embedding sustainability into governance, operations, and culture, helping us deliver long-term value across the business. For further details, please refer to our 2025 Sustainability Report.




What we did in 2025

We carried out a light-touch refresh of the DMA following the comprehensive assessment completed in 2024. Teams across the Group – including Sustainability, Procurement, Operations, Investments, and People – reviewed whether any topics had changed in importance.

Outcome

Our material topics remain unchanged from 2024. Climate change, workforce wellbeing, business conduct, and customer-related topics continue to be key areas of impact. We also maintain focus on supply chain sustainability, diversity and inclusion, and opportunities to improve circularity in claims and procurement.

2025 materiality assessment results

Environment 	Climate change	How we help to mitigate and adapt to climate change, which is the long-term shift in average temperatures and weather patterns of the Earth, alongside the use of energy in all our operations.
	Biodiversity and ecosystems	The interactions between our business and the natural environment occurring mainly through supply chain and policyholder activities, focusing on biodiversity, biodiversity loss, and the health and functionality of ecosystems.
	Resource use and circular economy	The careful use of natural resources such as fossil fuels and circular economy principles, which focuses on eliminating waste and preventing the depletion of natural resources within our operations, while servicing customer claims.
Social 	Own workforce	Maintenance of positive working conditions within our organisation, striving for equal treatment and opportunities for all colleagues, and upholding all other work-related rights.
	Workers in the value chain	The equal treatment, opportunities and work-related rights for those employed within our supply chain.
	Affected communities	How we engage with local communities through partnerships and providing support. We take pride in supporting our local communities, an ethos that has been in Admiral since the start.
	Consumers and end-users	How we ensure the personal safety of our customers and the protection of their personal data, and achieve social and financial inclusion.
Governance 	Business conduct	How we strive to foster a strong corporate culture emphasising ethical behaviour and integrity, and are committed to responsible business practices and transparent reporting.

Sustainability overview continued



Our culture: The heart of our progress

Our culture

At Admiral, culture isn't just policies or awards – it's the everyday experience shaped by colleagues who bring curiosity, kindness, and commitment to making a difference. Our culture is built on respect, inclusion, and collaboration – celebrating individuality and welcoming ideas. These values come to life daily, helping customers through tough moments, supporting teammates, or volunteering to make a positive impact.

In 2025, this culture was recognised globally. Admiral Group ranked among Fortune's Top 25 World's Best Workplaces, and our UK business achieved Great Place to Work® Legendary Status after 25 consecutive years on their Best Workplaces list. These accolades, based on independent surveys and colleague feedback, reflect the trust and sense of belonging across our teams.

Colleague engagement and voice

Engagement is central to our culture. In our latest Great Place to Work® survey, 84% of colleagues agreed that every effort is made to understand their opinions, with participation reaching 85% across 15,000 colleagues. Voices are heard at the highest level through our Employee Consultation Groups ('ECG'), which influence decisions on diversity, reward, mental health, and engagement.

Wellbeing

Wellbeing is an integral part of life at Admiral. We aim to create an environment where colleagues feel supported, healthy, and able to thrive. Oversight sits with senior leadership, while day-to-day responsibility lies with our Health and Wellbeing Team, supported by a dedicated Workplace Support Team, and a network of wellbeing representatives. In 2025, we strengthened our mental health support as 762 line managers completed mental health training and 72 colleagues became accredited Mental Health First Aiders – enhancing our ability to offer meaningful support when it matters most.



We launched a new Health and Wellbeing survey to understand colleague experiences and shape future priorities. Listening to feedback helps us identify what's working and where we can improve, ensuring wellbeing remains at the heart of our culture.

Support includes counselling, occupational health assessments, and wellbeing initiatives covering mental health, exercise, nutrition, and financial wellbeing, and our DEI networks.

This year, wellbeing came to life through colleague-led initiatives. Our Women's Health Community organised a fundraising walk for Endometriosis UK, and the Men's Health Roundtable created space for honest conversations about mental and physical health with GP panelists and speakers from charities Tidy Butt and Andy's Man. These events reflect our commitment to inclusion and support for every colleague.

Celebrating our culture

We celebrate individuality and connection through events like Culture Day, Black History Month, and the launch of the Every Body Café for colleagues with disabilities and allies. During Pride Month, our Tŷ Rainbow LGBTQIA+ working group led the theme 'More than just a party' – reminding us that Pride is about solidarity and allyship. Admiral has been a proud sponsor of Pride Cymru for 25 years, standing for equality and visibility.

In 2025, Admiral proudly ranked 4th in the UK's Best Workplaces for Women, as recognised by Great Place to Work®. This achievement reflects the impact of our efforts to remove barriers, challenge taboos, and create an environment where women feel seen, heard, and supported at every level.

762

line managers completed
mental health training

72

colleagues became accredited
Mental Health First Aiders

Sustainability overview continued

Diversity, equity and inclusion ('DEI')

This commitment to culture and wellbeing is underpinned by our approach to diversity, equity, and inclusion. At Admiral, we are committed to creating an environment where every colleague feels genuinely supported and empowered to be themselves. Our DEI vision is realised through colleague-led networks representing gender equality, race, ethnicity and culture, LGBTQIA+, disability and neurodiversity, social mobility, and age. These networks actively foster allyship and help build a safe, healthy workplace, with 95% of colleagues affirming Admiral as a diverse and inclusive employer in our 2025 Great Place to Work® survey.

Inclusivity starts at recruitment, with job adverts placed on diverse platforms and accessible tools like Recite Me to reduce entry barriers. We are proud to be recognised as a Disability Confident Leader in the UK, ensuring fair participation and development opportunities for colleagues with disabilities. We give full and fair consideration to applications for employment made by disabled persons. We support colleagues with disabilities during their employment, making reasonable adjustments to help them remain in meaningful work and continue their development. Our wellbeing and workplace support teams are accredited as workplace needs assessors, and provide customised adjustment plans for those with health conditions, neurodiversity, or disabilities. Tools such as Claro Read are available to all colleagues, supporting universal design principles.

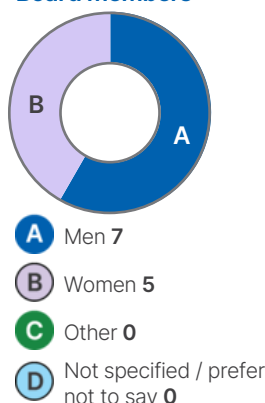
We champion leadership accountability, with local senior sponsors and our Group executive sponsor driving progress across the Group. Our ambition for 2026 is to further increase representation, for a more diverse workforce.

Our 'Where You Can' promise celebrates the unique talents and journeys of every colleague. Flexible and hybrid working ensures work fits around life, and our inclusive culture is strengthened by events, safe spaces, and community-building initiatives across all countries.

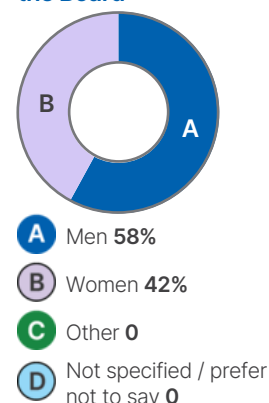
We are proud to hold accreditations such as Neurodiversity Friendly Employer, Menopause Friendly Employer, and Living Wage Employer. Programmes like Empowering Women Across Europe and our Women in Tech team support talent mobility and leadership progression.

We continue to refine recruitment, talent development, and retention practices, ensuring our workforce reflects our customers and communities. Through ongoing education, awareness campaigns, and leadership training, the Admiral Group remains dedicated to advancing equity and fostering a truly inclusive workplace.

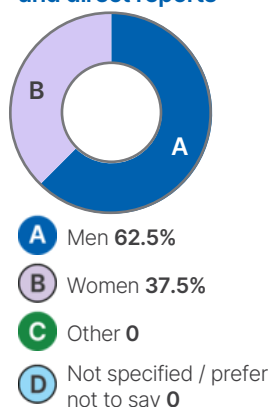
Number of Board members



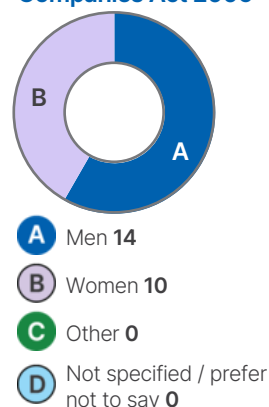
Percentage of the Board



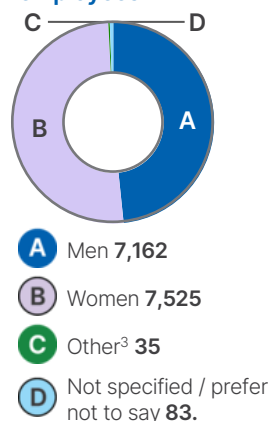
Percentage of senior managers and direct reports¹



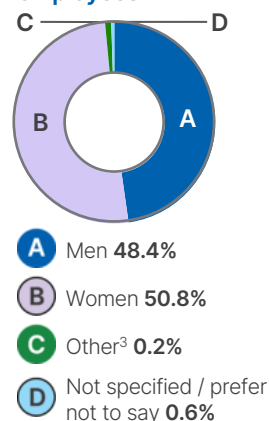
Number of senior managers in accordance with the Companies Act 2006²



Number of all employees²



Percentage of all employees



1 This figure is provided pursuant to the UK Corporate Governance Code 2018 requirement to confirm the gender balance of those in senior management and their direct reports. The definition of 'senior management' for this purpose is the Executive Committee or the first layer of management below Board level, including the Company Secretary.

2 The number of senior managers and the number of employees of each sex is disclosed for the purposes of section 414C(8) of the Companies Act 2006. In accordance with section 414C(9) and 414C(10), the definition of 'senior managers' includes the Executive Committee equivalent for Admiral Group and the Directors of the subsidiaries included in the consolidated accounts.

3 Other includes; Non-Binary, Gender Non-conforming and Other Genders. Data as at 31 December 2025.

Sustainability overview continued

Grow and progress: Learning that shapes our future

In 2025, colleagues completed 774,340 hours of learning across the year. During learning at work week alone, colleagues logged 700+ hours across sessions on digital skills, data, communication, and wellbeing. Generative AI was the most attended topic, showing how fast future skills are shaping our business.

Our senior learning partners work hand-in-hand with business leaders to identify future skills, design tailored programmes, and embed development into everyday work. This collaborative model ensures learning is relevant, scalable and aligned with long-term goals.

We track progress through clear governance measures: learning hours, participation rates, career development reviews, multi-year trends in training investment, and feedback scores – so we know what works and where to improve.

Accessible learning for all

Learning is open to everyone – full-time, part-time and temporary colleagues. Through iLearn, colleagues completed 212,321 regulatory learning courses, from ethical standards to leadership skills. Mentoring and coaching programmes delivered tailored support to 2,053 participants, and we continue to fund degree programmes and professional certifications.

Innovative programmes

We launched Elevate, our first Governance Academy programme, with 14 participants, alongside Risk's Emerging Talent Programme and Admiral Launchpad – 11 workshops were facilitated with the Welsh Innovation Centre for Enterprise. Connect R, our mentoring platform, and agile learning programmes remain core to our approach.

Performance reviews and feedback

Improvements to performance reviews continue to embed across the Group, with quarterly cycles and annual appraisals harmonised for EU entities. Continuous feedback is supported by 360-degree tools and peer input, while training evaluation forms and governance forums ensure learning stays effective and impactful.

774,340

learning hours completed in 2025



Leading at Admiral

At Admiral, culture matters. How we work together shapes how people feel at work, how decisions are made, and how we deliver for customers. That's why we created Leading at Admiral – our approach to leadership development, built around who we are and what we value.

As the way we work continues to change, the programme helps people in leadership roles stay connected to Admiral's culture, while building the skills and behaviours needed to lead change well. It supports our strategic priorities, including our Customer Promise – value, trust, and ease – by encouraging inclusive, agile and people-centred ways of working.

Leading at Admiral is guided by four core principles: Lead with Meaning, connecting everyday work to purpose and values; Empower to Succeed, creating safe and trusting environments; Nurture Talent, supporting learning and growth; and Drive for Better Together, focusing on shared improvement.

The programme is delivered through a mix of purpose-led workshops, immersive and practical learning, helping strategy translate into action. By investing in culture-led leadership, Admiral supports wellbeing, inclusion, good governance and long-term, responsible success.

Sustainability overview continued



Supporting communities: Creating progress together

Our approach to community investment

At Admiral, social purpose isn't a programme, it's part of who we are. Every hour volunteered, every partnership formed, and every grant awarded reflects our belief that progress should include everyone. We believe progress is best when it's people-powered, and our community investment strategy reflects this belief – rooted in empathy, driven by action, and designed to make a meaningful difference in the lives of those around us.

Admiral has a medium-term ambition to allocate an average of 1% of operating profit to community investment. In 2025, we invested £4.4 million to support causes aligned with our purpose to: help more people look after their future, always striving for better together. This commitment spans our international operations across the UK, Europe, India, and Canada, and is guided by transparency and measurable impact.

To strengthen accountability, we onboarded the Social Value Portal ('SVP'), enabling us to track outcomes using the nationally recognised TOMs framework. This ensures our investments – whether financial, time-based, or skills-driven – deliver real value.

Our approach is structured around:

- **Colleague-led impact:** Empowering Admiral colleagues to volunteer, fundraise, and nominate local causes
- **Collaborative partnerships:** Working with expert organisations to build resilience in climate, financial wellbeing, and disaster response
- **Inclusive environmental action:** Supporting nature-based solutions and green infrastructure
- **Employability and opportunity:** Tackling inequality by helping underrepresented groups access meaningful work
- **Humanitarian support:** Responding to global crises with urgency and compassion.

This culture of giving is reflected in our Great Place to Work survey, where colleagues said they were proud of Admiral's community and charitable approach. Looking ahead, we will deepen our impact through partnerships, colleague-led initiatives, and data-driven insights.



Match Fund Impact: Running For Harriet

Earlier this year, Admiral colleague Michael Price and his team took on a 55-mile overnight run from Cardiff's Noah's Ark Children's Hospital to Bristol Children's Hospital, inspired by the journeys made by his best friend's daughter, Harriet, during her treatment for a congenital heart condition. The challenge raised a total of £7,940 for The Grand Appeal, including funds matched by Admiral, funding specialist equipment and family services that make long hospital stays more bearable. Michael said, "I'm incredibly proud of what we achieved together and grateful for Admiral's support in helping us make a bigger impact for children and families when they need it most."

This story shows how Admiral's Match Fund amplifies colleague-led initiatives, turning personal passion into meaningful community impact.

We invested

£4.4m

to support causes aligned with our purpose

Sustainability overview continued

Driving impact through people and partnerships

Our colleagues are at the heart of Admiral's community investment. Their passion and commitment turn our purpose into action.

In 2025, Admiral colleagues contributed over 45,000 volunteering hours, supporting causes from health boards and food banks to schools, cultural events, and environmental clean-ups. Volunteering is more than giving time – it builds empathy, strengthens local networks, and connects our people to real-world challenges.

Through our Match Fund programme, Admiral doubled the impact of colleague fundraising by matching donations to registered charities. In 2025, we approved 167 match fund applications, supporting 87 charities, including 61 focused on health and wellbeing. Over £169,000 was matched, helping causes from cancer research to mental health support.

Our Community Small Grants scheme provides funding to grassroots organisations nominated by colleagues. Any Admiral colleague can apply for funding to support a cause that matters locally – whether it's a youth sports team, a cultural event, or a renewable energy project. We granted over 500 applications, supporting more than 400 clubs, charities, and community groups – from youth sports teams to knitting circles and solar panel projects. These initiatives reflect our belief that local voices matter.

Strategic partnerships amplify this impact. In 2025, we focused on:

- **Climate resilience:** Through our Green Fund, we partnered with WWT, Earthwatch, Walk Wheel Cycle Trust, and the National Trust to restore habitats, improve infrastructure, and deliver climate education. For example, through Earthwatch Europe we funded Wales' first Green Earth Schools, and in 2025 grew the number of Earth Schools in Wales from two to ten, engaging thousands of children in citizen science projects
- **Financial resilience:** We supported programmes that promote financial literacy and digital skills, helping individuals and families build confidence and resilience in a changing economy. Since 2022, Admiral has partnered with The King's Trust to deliver the Digital Skills Pathway Cymru, which has supported over 800 young people. Our commitment has led to 350 positive outcomes (employment, education or training), helping those furthest from the labour market build confidence and vital digital skills for the future.

Looking ahead, we're prioritising digital and skills, ensuring young people are ready for the jobs of tomorrow. This year, our impact was recognised with The King's Trust Rising Star Award and Gold Patron Partner status, celebrating our dedication to empowering young people and driving positive change in our communities. These efforts demonstrate Admiral's commitment to collaboration, combining colleague passion with expert partnerships to create lasting, measurable change.

Earthwatch Europe: Bringing nature back to cities

Admiral is Wales' first corporate supporter and largest contributor to Earthwatch Europe's Nature in Cities programme.

Together, we've created ten Green Earth Schools and funded two Tiny Forests across Port Talbot, Swansea, Newport, and Cardiff, giving over 2,200 children hands-on environmental learning opportunities and training more than 70 teachers to embed sustainability in education.

This partnership tackles inequality by increasing access to green spaces, helping communities in South Wales thrive by creating healthier, greener environments. Admiral colleagues have also volunteered at planting days and championed environmental action during our internal Green Week campaign.

Looking ahead, we're committed to growing this impact further, helping communities flourish and inspiring the next generation to protect our planet.



Admiral colleagues contributed over

45,000

volunteering hours in 2025

We supported

87

charities through match funding in 2025

Sustainability overview continued

Building a resilient future

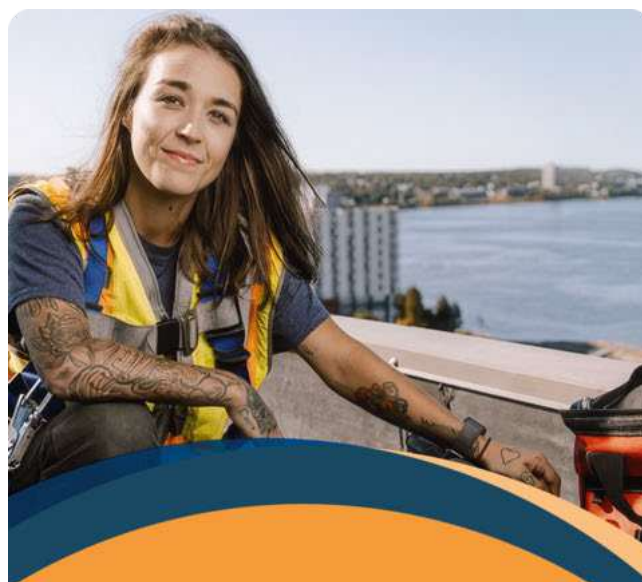
Environmental action remained a priority in 2025. In partnership with the Welsh Sports Association, Admiral launched the Sustainability in Sport Fund, enabling community sports organisations to pitch for seed funding to drive innovation in sustainability. These projects embed sustainable practices into grassroots sport – from promoting low-carbon travel for players and fans, to installing energy-efficient technology at local facilities.

One initiative saw the Boys & Girls Club of Wales' young eco-leaders embark on a 100-mile canoe expedition, monitoring water quality, documenting local flora and fauna, and deepening their environmental awareness along the way.

We also advanced employability and opportunity through partnerships with the King's Trust and Generation. These programmes delivered digital skills and job-ready training for under-represented groups, helping hundreds of participants gain confidence and secure employment in high-demand sectors.

Humanitarian support is another cornerstone of our strategy. In 2025, Admiral joined the Disasters Emergency Committee Rapid Response network, activating our first appeal for the Myanmar earthquake, and others through the year. This partnership ensures rapid, effective aid when communities need it most. Admiral colleagues also contributed through global volunteering and fundraising efforts, demonstrating the power of people-led action even in times of crisis. In addition to DEC appeals, Admiral joined Save the Children's Humanitarian Network, and contributed to Plan International's outreach work covering rapid funding for disaster risk management and climate hazard anticipation globally, enabling interventions before hazards strike. Through Plan International, we also supported local efforts in Burkina Faso, enabling woman and young people to access sustainable livelihoods, while protecting and conserving their local environment.

Admiral will continue to champion inclusive growth, climate resilience, and humanitarian response – putting people at the heart of progress. As we look ahead, we'll keep listening to communities, backing bold ideas, and empowering our colleagues to support change.



Women Unlimited

Admiral supports Women Unlimited, a 16-week employability programme delivered through Nova Scotia Community College ('NSCC') that empowers women and gender diverse individuals to enter trades and technology—sectors where women represent just 5% of the workforce in Nova Scotia.

Through a three-year CAD \$195,000 funding commitment, Admiral helps remove financial barriers by providing bursaries, cost-of-living support and emergency assistance. In 2025, Women Unlimited supported 96 participants into trades and technology careers, building on 155 placements in 2024, with 53 Admiral Insurance bursaries awarded in 2025 alone. The programme improves access to education, builds confidence, and enables participants to complete training and transition into sustainable employment, helping address skills shortages, while advancing gender diversity and economic opportunity across the region.

Sustainability overview continued



Protecting people in a digital world: Advancing responsible progress

Technology that puts people first

At Admiral, technology isn't just about systems – it's about people. In 2025, we invested in digital innovation that makes life fairer, safer, and more accessible for customers, colleagues, and communities. From advanced cybersecurity to inclusive skills programmes that open doors for future tech talent, we're using technology to drive progress responsibly.

Keeping data secure and accessible

Every day, Admiral handles sensitive information – whether it's for our customers, colleagues, or partners. Protecting that data is non-negotiable. We operate an Information Security Management System aligned with the Information Security Forum's Standard of Good Practice, which draws on multiple industry frameworks, including ISO 27001, the NIST Cybersecurity Framework, and Cloud Security Alliance ('CSA') guidelines.

This means regular risk assessments, strong encryption, and independent audits, including CBEST exercises that simulate real-world cyberattacks. We also run frequent phishing simulation campaigns to keep security awareness high.

Our privacy and responsible data team oversees compliance with UK and EU GDPR and the EU AI Act, while helping teams apply responsible and ethical practices in AI projects. In 2025, our work earned industry recognition, including the PICASSO Award for Sustainability and Privacy Initiative of the Year and a Data IQ Highly Commended Award for Responsible AI.

Empowering our people

Technology is changing fast, and we want our colleagues to feel confident and ready. In 2025:

- Admiral colleagues achieved industry-leading certifications like CISSP and CISM, with others pursuing postgraduate degrees in cyber security and software security
- We launched Data Skills for All, a learning pathway through our Data and AI Academy, helping colleagues build confidence in data-driven decision making
- The Academy hosted a hackathon with 90 participants and celebrated Love Data Week with interactive sessions.

Championing diversity in tech

We're proud to partner with Women in Data, an organisation that shares our commitment to development and inclusion. In 2025, we hosted the 10th Anniversary Women in Data event at our Tŷ Admiral office, featuring an inspiring panel of leaders from Admiral and across the industry.

We also celebrated success at the Women in Tech Excellence Awards, where Admiral received eight nominations: Best Employer, IT Leader, Rising Star, Role Model, Team Leader and Transformation Leader, Hero of the Year (Highly Commended), and Engineer of the Year (Winner).

Opening doors to tech careers

Digital inclusion matters. That's why we partner with organisations to help people gain the skills they need for the future. In 2025, we delivered digital skills sessions through The King's Trust, Code First Girls and continued our partnership with Cyber College Cymru.

We also continued to grow talent through our Data Graduate Programmes in Analytics and Data Science, and our Data Analytics Apprenticeship.

Driving better decisions with data quality

Good decisions need good data. That's why we are further investing in data assurance platforms that enable real-time monitoring of data quality across the business. This helps ensure that our data is accurate, consistent, and reliable – essential for compliance and for delivering the best outcomes for our customers.

Looking ahead

Technology will keep evolving, but our commitment remains the same: to use innovation responsibly and inclusively. By focusing on fairness, security, and accessibility, we build trust with customers, empower colleagues, and strengthen communities.



Sustainability overview continued



Governance: Driving responsible progress

Responsible progress

At Admiral, being a responsible business is central to our purpose: helping more people look after their future, always striving for better together. Acting with integrity and operating responsibly are essential because trust underpins how we do business. In 2025, we focused on practical actions to strengthen this commitment – from managing sustainability risks and building resilient supply chains to continuing our sustainability-linked loan.

Our customer promise

Our customer promise sets out what customers can expect from us when they interact with Admiral. It focuses on three principles:

- Value means fairness and relevance, offering competitive prices and products designed to meet diverse needs
- Trust means being clear and reliable – providing transparent information and acting with integrity
- Ease means simplicity and accessibility – using clear language and offering multiple channels for quick communication.

This framework ensures consistency in how we design products and deliver everyday experiences. It is embedded across all teams – from claims and contact centres to tech, risk, and marketing – so every decision reflects our values.

Managing sustainability risks

Sustainability risk is embedded within the Group's Enterprise Risk Management Framework. During the year, we expanded our approach to explicitly include governance and social risks alongside the climate risk management framework we introduced in 2024. We also simplified tools and methodologies to align with the wider Group approach, making risk registers easier to use and improving consistency across teams.

Other enhancements include the increased use of MI to monitor physical risks such as floods and storms, transition risks driven by regulatory and technological change, and governance risks. In addition, we continued integrating climate risk into our Own Risk and Solvency Assessment ('ORSA'), modelling three climate scenarios to assess potential impacts on solvency. For further detail, please refer to our Task Force on Climate-related Financial Disclosures ('TCFD') disclosure on page 76.

Responsible communication

Clear and fair communication is essential to building trust. In 2025, we strengthened governance for sustainability messaging through a formal review process, ensuring claims are evidence-based and compliant with FCA and ASA guidelines.

Accessibility remains a priority: we use plain English, avoid jargon, and design content for screen readers. We also partner with Plain Numbers to make numerical information easier to understand.

Marketing and communications teams received specialist training to avoid greenwashing, and we expanded resources for vulnerable customers. Campaigns such as Your Ride, Your Rules promoted shared responsibility for safer driving, reflecting our values of Trust.

Responsible investment

Our Investment Policy is designed to control sustainability risks and achieve more sustainable long-term returns. For climate risk specifically, we align with the IIGCC Net Zero Investment Framework. In 2025, we continued to strengthen this approach by maintaining exclusions for sectors inconsistent with net zero – such as coal and oil sands – while progressing our SDG-aligned targets, such as climate solutions. We monitored progress against our net zero targets by reducing metrics like Weighted Average Carbon Intensity ('WACI') and Financed Emissions. Engagement through asset managers remained a core focus to ensure sustainability considerations are included in investment decisions.

Business ethics and human rights

We maintain zero tolerance for bribery, corruption, and unethical practices, reinforced through our Code of Conduct and mandatory training programmes. In 2025, we partnered with Slave Free Alliance to develop our Modern Slavery Toolkit and improve training.

Driving supply chain improvements

We integrate sustainability criteria into procurement decisions and encourage suppliers to adopt carbon action plans. Our third-party risk management framework is designed to align with our values across environment, financial crime, data protection, ethical practices, and modern slavery. Supplier practices are assessed throughout their lifecycle – from initial due diligence to ongoing monitoring – with corrective actions where needed.

In 2025, we strengthened this approach by using platforms such as EcoVadis and Risk Ledger to assess risks and provide targeted support. We hosted engagement sessions with our motor repair providers to drive collaboration on shared goals. We engaged with our top 200 corporate suppliers to encourage them to commit to SBTs and complete an EcoVadis sustainability assessment so we can better understand and improve sustainability across our supply chain.

Sustainability overview continued

Advocacy and collaboration

In 2025, Admiral engaged in industry discussions on climate resilience, road safety, motor insurance affordability, good employment practice, and responsible finance. We co-hosted a session during Wales Week in London with PwC to showcase Welsh sustainability leadership and joined a Treasury Select Committee session on flood resilience.

Beyond events, we influenced best practice and policy through forums such as the FCA’s Climate Financial Risk Forum, the Partnership for Carbon Accounting Financials (‘PCAF’), and the FloodAction Coalition, helping explore emerging ideas on climate risk and carbon accounting. We also worked with associations including ABI, CBI Wales, and European bodies such as UNESPA to promote sustainable insurance practices.

Governance

In 2025, Admiral Group continued to strengthen its sustainability governance under the continued oversight of the Group Board, building on our 2024 framework. The Group sustainability team worked closely with governance committees to embed sustainability into decision making and operations, ensuring alignment with our long-term objectives.

Our tiered governance structure remains central to this approach. The Sustainability Steering Committee (‘SSC’) and five specialist working groups played a key role in supporting stakeholders and providing expertise to integrate sustainability considerations across all areas of the business. The SSC convenes quarterly to maintain a cohesive approach, oversee progress towards our net zero objective, and monitor strategic developments. The Committee provides recommendations on sustainability initiatives identified by the working groups and escalates material items for Board consideration and approval. In 2025, this included approving our new sustainability framework RISE, agreement to become a PCAF signatory, 2025 DMA, and Sustainability Risk Policy.

The SSC is chaired by Admiral’s Group Chief Risk Officer (‘CRO’), who also serves as Executive Sponsor for sustainability and DEI. Membership includes the Group CEO of Admiral Group – who holds ultimate accountability for sustainability – CEO of Admiral Europe Compañía de Seguros (‘AECS’), Admiral’s Group Chief Sustainability Officer (‘CSO’), Group Chief Financial Officer, and Chairs of the five sustainability working groups. The CSO reports regularly to the Group and entity Boards and other governance committees to ensure transparency and accountability.

Sustainability governance is delivered in alignment with other key committees, ensuring integration across risk, reporting, and remuneration:

- Group Risk Committee (‘GRC’) – Oversees climate-related and broader ESG risks within the Group’s risk management framework. The GRC receives a sustainability risk dashboard, and an update on sustainability issues at most meetings
- Group Audit Committee (‘GAC’) – Received updates on sustainability disclosures and approved the auditor’s limited assurance over key sustainability metrics
- Remuneration Committee (‘RemCo’) – Incorporates sustainability-linked performance measures into executive remuneration, reinforcing accountability for progress against our objectives.

Details of committee oversight of climate-related matters – such as investment, reserving, and risk – are provided in our TCFD section on page 76.

Our governance structure provides a robust framework for embedding sustainability into long-term planning, ensuring regulatory compliance and risk management, and enabling transparent monitoring of sustainability performance. In 2026, our priority will be building on this foundation to accelerate delivery of our sustainability framework RISE and embed sustainability even further into core business decisions.



Sustainability overview continued



Driving environmental change: Reducing impact together

Supporting more customers to make sustainable choices

Helping customers make sustainable choices – whether on the road or at home – is central to Admiral's approach to sustainability. From electric vehicles to greener homes, we're enabling customers to take practical steps towards a lower-carbon future.

Helping customers choose electric vehicles

Battery electric vehicles ('EVs') have a significantly lower environmental impact over their lifetime compared to petrol or diesel cars – even when accounting for battery manufacturing. We know that this is important to customers: in a 2025 Admiral EV customer survey, 59% of respondents listed environmental concerns as a reason behind their EV purchase. Supporting customers to make the switch is, therefore, a key part of Admiral's sustainability approach.

Admiral is one of the leading insurers of EVs in the UK. In the UK and France, our EV-specific features include out-of-charge recovery and cable theft cover, making EV ownership easier and more secure. During 2025, we grew our EV insurance books in the UK and France.

In 2025, Admiral was recognised by Defaqto, a UK market intelligence firm, as a 'Trailblazer' for our innovation in EV insurance such as including 'out of charge' cover within our core comprehensive offering. We also partnered to open Admiral-branded repair centres equipped with specialist EV tools, charging bays, and expert-trained technicians – helping customers access quick, competent EV repairs. Read more about sustainable repair in our 2025 Sustainability Report.

Beyond our own insurance, we're enabling EV adoption through partnerships and research. We provide car finance for used EVs via Admiral Money and began underwriting EVs through new partner channels in 2025. Through 2025, we have also been working with ZoomEV to roll out additional free EV benefits to Admiral customers in the UK, helping them save money on things like home and public charging, and maintenance. This aligns with our approach to provide customers with what they truly need and want as an EV owner.



Sustainability overview continued



Everything Electric 2025

By the end of 2025, more than 1.8 million fully electric vehicles were on UK roads making up 5.3% of the country's 34 million¹ vehicles, up from just 2% in 2022². EVs also accounted for 23.4% of all new UK vehicle registrations in 2025³. While this marks strong progress, further expansion of the EV market will be necessary to align with the UK's Zero Emissions Vehicle ambitions.

To continue to promote EV adoption, during 2025, Admiral UK sponsored its second year of the Everything Electric trade show series. Everything Electric is one of the UK's largest public events focused on electrified transport and low-carbon living. Across the shows, more than 47,000 people attended, engaging with expert talks, demonstrations, myth-busting content and Q&A sessions aimed at improving public understanding of EVs and other electric technologies.

Consumer hesitation remains a barrier to EV adoption. By providing clear, accessible information that cuts through misinformation, the event helps consumers navigate common EV concerns like charging, cost, battery performance and insurance. Knowledge can empower consumers to make confident, sustainable choices.

This public shift is essential to Admiral's own net zero ambitions, as we cannot reach net zero across our entire business without accounting for the emissions produced by our customers.

Supporting lower-impact driving

Not every journey needs a car of your own. Our Veygo pay-as-you-go insurance helps customers who choose alternatives to private ownership – such as car sharing – allowing them to drive only when they need to. In 2025, more Veygo customers opted for electric vehicles, reflecting a growing shift toward sustainable mobility.

We also make safer, lower-impact driving more accessible through LittleBox telematics insurance, which rewards safer habits with lower premiums and can help young drivers – often priced out of EV ownership – get behind the wheel of electric cars.

And when EV customers need a courtesy car during a claim, we aim to provide electric vehicles wherever possible. Expanding access to EV courtesy cars is a priority for the future, helping customers experience cleaner transport options firsthand.

Cleaner and greener homes

Homes account for a significant share of carbon emissions, and household claims themselves can be carbon-intensive. In 2025, we continued work with LeakBot, a smart device that detects leaks early to prevent Escape of Water claims – reducing water waste and avoiding carbon-heavy repairs. After the success of our 2024 trial, in 2025 we completed the foundational work needed to launch a significantly expanded trial in 2026. We updated eligibility criteria, refreshed terms and conditions, and developed new customer communications. In 2026, we plan to distribute another 10,000 LeakBot devices to customers.

Through Admiral Money, we continue to provide Home Improvement loans, which can be used by customers for a range of purposes, including retrofitting measures that may help improve energy efficiency and lower bills. We also explored new propositions that drive energy efficiency and resilience to extreme weather through our Household Innovation Project, using human-centred design to identify barriers and develop concepts for testing in 2026.

Finally, we're making claims more sustainable by incentivising repairs over replacements and piloting refurbishment for electronics. Admiral household insurance continues to cover heat pumps, solar panels, and domestic wind turbines.

¹ Society of Motor Manufacturers and Traders (SMMT), January 2026

² Society of Motor Manufacturers and Traders (SMMT), January 2023

³ Department for Transport (DfT)/Driver and Vehicle Licensing Agency (DVLA), September 2025 plus forward estimations

Sustainability overview continued



Building resilience at home: Protecting what matters

Supporting customers in changing weather

Storms, floods, and freezing weather events aren't just statistics – they disrupt lives. 2025 saw extreme weather events in all of Admiral's operating countries, from storm-related flooding in the UK to severe wildfire, heatwaves, and hailstorms in continental Europe.

When the worst happens, Admiral is there to help customers recover and rebuild. While extreme weather affects all of our insurance businesses, it is most relevant to our UK home insurance line. Our household insurance and claims teams provide our customers with support through every stage of recovery, and we're evolving our products to stay affordable and responsive, especially for those in high-risk areas.

Flooding is one of the UK's most serious climate risks, with one in four properties projected to be at risk by 2050. Winters are projected to become up to 30% wetter by 2070, increasing the risk of river and surface water flooding. Persistently high water tables following wet seasons can also lead to groundwater flooding, which is harder to model and often affects basements and low-lying properties. Urban areas with ageing drainage systems and impermeable surfaces are particularly vulnerable.

Taking action on flood prevention

We're tackling this challenge head-on. Admiral has participated in Flood Re, the UK Government-backed affordable cover scheme for properties at high flood risk, since it started. During 2025, we supported flood claims customers with Flood Re's Build Back Better, through which we funded up to £10,000 in property flood resilience measures as part of eligible repairs. We also sponsored the relaunch of Flood Re's Floodmobile, a travelling demonstration unit that brings practical flood resilience advice and equipment to communities across the UK. Floodmobile empowers homeowners to take proactive steps before disaster strikes.

We also work at a system level. As a member of the cross-industry FloodAction Coalition launched in 2025, Admiral will support the development of the UK's first investment market for natural flood and drought resilience – unlocking capital for large-scale, nature-based solutions that protect homes, improve water quality, and restore biodiversity.

Supporting communities when disaster strikes

Our partnerships extend beyond insurance. In 2025, Admiral provided targeted support for communities impacted by the UK's Storm Claudia, including up to £25,000 through a colleague-led flood response fund in Monmouth. We also donated £100,000 to the British Red Cross following Hurricane Melissa in Jamaica and Cuba.

Our partnership with the National Trust funded three major natural flood management sites in 2025 in addition to those funded in 2024. We also launched a customer campaign – Flood Force – to raise awareness and drive action.



©National Trust Images/Mike Selby

Sustainability overview continued



Partnering for nature-based flood resilience

Our partnership with the National Trust goes beyond supporting natural flood management projects – we're working together to help look after what matters most to our customers. With 80% of UK homeowners unaware surface water flooding could hit their homes¹ and three times as many properties at threat from surface flooding than from flooding by rivers and sea², in November 2025, we launched the Flood Force. Supported by the National Trust, the Flood Force aims to raise awareness of surface water flooding and help UK homeowners make their homes more flood resilient.

Led by TV presenter and National Trust ambassador Sean Fletcher, our Flood Force initiative brings together leading experts to educate customers on how to make homes, gardens and the wider environment more flood resilient.

Through practical guidance, expert tools and accessible advice, the Flood Force helps our customers to prepare their homes and feel confident taking the right actions during a flood, supporting greater resilience in the face of a changing climate.

The campaign spans a press launch, a dedicated webpage, a hero film, a suite of expert videos, infographic-led tips and an emergency-preparedness

checklist. Together, these resources have already reached an estimated 4.8 million people – driving awareness, inspiring preparedness and supporting our commitment to building a more resilient, sustainable future for everyone.

The Flood Force is our first partnership campaign with the National Trust and combines Admiral's expertise in looking after what matters most with the National Trust's experience in protecting our planet.



Our research makes clear how surface flooding is no longer a rare event – it's an increasing reality. By partnering with National Trust and bringing together experts through the Flood Force, we want to empower homeowners with the knowledge and tools to better protect what matters most."

Noel Summerfield
Household Director

¹ Data collected following a consumer survey of 2,002 Brits conducted by Admiral Home Insurance in September 2025.

² Data from the government's 'National assessment of flood and coastal erosion risk in England 2024' shows there are three times as many properties at high risk of flooding from surface water than flooding from rivers and sea (England).

Sustainability overview continued



Our journey to net zero: Turning ambition into action

Highlight of the steps we're taking towards net zero – and what's still ahead

Progress matters – and so does measurement. To effectively manage emissions, we must measure them, and our commitment to transparency in measurement is central to delivering on our climate goals.

Admiral published its first Net Zero Transition Plan in December 2024. Our science-based targets, approved in 2024, help guide our path to net zero by 2040 and align us with the latest climate science.

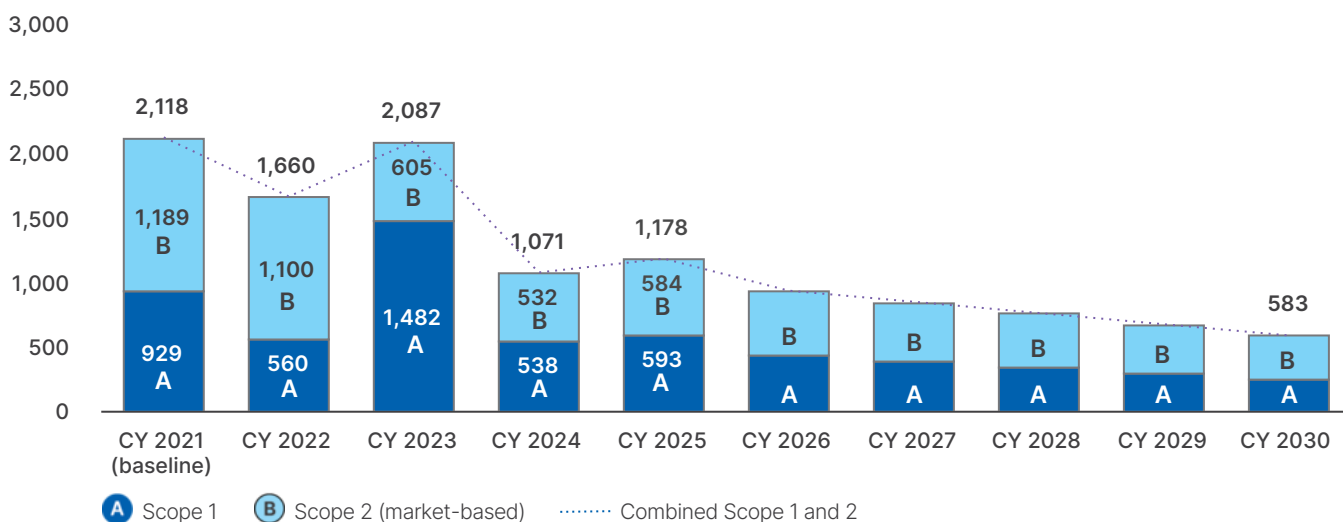
Below, we share how we're tracking against these targets and others – because reducing emissions isn't just about ambition, it's about action and accountability. From operational emissions to investing impacts, we're embedding measurement into every part of our business.

For a deeper look at the actions behind these numbers, see the next page for narrative updates on our Transition Plan, and explore our full Sustainability Report for progress on all targets.

Admiral's progress against our science-based targets

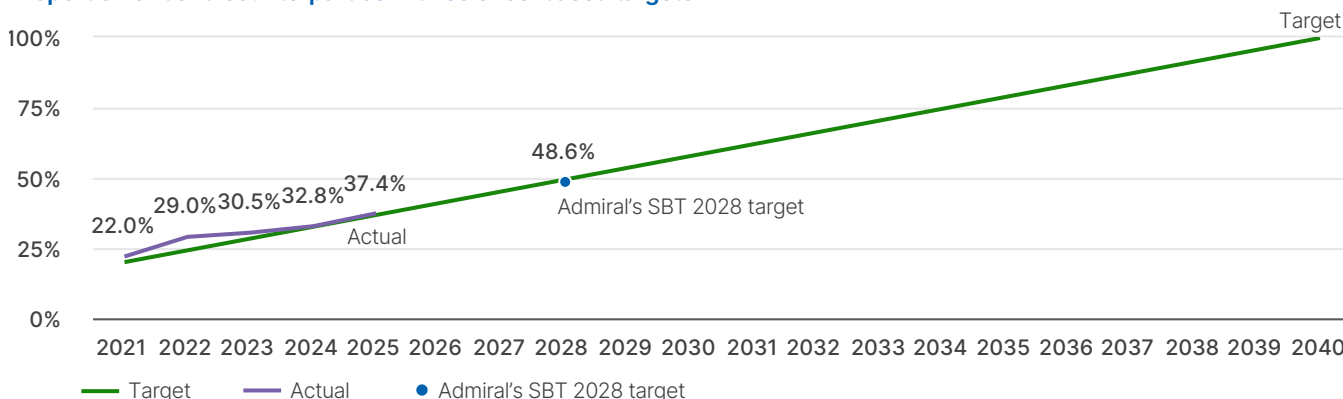
Scope 1 and 2: Admiral Group plc commits to reduce absolute Scope 1 and 2 GHG emissions by 70% by 2030 from a 2021 base year.

Scope 1 and 2 GHG emissions



Corporate bonds: Admiral Group plc commits to 48.6% of its corporate bonds portfolio by invested value setting SBTi-validated targets by 2028, from a 2021 base year.

Proportion of bond counterparties with science-based targets



Light blue line gives an indication of future expected progress. It does not constitute an annual formal target

Sustainability overview continued

Year 1 of Admiral's Net Zero Transition Plan

In December 2024, we published our first Net Zero Transition Plan, outlining how we'll work to achieve net zero by 2040 and support our customers to do the same. During 2025, our people, operations, partners, and wider community worked towards this net zero goal. Below is a summary of the progress we've made on our net zero ambition during 2025. More information can be found in our 2025 Sustainability Report and in the Metrics and Targets section of our Task Force for Climate-related Financial Disclosures ('TCFD') report, page 76.

Area	Targeted impact	In 2025, we have...
Underwriting	To support customers in adopting greener lifestyles via sustainable insurance and loans products.	<ul style="list-style-type: none"> Supported over 750,000 customers to choose electric and hybrid vehicles through loans or insurance Supported consumer understanding of EVs through informational events and partnerships like Everything Electric and Electric Vehicles UK Supported customers on safety, resilience, and claims prevention through programmes like LeakBot, partnerships like National Trust, and campaigns like Your Ride, Your Rules and Words to Live By Developed better claims experience for EV drivers through our supply chain partnerships UK business recognised as a 'Default Trailblazer' for our EV insurance Launched a Sustainability Policy that helps better integrate sustainability and net zero into Group-wide decision making. See our 2025 Sustainability Report for further details on the Sustainability Policy.
Investments	To facilitate decarbonisation of the real economy by investing in green assets and increasing exposure to investee companies who have pledged to set decarbonisation targets.	<ul style="list-style-type: none"> Reduced corporate bonds emissions and carbon intensity from the previous year Increased investments in green bonds and percentage of assets invested in companies with decarbonisation targets.
Supply chain	To support net zero in the wider economy by encouraging suppliers to decarbonise, selecting suppliers who are sustainability leaders, and reducing the environmental impact of claims.	<ul style="list-style-type: none"> Achieved 30.6% of corporate supply chain emissions from companies that have committed to science-based targets, ahead of 2025 target Began integrating ESG criteria in supplier tenders for UK home and motor claims procurement as well as Group corporate (non-claims) procurement With repair partners, launched programmes to reduce waste and emissions in motor repair via co-branded repair garages Joined the Partnership for Carbon Accounting Financial's exploratory working group on claims carbon accounting Launched detailed monthly monitoring of our emissions from tech, cloud, and AI. For details, see our 2025 Sustainability Report.
Own operations	To set an example by reducing GHG emissions of our direct operations.	<ul style="list-style-type: none"> Surpassed our 50% renewable energy procurement target over the first nine months and maintained a positive trajectory over the remaining quarter Kicked off a multi-year project to better understand and reduce our emissions from business travel and employee commuting Planned offsetting of 3,525 tonnes of operational emissions with Gold Standard carbon credits For details, see our Streamlined Energy and Carbon Reporting disclosure.
Engagement	To engage with government, public sector, communities, and civil society on climate change, with the aim to help build a world in which net zero is possible.	<ul style="list-style-type: none"> Contributed £1.2 million to environmental projects through our Green Fund Initiative, with recipients including EarthWatch, WWT, and National Trust Became a signatory to the Partnership for Carbon Accounting Financials and a member of FloodAction Coalition Contributed to the FCA's Climate Financial Risk Forum paper on the intersection of climate and nature risk, as well as net zero-related working groups for the Association of British Insurers and CBI Wales Spoke about net zero at events like EarthFest, Insurance Innovators' Summit, Social Value Conference, the Conduit, and Welsh Sports Association events.

Sustainability overview continued



Green Week 2025: Engaging 8,500 colleagues in climate action

Every year, we host an internal Green Week to inspire and empower colleagues to take positive actions that support the environment and the climate. In 2025, we shifted the focus of Green Week to our net zero transition and in particular, how it could affect our customers and in particular, how it could affect our customers. Over 8,500 colleagues engaged with workshops, webinars, and content on how to make more sustainable choices, and support customers to do the same.

The campaign sparked unprecedented engagement, with 80,000+ views of internal content across our intranet and social platforms. Daily 'Net Zero Heroes' videos and articles highlighted practical actions and personal stories on reducing carbon footprints. Colleagues pledged environmental commitments on how to bring net zero into their work and lives.

Green Week also featured events that combined education with hands-on impact. Leadership-led webinars featured our Group Chief Sustainability Officer and partners like the National Trust. Colleagues ventured out of the office for tree planting and seed sowing with Earthwatch. Other content included strategy-focused round tables on sustainable claims processes and the worldwide electric vehicle transition, as well as lifestyle sessions on EV salary sacrifice and cycle-to-work promotions.

Teams across the Group also joined in with nature walks, quizzes, webinars, and a Sustainability Forum co-hosted with accounting firm PwC, where participants shared ideas on decarbonisation and innovation.

Streamlined Energy and Carbon Reporting ('SECR')

This statement has been prepared in accordance with our greenhouse gas ('GHG') emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the government's policy on Streamlined Energy and Carbon Reporting.



Energy and carbon reporting

Due to the timeliness of actual consumption data, Admiral has deemed it best practice to report emissions each year based on nine-months of data (January to September) and three-months of modelled data (October to December), including a restatement of prior-period emissions data obtained after the reporting period. In 2026, Admiral will issue a restatement of its 2025 emissions to reflect actual data for October to December 2026.

During the reporting period January 2025 to December 2025, our measured Scope 1 and 2 emissions (market-based) for Admiral Group totalled 1,178 tCO₂e. Reported figures for 2025 include an additional column that excludes f-gas emissions from the emission totals.

	FY 2024 ¹			FY 2025			
	UK	Rest of world	Total	UK	Rest of world	Total	FY 2025 (tCO ₂ e) Total adjusted ²
Scope 1	448	90	538	572	21	593	84
Scope 2 Location-based	1,253	660	1,913	956	629	1,585	1,585
Scope 2 Market-based	–	532	532	–	584	584	584
Total Scope 1 & 2 Location-based	1,702	750	2,452	1,528	650	2,178	1,668
Total Scope 1 & 2 Market-based	449	622	1,071	572	605	1,178	668
Scope 1 & 2 intensity per employee market-based	0.05	0.11	0.07	0.07	0.09	0.08	0.04
Scope 1 & 2 intensity per employee location-based	0.18	0.14	0.17	0.18	0.1	0.14	0.11
Scope 3	1,245	1,210	2,455	1,141	1,211	2,352	2,352
Biogenic emissions (outside of scopes)				313		313	313
Total Scope 1 & 2 (MB), excluding Elephant Insurance ³	449	467	916	572	475	1,047	537
Scope 3 excluding Elephant Insurance ⁴	1,245	1,122	2,367	1,141	1,174	2,315	2,315

1 Restated 2024 SECR using 12 months data.

2 Adjusted figure excluding refrigerant gas.

3 Total Scope 1 & 2 emissions for Admiral Group excluding Elephant Insurance for the full 12-month reporting period (2024 included for comparison to 2025).

4 Total Scope 3 emissions for Admiral Group excluding Elephant Insurance for the full 12-month reporting period (2024 included for comparison to 2025).

Streamlined Energy and Carbon Reporting ('SECR') continued

Narrative of movements

During the reporting period, Admiral Group undertook a series of energy efficiency actions. This was the first full year of using the new Building Management System ('BMS') at Tÿ Admiral and Admiral Group House, which improved visibility of heating and cooling demand, enabling more precise control of natural gas and electricity consumption.

Further savings were delivered through lighting upgrades as LED lighting was installed at Tÿ Admiral and Admiral Group House, with measurable reductions of 642,658 kWh in electricity demand for the two sites combined. The introduction of biogas in October 2024 for UK buildings supported further reductions.

To more accurately track electricity consumption in our Spain, Italy, and France offices, a project is underway to install meters.

Admiral Group reports both Scope 2 market-based and location-based emissions in accordance with the Greenhouse Gas ('GHG') Protocol. Reporting both methodologies provides transparency of performance across different reporting frameworks and allows for comparison against Admiral's science-based target, set based on Scope 1 and 2 market-based emissions.

Overall, Scope 1 and 2 (market-based) emissions increased by 10% in 2025, mainly due to increased electricity usage in sites without renewable electricity, with the Delhi sites being the biggest contributors. Scope 1 and 2 (location-based) emissions decreased by 11% driven by improved building energy management systems, upgrades to more efficient lighting, and a decrease in natural gas use across UK operations.

Scope 1 emissions increased from 538 tCO₂e in 2024 (restated) to 593 tCO₂e in 2025, an increase of 10%. This was primarily driven by an increase in F-Gas leaks across key sites. A 78kg system top-up to the building cooling system and 289kg due to a faulty part at Tÿ Admiral and 25kg leak at Admiral House Newport resulted in emissions of 510 tCO₂e in 2025, whereas 120 tCO₂e was reported in 2024.

Decreases in natural gas consumption are attributed to mild weather conditions in the first quarter of 2025 and the introduction of efficiency measures through the new Building Management Systems ('BMS') at Tÿ Admiral and Admiral Group House.

While Scope 2 market-based emissions increased by 10%, scope 2 location-based emissions decreased by 17% in 2025, largely due to LED lighting installations and enhanced control of HVAC systems through upgraded Building Management Systems ('BMS'), which together reduced electricity consumption at UK sites. The introduction of

landlord-supplied electrical invoices for the L'Olivier Paris office provided more accurate consumption data, leading to an 84% reduction in reported electricity use compared to the previous estimation method.

Scope 3 emissions decreased by 4%. Admiral Group is continuing its efforts to improve business travel data and management controls to enhance reporting accuracy.

During the reporting year, total energy consumption from fuel and electricity accounted for 9,490,794 kWh, representing an overall reduction of 12% in 2025. Of this, 79% was consumed in the UK. The combined efficiency measures have contributed to a measurable reduction in total energy demand across the Group, demonstrating Admiral's continued progress in managing operational energy consumption in line with its environmental commitments.

Methodology

The methodology used to calculate the GHG emissions is in accordance with the requirements of the following standards:

- World Resources Institute ('WRI') Greenhouse Gas ('GHG') Protocol (revised edition)
- Defra's environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019)
- UK office emissions have been calculated using DEFRA 2024 issue of the conversion factor repository.

The organisational boundary has been consolidated according to the operational control approach, which includes all our operations and sites.

- Scope 1
 - Natural gas consumption
 - Biogas consumption
 - Refrigerant gas leakage
 - Vehicle combustion
- Scope 2
 - Purchased electricity: market-based
 - Purchased electricity: location-based
- Scope 3
 - Fuel and energy-related activities
 - Waste
 - Water
 - Business travel.

Energy consumption (kWh)	FY 2024 (kWh)			FY 2025 (kWh)		
	UK	Rest of world	Total	UK	Rest of world	Total
Electricity	6,054,089	2,230,073	8,284,162	5,399,628	1,969,110	7,368,738
Fuels ¹	2,364,549	185,265	2,549,814	2,055,669	66,387	2,122,056

1 Natural gas and transportation fuels (petrol and diesel).

Task Force on Climate-related Financial Disclosures ('TCFD')

This section of our report follows the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'), meets the requirements of the FCA's UK Listing Rule 6.6.6 (8), and aligns with the climate-related reporting obligations under the Company Act.

Governance

Clear ownership and accountability help us stay on track with our strategy and manage risk effectively.

Board oversight

The Group Board leads on climate strategy and risk oversight. In 2025, climate was discussed at two Board meetings, including one focused on an environmental deep-dive.

The Group Risk Committee holds primary responsibility for oversight of climate risk. As of 2025, a sustainability risk dashboard is submitted to the Group Risk Committee showing key climate risk indicators at every meeting.

The Group Audit Committee oversees the publication of climate-related reports, alongside overseeing the assurance of our sustainability-linked revolving credit facility.

More on these Committees is available on page 66.

Embedding sustainability into governance

The Sustainability Steering Committee reviews climate-related risk alongside other sustainability priorities. This Management Committee is supported by five working groups, which form the backbone of Admiral's sustainability governance. These groups provide a way of updating management across the business of climate-related issues.

These groups support senior leaders including the Group Chief Risk Officer, Group Chief Sustainability Officer, Group Chief Executive Officer, and Group Chief Financial Officer. The Group Chief Risk Officer holds the SMF accountability for climate-related risk.

Other Committees involved:

Several other Committees also contribute to climate-related decision making:

- **Group Investment Committee:** Oversees the integration of climate factors into strategic asset allocation and portfolio construction and monitoring, approves investments in green finance, and contributes to the development of Admiral's Investment Policy
- **Group Asset and Liability Committee ('GALCO'):** Manages reinsurance agreements to reduce exposure to acute physical risks, particularly within the household insurance portfolio. GALCO also reviews climate (and other) scenarios used in the Own Risk and Solvency Assessment ('ORSA'), prior to approval by the Group Risk Committee
- **Product and Pricing Committee:** Oversees pricing assumptions for UK insurance products, incorporating the latest data on climate trends, weather patterns, and emerging technologies
- **Reserving Committee:** Oversees the process of setting the claims reserves in line with the Group's reserving policies and IFRS 17 requirements. This includes ensuring that the impact of any serious weather events and the uncertainties associated with new technologies are considered. This helps to ensure that our financial statements capture any significant weather-related impact in the short term, while the Group Risk team run scenarios to consider if we are adequately covered in the medium to long term.

An organisational chart has been included on page 66 showing the relationships between the key Committees and working groups discussed above.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Risk management

Integrating climate-related risks into the Group Enterprise Risk Management Framework

The Group Risk Management function took meaningful steps this year to further embed climate-related risks into Admiral's enterprise-wide risk management framework. This work ensures stronger alignment with evolving regulatory expectations, recognised industry standards, and Admiral's own sustainability goals. It reflects the increasing significance of climate risk to the Group's long-term resilience and strategic sustainability ambitions.

By enhancing the way climate risks are identified, assessed, managed, and reported, Admiral is building a more systematic and forward-looking approach across the organisation. These development and integration efforts were coordinated and overseen by the Risk, Compliance and Reporting Sustainability Working Group, which plays a central role in embedding climate considerations into our governance and operational practices.

Key integration developments in 2025

In 2025, we incorporated the following measures to integrate climate risk into our existing risk management structures:

Improved regular risk monitoring

The Group Risk Committee now monitors a set of climate-related Key Risk Indicators ('KRIs') as part of its routine oversight. These indicators offer early warnings of emerging risks and help track exposure across the business. By embedding KRIs into its agenda, Admiral has improved its ability to spot trends, flag vulnerabilities, and escalate material issues. This supports more informed decisions and reinforces our commitment to proactive climate risk management and regulatory alignment.

Sustainability risk policy creation

Admiral has developed a Sustainability risk policy in 2025 to strengthen how environmental, social, and climate risks are managed across the organisation. This policy has been approved by the Group Risk Committee and is expected to go live in 2026. As part of the policy, we have included our Climate Risk Management Framework, which sets clear principles for integrating these risks into strategy, operations, and governance. The policy applies across the Group, ensuring consistent treatment of issues like climate change, biodiversity loss, and social inequality. It defines roles for senior leaders and working groups, and outlines expectations for scenario analysis, reporting, and escalation. By embedding sustainability into our risk framework, Admiral aims to build resilience and deliver long-term value for customers, communities, and the environment.

Simplifying our climate risk registers

In 2024, we introduced new climate risk registers to make risk management more effective across the business. In 2025, we expanded this approach to other areas of sustainability risk, while simplifying the approach based on user feedback. This both improves consistency across the Group and increases usability.

Weather analysis

In 2025, Admiral strengthened its weather review process to improve how weather-related risks are assessed and managed across the Home Insurance portfolio. The updated approach simplifies the analysis by focusing on key weather trends – such as flood, storm, and subsidence – and links them more directly to claims experience and exposure data.

Embedding climate risks into other risk management processes

We have continued to integrate climate-related risks into our wider risk management framework. Key developments include:

- **Scenario analysis:** We have created internal narrative scenarios, which will be quantified as part of the FY 2025 ORSA. These help us assess how well the Group's financial and operational performance can withstand different climate outcomes
- **Proactive customer messaging:** To help our customers prepare for storms we email our customers with ideas for actions they can take to reduce potential damage to their homes
- **Household claim response rate:** We have continued to work on our response to large weather events. During Storm Eowyn, these improved processes maintained a call rate of 99.8%.

Looking ahead

This work provides a strong foundation for managing climate risks across the Group. But our risk culture is built on continuous improvement. In the year ahead, we plan to:

- Expand scenario analysis to deepen our understanding of long-term climate impacts. This includes using short-term narrative scenarios to explore emerging risks
- Refine key risk indicators to strengthen monitoring and improve early warning against our risk appetite
- Deep dive into the impact of climate change on specific business lines and activities.

Through these steps, Admiral remains committed to staying resilient in the face of climate change and supporting the transition to a sustainable future.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Risk appetite

The Board has set its approach to sustainability risk. This focuses on identifying risks that could affect Admiral's ability to balance strong long-term financial performance with its ESG commitments.

Our sustainability risk appetite is defined across sub-risk areas: climate change, social, governance, and other environmental risks. This structure allows us to manage these risks more precisely and align them with our strategic goals. The Board takes a cautious stance on climate change, embedding climate risks into investment, underwriting, and strategy decisions. This supports our net zero ambition and the transition to a low-carbon economy.

Responding to extreme weather

Storm Eowyn brought severe weather and disruption across parts of the UK in January, reminding us once again of the growing impact of climate-related events. For Admiral, protecting our customers and supporting our communities during these moments is a core responsibility.

We activated escalation procedures to assess the scale of the event, prioritise customer needs, and deploy resources where they were most needed.

A key measure of this response was our ability to stay connected with customers. Despite the surge in calls, our teams achieved a 99.8% call answer rate, ensuring customers received timely support when it mattered most. This performance reflects our investment in resilience and preparedness, as well as the dedication of our people.

By continually refining our risk management and response processes, Admiral remains ready to act decisively – whether addressing immediate safety concerns or supporting long-term recovery. These efforts underscore our commitment to protecting lives, livelihoods, and the environment, and to standing by our customers and communities when they need us most.

Managing climate risk

Climate risk follows the same risk management cycle as our principal risks: identify, assess, manage, monitor, and report. Climate risk is embedded across our principal risks rather than treated as a separate principal risk. See page 97 for details on which principal risks are affected.

Risk identification

Each year, Admiral identifies and assesses climate risks centrally and with subsidiaries. In 2025, the Group risk team enhanced our environment-specific risk identification through additional identification workshops. The outcome was a tailored list of climate risks, categorised by our internal taxonomy and assessed for materiality, time horizon, and business impact.

We also draw on industry insights through the Association of British Insurers climate change working group. These help shape our risk identification, scenarios, and financial impact analysis.

Risk assessment

We assess climate risks by looking at both impact and likelihood across short, medium, and long-term horizons. This allows us to determine how we prioritise risks.

Impact considers financial, operational, and reputational consequences, such as damage from extreme weather or regulatory changes. We use four levels of severity:

- **Minor:** manageable adjustments to operations
- **Moderate:** recalibration of underwriting and processes
- **Significant:** strategic changes to risk models and operations
- **Major:** potential solvency challenges without management action.

Likelihood is rated across four levels using scenario analysis, historical data, and forward-looking assumptions.

Combining impact and likelihood gives a risk rating from low to very high. This is done via a risk matrix approach with scores assigned to each impact and likelihood, which are multiplied together to give a rating score.

High or very high risks are those that could affect our ability to meet strategic objectives, regulatory obligations, or commitments to customers and stakeholders.

In 2025, this risk assessment included a blend of qualitative and quantitative analysis. This has resulted in the downgrading of a number of short-term risks in the table included on page 80. It was further complemented by a quantitative stress and scenario analysis, the details of which are included on page 82.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Time horizons

Short term (0–3 years)

This corresponds to Admiral's typical business planning and operational cycle, capturing immediate risks and impacts that align with near-term strategic objectives and budgeting cycles.

Medium term (4–10 years)

This is more closely related with strategic planning, capital allocation and risk modelling timeframes, encompassing transition risks such as regulatory changes and shifts in market dynamics.

Long term (10+ years)

This is critical for assessing risks from a future view point such as the climate impacts under difference climate pathways, assessing the financial impact of physical and transition risks under different temperatures.

In addition to the qualitative assessments, we have established internal quantitative guidelines tailored for different business areas. These guidelines cover financial, claims, operational, customer, and investment impacts.

Reporting on climate-related risks

Admiral is required to report publicly on material climate risks through several standards including TCFD and CFD. In addition to our regulatory requirements, we voluntarily publish data on climate risk related to the carbon disclosure project ('CDP').

We consider external and emerging regulatory requirements through our discussions with industry experts, the regulators, and our own horizon scanning activities. Where relevant, these are reported to the Sustainability Steering Group or Group Risk Committee.

Changes in the climate risk profile of the Group, and any progress on actions, is reported to the Group Risk Committee. Climate-related disclosures are reviewed by the Group Audit Committee. Other information on sustainability activities is reported to the Sustainability Steering Group, Group Asset and Liability Committee, Investment Committee, and Product Pricing Committees on a periodic basis as appropriate.

Climate risk impact assessment on Admiral Group's Statement of Financial Position

Group Finance, in collaboration with Group Risk, perform an annual assessment of potential impact and likelihoods of significant and major climate-related risks against the Statement of Financial Position as reported (short term), and in the longer term, as follows:

1. The climate-related risks identified by Group Risk are used to analyse whether, and how, those risks could impact the Statement of Financial Position
2. The potential impact of climate-related risks is assessed for those balances that constitute more than 1% of the total assets, equity or liabilities. This threshold ensures that all material line items are captured.

In addition, the completeness of the assessment is considered by considering all climate risks identified and whether they could have a material impact on any line of the balance sheet.

Following this assessment, no such additional areas were identified as a result of this review and we continue with our methodology development so we can assess more fully the impact on our projected business plan in future periods and provide further disclosures.

Risk mitigation and monitoring

Our main approach to managing climate risk is to deliver the Group strategy of diversifying revenue and profit streams. This reduces reliance on UK Motor and helps limit transition risks from changes in mobility. We invest in new and existing businesses that design products for evolving customer needs and prepare for the shift to electric vehicles.

We manage climate risks in our insurance portfolio using the same methods as other insurance risks. This includes disciplined pricing, assessing peril impacts, setting clear underwriting criteria, reviewing reserving, and transferring risk through reinsurance. We use advanced flood, windstorm, and catastrophe models to understand physical risk, decide how much risk to accept, and set reinsurance protection. Pricing remains our main tool for managing climate risk, but due to commercial sensitivity, we do not disclose details.

The following table¹ shows examples of risks from our climate risk register and key mitigation actions. For more on how we manage transition risk across our value chain, see our Transition Plan.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Climate change sub-risk types	Climate-related risks	Steps to manage – metrics and targets
<p>Acute physical risks</p> <p>Primary business impacted: UK Home</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Significant</p> <p>Long-term impact: Significant</p> <p>PR&U affected: Reserving, insurance, catastrophe</p>	<ul style="list-style-type: none"> Acute physical risks refer to severe weather events that can cause significant damage and higher-than-expected insurance claims. These include wildfires, freezes, hail, windstorms, and supply chain disruptions. 	<ul style="list-style-type: none"> Our primary mitigants for managing exposure is via pricing and reinsurance. Both mechanisms mitigate large losses from natural catastrophes Our pricing and reserving is continually adjusted as we learn more about changes to our climate, in particular the volatility and increasing frequency of large storms, heatwaves and freeze events We monitor our claims experience, and this is used to provide a check and additional data for tailoring our pricing
<p>Chronic physical risks</p> <p>Primary business impacted: UK Home</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Significant</p> <p>Long-term impact: Significant</p> <p>PR&U affected: Reserving, insurance, strategic, reinsurance</p>	<ul style="list-style-type: none"> Chronic physical risks involve long-term changes such as coastal erosion, persistent flooding, and subsidence that exceed expected and reserved levels, potentially leading to large financial losses or making certain risks uninsurable. 	<ul style="list-style-type: none"> We utilise Stress and Scenario Testing ('SST') to assess the impact of natural catastrophe events on our balance sheet. A specific physical climate risk scenario has been modelled, focusing on the UK Motor and Household Insurance lines, which are significant aspects of our portfolio We have developed specific processes to deal with high storm claims. These 'surge' processes allow us to respond quickly in large claim volume situations.
<p>Policy and legal transition risks</p> <p>Primary business impacted: All</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Moderate</p> <p>Long-term impact: Moderate</p> <p>PR&U affected: Legal and regulatory, reputation</p>	<ul style="list-style-type: none"> Policy and legal transition risks stem from regulatory changes, such as mandatory internal carbon pricing or taxation, increased regulatory burden, and the consequent rise in compliance costs. These changes can impact our strategic decisions and increase non-compliance risks Legal transition risk arises from legal challenges, such as attempts to sue internal combustion engine vehicle manufacturers for a pollution-related reason, or for misleading communication (greenwashing). 	<ul style="list-style-type: none"> In 2025, Group risk ran a litigation stress test to assess the impact of legal risks on our business (see scenario 2 on page 83). We expanded our sustainability team to manage resource pressures from increased regulation and also engaged external experts to support compliance through industry-aligned expertise.
<p>Technology transition risks</p> <p>Primary business impacted: All</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Moderate</p> <p>Long-term impact: Moderate</p> <p>PR&U affected: Strategic, insurance</p>	<ul style="list-style-type: none"> Technology transition risks involve the adoption of new technologies, such as electric vehicles ('EVs') and eco-friendly building practices, which can cause unexpected changes in customer behaviour, revenue, and claims if they evolve differently from our business plans They also include climate-related risk arising from AI use. 	<ul style="list-style-type: none"> Electric Vehicle underwriting is an essential component of our strategy, following a rigorous pricing approach similar to that applied to combustion engine vehicles Modifications to home insurance policy underwriting conditions are evidence-based and follow tried and tested evidence-based change procedures Claims experience from all business is closely monitored and feeds back into pricing assumptions. This is given particular focus for policies that include new technologies We are continuing to build AI-related and cloud-related emissions monitoring.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Climate change sub-risk types	Climate-related risks	Steps to manage – metrics and targets
<p>Market transition risks – Changing customer demand</p> <p>Primary business impacted: All</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Moderate</p> <p>Long-term impact: Moderate</p> <p>PR&U affected: Strategic, insurance</p>	<ul style="list-style-type: none"> • If customer climate expectations evolve at a different pace than Admiral's actions, it may result in a loss of business if Admiral isn't able to provide products that customers need and competitors can • Customer behaviour may change due to climate-related factors, such as increased adoption of electric vehicles or the introduction of lower speed limits, which could affect pricing models • Economic volatility resulting from climate change (e.g., loss of jobs in high-emission sectors or climate-driven inflation) could reduce individuals' ability to pay for insurance. 	<ul style="list-style-type: none"> • Admiral actively assesses evolving market trends and customer preferences to understand potential impacts on our business. Through market research, we aim to identify shifts in demand and integrate these insights into our products and service development. This supports our response to changing expectations and emerging opportunities in the transition to a more sustainable economy • Admiral created Admiral Pioneer, a venture business to support diversification into non-traditional mobility insurance.
<p>Market transition risks – Supply chain</p> <p>Primary business impacted: All</p> <p>Short-term impact: Moderate</p> <p>Medium-term impact: Moderate</p> <p>Long-term impact: Moderate</p> <p>PR&U affected: Strategic, insurance, reputation</p>	<ul style="list-style-type: none"> • There are increasing costs associated with the supply chain due to climate-related risks • If the cost of reinsurance rises quickly and cannot be priced into product rates, this creates a profitability risk • There is a risk that the supply chain may not transition in line with Admiral's future targets, potentially causing the Company to miss its publicly stated emissions goals • High-emission activities within the supply chain, such as mineral mining for batteries, could lead to reputational harm. 	<ul style="list-style-type: none"> • Admiral is continuously refining its procurement and ongoing third-party management process to better incorporate sustainability performance criteria for all partners and suppliers – in order to promote sustainability and responsible business practices across the full third-party life cycles.
<p>Market transition risks – Investments</p> <p>Primary business impacted: All</p> <p>Short-term impact: Minor</p> <p>Medium-term impact: Minor</p> <p>Long-term impact: Minor</p> <p>PR&U affected: Market, reputation</p>	<ul style="list-style-type: none"> • Investment returns could be adversely affected by transition risks, such as the downgrading of high-emission sectors, impacting overall investment performance. 	<ul style="list-style-type: none"> • Admiral has integrated climate-related considerations into its investment decisions. The decision making process is designed to support investments in renewable energy infrastructure, green bonds, and other issuers with their own transition plans. Admiral has established specific climate-related metrics for its investments, with detailed targets that are regularly monitored • Investments are subject to strict concentration limits to effectively manage exposure. At a counterparty level, limits are set to minimise exposure to specific high-emitting entities. At a sector level, limits are imposed to reduce exposure to high-risk sectors.
<p>Market transition risks and opportunities</p>	<ul style="list-style-type: none"> • This comprehensive assessment highlights key areas where market transition risks due to climate change could affect Admiral's operations, customer base, and investment strategies. Proactive measures and adaptive strategies are essential to mitigate these risks and support long-term sustainability. The transition also gives rise to climate opportunities such as insurance of new technologies. 	

¹ These risks cover actions, which may be taken by the first and second lines of defence. For more information on our three lines of defence model please see page 158. The four levels of impact are minor, moderate, significant, and major as described on page 78.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Scenario analysis and stress testing

Admiral uses climate scenario analysis and stress testing to understand how different climate pathways could affect our business. These tools help us assess both financial and operational impacts from physical, transition, and liability risks over short, medium, and long-term horizons. By modelling scenarios such as rapid decarbonisation or delayed policy action, we can identify potential vulnerabilities in our business model, investment strategy, and customer products.

From a customer perspective, this work supports continuity of service, effective claims handling, and product design that meets changing needs. It also reflects our commitment to protecting policyholders by anticipating risks that could affect coverage, affordability, and access. Overall, scenario analysis and stress testing strengthen decision making, improve resilience, support regulatory compliance, and safeguard solvency for the benefit of all stakeholders.

Scenario design and calibration

To ensure relevance, our Group Risk team adapted industry-standard scenarios for Admiral's operations. We used the Network for Greening the Financial System ('NGFS') pathways, including 'Hot House' and 'Delayed Transition,' to create three scenarios covering physical, transition, and litigation risks.

We then calibrated these scenarios to reflect Admiral's business profile. Key adjustments included:

- Shorter timeframes to match our policy durations and investment portfolio
- Motor-specific assumptions, such as impacts on vehicle damage claims and bodily injury reserves
- Transition risk adjustments for sectors sensitive to climate change
- Litigation risk tailored to Admiral's size and regulatory environment
- Pricing risks for electric vehicles, given their growing share and early-stage insurance dynamics.

Link to risk appetite and capital management

Climate risk is integrated into our capital adequacy framework and reviewed annually to align with evolving regulations and insights. We include climate risks in our Own Risk and Solvency Assessment ('ORSA') and run stress – climate risks threaten our Solvency Capital Ratio, we would act – such as adjusting reinsurance or reallocating capital.

Scenario analysis informs:

- The ORSA, which includes at least three climate scenarios for transition, physical, and litigation risks
- Capital adequacy, ensuring short-term physical risks are reflected in provisions
- Regulatory disclosures, including those based on TCFD reporting and compliance with PRA guidance (previously SS3/19 moving to SS5/25 in 2026).

Clear communication of assumptions and limitations remains essential due to the complexity of scenario development.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Scenario 1:

Hot House World (2.9°C by 2100)

The Network for Greening the Financial System ('NGFS') 'hot house world – current policies' scenario predicts no climate action, leading to a 2.9°C temperature rise by 2100. This will likely increase extreme weather in the UK, impacting households and causing inflation in car, van, and household insurance.

This scenario has been interpreted as resulting in increased incidents of extreme weather events, impacting the UK Household book, coupled with an inflationary environment impacting UK Car, Van and Household. The impact of inflationary pressures on loan defaults was also considered.

In line with the PRA General Insurance Stress Test 2022, this scenario includes historical storms (Daria (1990), Capella (1976), the 1987 Great Storm (1987), and Vivian (1990)) causing windstorm, storm surge, and flood losses for UK households.

Scenario 2:

Disorderly Delayed Transition leading to Climate Litigation (1.7°C by 2100)

In the NGFS 'disorderly – delayed transition' the scenario assumes policies for net zero are delayed until 2030, causing economic disruption but limiting global warming to 1.7°C by 2100. This scenario assesses Admiral's litigation and legal risks under the FCA's new greenwashing laws that came into force this year, highlighting regulatory scrutiny like the Competitions and Markets Authority's review of online green claims.

This scenario parallels a recent greenwashing ruling by the UK Advertising Standards Authority against a UK financial services firm for misleading ads and environmental claims. It assumes Admiral's 'green' car insurance policy faces fines and legal action from NGOs due to misleading advertisements, omitting lifecycle impact details and lacking transparency in benefit calculations. These are assumed to result in further costs through reputational damage.

Scenario 3:

Disorderly Fast Transition (1.7°C by 2100)

This scenario also draws on the NGFS 'disorderly – delayed transition' but has been tailored to examine a faster-than-anticipated shift to net zero. It explores the transition risks related to the switch from petrol and diesel vehicles to electric vehicles within Admiral's UK motor book, which could impact profitability, including a mispricing of 15% for electric vehicles each year and two large losses per year through ordinary driving totalling £35 million.

The scenario also includes an asset stress component. Since the EU is the most proactive regulator regarding climate policies, this component of the scenario models the sector-wide downgrades for the two highest-emitting sectors in Europe: energy and transport.

Scenario results

Under the Climate Litigation scenario, Admiral's Group Solvency Ratio stays comfortably above the 150% lower trigger throughout the three-year period. By contrast, in the Disorderly Delayed Transition and Hot House World scenarios, when no management actions are applied, the ratio falls below this threshold, with Hot House World declining to under 100%. These reductions are primarily driven by higher claims costs and lower profit commissions. By the end of 2026, the Disorderly Delayed Transition scenario results in a 43% reduction, while Hot House World delivers a 62% reduction relative to the base case.

To respond to these pressures, Admiral would consider measures such as revising the dividend policy, annual repricing of insurance products, changes to the structure or scale of reinsurance, and adjustments to investment asset allocation. Even applying only a dividend adjustment keeps the solvency ratio above 150% in both Disorderly Delayed Transition and Hot House World. Further information on these mitigations is set out in the Risk Management section, and our broader climate risk strategy is detailed in the Transition Plan.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Strategy

Integration of climate risk into Admiral's business strategy

Admiral's strategy is built to ensure long-term resilience and profitability with a changing climate. This means managing risks, while also capturing opportunities to deliver innovative products and invest in sustainable growth.

Our commitment to reach net zero by 2040 across investments, operations, underwriting, and supply chain activities is central to our strategy. Climate risk assessments inform this goal and shape key initiatives, such as becoming a leading insurer of electric vehicles.

Incorporating climate risk assessments

Climate risk assessments are embedded in our Group strategy. Transition and reputational risks drive our net zero ambition. We also address supply chain risks by increasing alignment with science-based targets ('SBTs') and reducing emissions. To manage global supply chain disruptions, we promote repairs over replacements and partner with UK specialists for recycled parts.

Our Transition Plan sets out further opportunities to reduce transition risks and emissions.

Embedding physical and transition risk management

We recognise the growing impact of climate-related events on our Household and Motor portfolios. Regulatory changes, such as carbon pricing and EV mandates, also present transition risks. To address these:

- Underwriting: Climate data informs risk selection and pricing. Motor products are adapted for EV growth
- Investment: Our Investment Policy aligns the portfolio with a low-carbon economy and supports our net zero target
- Financial Planning: In our home insurance book we assess weather trends as part of our claims projections and reinsurance assumptions. Physical climate risk, and how it may change the claims experience is a key part of this planning process. We assess transition risk through our analysis of transition technologies in our portfolio, and the impact they may have on claims rates. In our motor book we assess EV growth and its impact on revenue and costs
- Acquisitions: Sustainability is included as part of due diligence in acquisitions.

Climate-related opportunities

We are proactively developing new products to meet growing customer demand for sustainable insurance solutions:

- Motor insurance: Admiral offers tailored products for electric vehicles, offering competitive premiums for environmentally conscious customers. A key part of our strategy is our aim to be a leader in electric vehicle insurance
- Household insurance: Green home insurance, providing cover for eco-friendly home improvements and materials that enhance energy efficiency.

We also take advantage of opportunities that may arise in our dealings with other businesses in our supply chain:

- We have invested in Green Bonds and continue to look for sustainability-related investment opportunities
- We work with our supply chain partners to take advantage of innovations such as the growing use of second hand parts in motor repairs.

The types of capital available to us has increased with the conversion of the Revolving Credit Facility ('RCF') to a Sustainability-Linked Loan. Please see our 2025 Sustainability Report for basis of reporting on the Sustainability-Linked Loan.

See our Transition Plan for more detail on opportunities we can access through the transition. Further details are included in the sustainability section beginning on page 55.

Admiral's business strategy influences our approach to climate risk management

Admiral uses the Group strategy and business plan to inform the development of climate scenarios, including stresses related to the adoption of EVs. We also incorporate business planning data to calibrate our internal risk measures, factoring in projected balance sheet sizes and future customer growth in our risk impact assessments.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Metrics and targets

Greenhouse gas metrics and targets

Admiral is committed to achieving net zero by 2040 across Scope 1, 2, and 3 emissions. Net zero means reducing emissions by over 90%, with any remaining unavoidable emissions offset. Our Transition Plan sets out how we will achieve this goal.

Reducing emissions lowers our exposure to transition risks. It helps protect investment value and ensures our insurance products remain relevant as regulations, such as those for electric vehicles, evolve.

This year, we expanded our emissions reporting to include insurance-related emissions from our UK and EU Motor portfolios, following the Partnership for Carbon Accounting Financials ('PCAF') standards. These are in addition to emissions from investments, our corporate and claims supply chains, and operations.

In this report, we focus on two major sources: Investments and Underwritten Activities. Further details on Scope 1, Scope 2, and supply chain emissions are in the SECR section and our Transition Plan.

Investments

Target: Admiral aimed to cut investment-related GHG carbon intensity by 25% by 2025 compared to the baseline set in 2021. We achieved this target with a reduction of 48%. Future targets are to cut investment-related GHG carbon intensity to 50% by 2030 compared to the baseline set in 2021, and reach net zero by 2040.

Risks: Several challenges should be noted: sourcing reliable and consistent data, avoiding unintentional consequences such as under-diversification, and reliably determining the expected risk and return impact of the strategy.

Metrics: To guide and review progress toward overall targets, several metrics are tracked, as shown below. Investment metrics are calculated by identifying relevant non-cash assets and applying MSCI ESG data on a per security basis. Various metrics are subsequently calculated at the portfolio level.

Metric	2025	2024	2023
Weighted average carbon intensity	50 tCO ₂ e / \$m revenue	52 tCO ₂ e / \$m revenue	58 tCO ₂ e / \$m revenue
% Allocated to coal	–	–	–
Investment in Green bonds	£280m	£287m	£146m

Weighted average carbon intensity ('WACI') is calculated using the latest available carbon emissions (Scope 1 and 2) per million USD of revenue for all our investments for which data is available. This is weighted by each security's market value relative to the part of the investment portfolio that is in scope. The scope is determined by the data and methodology availability and includes public corporate bonds as defined by EIOPA's Complementary Identification Code ('CIC'). WACI indicates the carbon intensity per million USD of revenue for the average company in Admiral's investments.

Insurance-associated activities

Targets: Clear underwriting targets are essential to achieving net zero and helping customers cut emissions. Vehicle fuel type is the main driver of insurance-related emissions. Admiral aims to grow the share of EVs in our portfolio, aligned with our net zero ambition and Motor Evolution strategy.

Risks: Supporting the EV transition faces uncertainties, including future legislation on combustion engine sales and the pace of EV adoption.

Metrics: In 2025, we calculated emissions for UK and EU motor portfolios. For UK combustion engines, we used CarWeb-specific factors; other calculations use UK national averages from the Department for Energy Security and Net Zero.

Risk metrics and targets

Transition risk

We monitor exposure to transition risk in investments and supply chains by tracking the proportion of companies with science-based targets ('SBTs'). The investment team also monitors portfolio diversity by sector and counterparty.

Physical risk

We monitor physical climate risks through established internal metrics that track exposure to weather-related events across our portfolios, such as named storm events or subsidence events.

These metrics form part of our broader risk management and scenario analysis processes and help us assess trends in storm, flood, freeze and other climate-driven perils.

While we do not disclose event-level monetary losses for commercial reasons, we continue to evaluate these risks regularly and integrate the insights into underwriting, pricing and capital planning.

Task Force on Climate-related Financial Disclosures ('TCFD') continued

The TCFD outlines 11 recommendations for climate reporting. The following table indicates where these are detailed, both within our Annual Report and other sustainability reports. While we meet all recommendations, we aim to continuously enhance our climate risk management practices and our disclosures.

TCFD pillars	TCFD recommended disclosures	Section of the Strategic Report, that disclosures are included in, in compliance with the Companies Act	Relevant codes, policies and statements available at admiralgroup.co.uk
Governance Disclose the organisation's governance around climate-related issues and opportunities	a) Describe the Board's oversight of climate-related risks and opportunities	Governance section of the sustainability section, page 65 Governance section of the TCFD section, page 76	Details are included in our Transition Plan page 82
	b) Describe management's role in assessing and managing climate-related risks and opportunities	Governance section of the sustainability section, page 65 Governance section of the TCFD section, page 76	Details are included in our Transition Plan page 83
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Risk management section of the TCFD section, page 77	
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Embedding physical and transition risk management section of the TCFD section, page 77	See our Transition Plan for details of how this applies to key elements of our value chain
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Scenario results of the TCFD section on page 82	
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks	Risk identification of the TCFD section on page 78	
	b) Describe the organisation's processes for managing climate-related risks	Risk-by-risk analysis included on page 80 and 81	
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Key integration developments in 2025 in the TCFD section on page 77	
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk	Metrics and targets section of the TCFD section page 85	See our Transition Plan for details of how this applies to key elements of our value chain
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks	SECR reporting section on page 74 for GHG emissions. Key risks highlighted on page 78	
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Targets are listed alongside key parts of the value chain on page 85	Targets for each element of the value chain are listed in our Transition Plan

Section 172 statement

Fulfilling the Boards' s172 duties to its shareholders and stakeholders

The Board of Directors confirm that, during the year ended 31 December 2025, it acted in good faith, to promote the long-term success of the Company for the benefit of its members as a whole, whilst having due regard to the matters set out in section 172 of the Companies Act 2006.

How the Board fulfills its duties under Section 172

Section 172(1) of the Companies Act 2006 ('s172') requires Directors to act in a manner they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, Directors must have regard to a range of factors, including the long-term consequences of its decisions, the interests of employees, the need to foster relationships with suppliers, customers and others, the impact of operations on the community and the environment, and the importance of maintaining a reputation for high standards of business conduct.

The Directors of Admiral Group plc, both individually and collectively as a Board, are fully committed to upholding the statutory duties set out in s172. A clear understanding of the needs, expectations and aspirations of our stakeholders is fundamental to the development and execution of a sustainable and effective business strategy. The Board ensures that ongoing consideration of stakeholder interests is embedded within its discussions and decision-making processes, thereby supporting the continued progression of Admiral's strategic objectives and promoting the long-term success of the Group.

The Board recognises the importance of maintaining Admiral's reputation for integrity and high standards of business conduct. Accordingly, it ensures that all stakeholder groups are treated fairly and with respect in its deliberations. All decisions are taken in alignment with the Company's defined purpose, culture and values, which serve as guiding principles in the pursuit of sustainable growth and value creation for shareholders.

During 2025, the Board undertook a review of Admiral's key stakeholder groups, reaffirming that all six groups identified under s172 of the Companies Act 2006; employees, shareholders, customers, suppliers and partners, the community, and the environment, remain material to the Group and integral to its long-term success. As part of this review, the Board assessed current engagement practices, governance frameworks, feedback mechanisms, alongside future engagement plans, concluding that these processes remained effective in providing Directors with a comprehensive understanding of stakeholder interests and continued to inform strategic decision making. Examples of how stakeholder views are considered in Board discussions are included throughout this s172 statement. Details of principal decisions made during the year, reflecting s172 considerations, can be found on page 119.

In October 2025, the Board oversaw a review of how the business continued to embed sustainability into the core Admiral strategy, an ongoing and evolving process navigating a complex regulatory environment. The business continued to enhance its Social Licence to Operate and strengthen its ESG ratings, including achieving MSCI AAA, which reflects its robust commitment to sustainability and responsible business practices, aligned with its purpose of 'helping more people look after their future, always striving for better together'. Additional information on wider stakeholder engagement across the Admiral Group can be found within the sustainability section on page 55, and the Governance Report on page 107.



“The Board continues to carefully balance the diverse priorities of Admiral's stakeholders, while maintaining a clear focus on promoting the sustainable growth and long-term prosperity of the Group.”

Mike Rogers
Group Chair

Section 172 statement continued

The Board is committed to promoting the long-term success of the Admiral Group by ensuring it adheres to the highest standards of business conduct, through both its own actions and those of its employees; understanding the long-term implications of its decisions; and ensuring all stakeholders are treated fairly.

It does this through:

Defining Admiral Group's purpose, culture, values, and strategy:

The Board has clearly articulated Admiral's purpose and is responsible for overseeing and monitoring the Group's culture and values. These elements, together with active engagement with stakeholders, guide the strategic direction of the business. Strategic decisions are taken in alignment with the Group's defined purpose and long-term objectives. Board papers explicitly outline how each matter under consideration supports the Company's strategy and purpose, and the Board regularly reviews strategic priorities to ensure they remain appropriate and effective.

+ [See page 123 for further information](#)

Fostering open discussion and accountable decision making:

The Board recognises that decisions may involve balancing competing stakeholder interests. Admiral's governance culture promotes open, honest and accountable discussion and decision making, supported by robust risk management and constructive challenge. This ensures that all stakeholder perspectives are taken into account and considered fairly, and that decisions contribute to the long-term sustainable success of the Group.

+ [See page 116 for further information](#)

Maintaining high-quality Board information:

The Board and its Committees operate to structured agenda planners, which are reviewed and updated throughout the year to reflect evolving business needs and stakeholder expectations. Standardised Board reporting templates are in place and training has been provided to ensure consistency, clarity and conciseness. Board papers undergo a rigorous review process to ensure they are accurate, focused, and of the highest quality, thereby supporting effective governance and decision-making.

+ [See page 133 for further information](#)

Ensuring appropriate Board skills, knowledge, and experience:

Collectively, the Board comprises Directors with a broad range of relevant expertise and experience, enabling high-quality discussion and decision making that reflects the long-term interests of the Company, whilst balancing the often diverse range of interests of its stakeholders. Individual Directors contribute specialist knowledge from a broad range of key areas, including environmental, social and governance ('ESG') matters, ensuring focused and balanced oversight. The Board receives regular updates and training to maintain and enhance its collective capabilities.

+ [See page 134 for further information](#)

Considering stakeholder interests and impact:

To assist the Board in fulfilling its obligations under s172, each Board paper is accompanied by a stakeholder impact assessment. This outlines: i) the stakeholders potentially affected by the item under consideration; ii) how their interests have been taken into account; iii) the anticipated consequences of any decision; and iv) how the impact will be monitored over time. This process ensures that stakeholder considerations are embedded in Board deliberations.

+ [See page 126 for further information](#)

Implementing an effective Board review process:

The Board receives regular updates on the implementation and outcomes of key decisions through its internal reporting framework. The performance of individual Directors, Board Committees, and the Board as a whole, are evaluated annually, with independent external review every three years, to ensure continued effectiveness and adherence to the highest standards of conduct and governance.

+ [See page 145 for further information](#)

+ [The principal decisions taken by the Board during the year, and how the requirements set out under s172 were taken into account, are set out in the Governance Report on page 119.](#)

Section 172 statement continued

People

Admiral continues to be recognised as a leading employer within the UK and across its international operations, with a culture and values that underpin its commitment to fostering a diverse, inclusive, and supportive working environment.



Why engaging with our employees is important

At Admiral, we firmly believe that if our people enjoy what they do, they will do it better. The wellbeing and engagement of our colleagues are recognised as critical drivers of the Group's long-term success. Our people continue to represent a significant source of competitive advantage, and the Board remains deeply committed to supporting their development and future wellbeing. The Board and senior management maintain active engagement with employees across the business, fostering a positive and inclusive working environment. This approach contributes to a more motivated and productive workforce, enhances operational performance, and supports improved outcomes for customers and other stakeholders.

How the business engages with our employees

Employees are encouraged to engage across multiple channels. Key engagement mechanisms include:

- UK and international employee consultation groups provide direct input into operational and strategic matters
- Regular employee surveys capture feedback and measure engagement across the Group
- Internal communications through multiple platforms, including feedback initiatives such as 'Ask Milena' and 'Speak Up'
- Dedicated forums and working groups focused on diversity, equity and inclusion
- One-to-one meetings with managers, development conversations, and mandatory training programmes covering professional development and compliance.

+ Further examples of how Admiral engages with its colleagues can be found on pages 58 and 127

How the Board engages with employees

The Board recognises the importance of meaningful engagement with Admiral's workforce and maintains a structured approach through both formal and informal channels. Dedicated employee consultation groups, comprising the UK Employee Consultation Group ('ECG') and the International Employee Consultation Group ('IECG'), provide a representative voice from across the Group. Each ECG meeting held during the year was attended by at least one Admiral Group Non-Executive Director, ensuring direct Board-level engagement.

The Chairs of the Admiral employee forums report key discussion points to the Board, offering valuable insight into workforce perspectives. These updates are followed by Board feedback to the forums, ensuring effective two-way communication between employees and the Board. In addition, Directors engage with employees through site visits, participation in internal presentations, and regular updates from senior management on people-related matters, including employee engagement, survey outcomes, and cultural indicators.

Outcomes and impact of engagement on Board decision making

The Board has prioritised employee engagement as key to Admiral's long-term value and sustainability. A major focus during the year was the new reward framework, approved in May 2025, which modernised our UK pay structures and included employee consultation and representations. Chairs of the UK and International Employee Consultation Groups attended selected Board meetings, providing employee insights on reward changes, working practices, and engagement initiatives. Non-Executive Directors also joined employee forums, ensuring workforce feedback assisted in shaping policy.

The Board reviewed hybrid working, confirming its benefits for productivity, culture, and diversity, and endorsed continued flexibility. It oversaw Board and senior leadership appointments, including a new CEO at Admiral Money, as well as Group Chief Data Officer and Group Head of GenAI, reflecting a commitment to innovation and AI preparedness.

To reinforce shared ownership, the Board approved a discretionary share award and endorsed an updated Diversity and Inclusion Policy, supported by strong results from the Great Place to Work® Survey. These actions underline the Board's focus on inclusivity and maintaining Admiral as a great place to work.

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Section 172 statement continued



Shareholders

Delivering long-term sustainable value for the Group by managing shareholder capital with integrity and accountability.



Why engaging with our shareholders is important

Engaging with shareholders is essential to securing continued support for Admiral's strategic objectives and long-term value creation. Effective engagement enables alignment between the Board and the Company's owners, providing a platform to communicate the rationale behind key decisions and strategic priorities. It also offers shareholders the opportunity to provide feedback, raise concerns, and contribute to the ongoing development of the business.

How the business engages with shareholders

Admiral is committed to maintaining regular, transparent, and constructive engagement with its shareholders through a range of established channels. These include:

- A comprehensive investor relations programme encompassing site visits, industry conferences, results and non-results roadshows, and ad-hoc meetings
- Ongoing dialogue with analysts to ensure clarity around the Group's performance and strategic direction
- Timely and informative market disclosures, including the Annual Report, Sustainability Report, and interim and full-year results announcements and presentations
- The Annual General Meeting and dedicated corporate governance discussions
- Admiral's corporate website is regularly updated to provide shareholders with access to key information.

This multi-channel approach ensures shareholders remain well-informed and able to engage meaningfully with the Company's strategy and performance.

How the Board engages with shareholders

The Board maintains strong relationships with Admiral's major shareholders, including the Group's founders, and receives regular updates on investor engagement from senior management and the Investor Relations team. Shareholder feedback is routinely shared and actively considered in governance and strategic decisions. Throughout the year, the Board has remained informed on market developments, share price performance, and changes in the share register.

Engagement with institutional investors and analysts occurs through meetings, briefings, roadshows, and conferences, while the Chair, Senior Independent Director, Executive Directors, and Committee Chairs remain accessible to significant shareholders. The Board also engages with retail shareholders via the Annual General Meeting, providing an open forum for dialogue and ensuring all shareholders can interact directly with the Company's leadership.

Outcomes and impact of engagement on Board decision making

The Board remains committed to open and constructive dialogue with Admiral's shareholders, recognising their input as integral to the long-term success of the business. During 2025, engagement was delivered through a structured investor relations programme, with feedback carefully considered in Board discussions to ensure decisions aligned with the Group's purpose, values, and strategy.

Capital allocation remained a key focus, with focused engagement on optimising shareholder returns guiding the Board's assessment of strategic options. Shareholder input also shaped decisions on interim, final, and special dividends, which were assessed alongside financial performance and capital strength to balance shareholder expectations with long-term resilience.

The Board maintained oversight of credit ratings, ESG performance, and sustainability priorities, addressing areas for improvement to meet stakeholder expectations. This proactive approach strengthened investor confidence, supported long-term value creation, and ensured Admiral remains well-positioned to respond to evolving shareholder and market demands.

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Section 172 statement continued



Customers

We aim to provide a great customer experience.



Why engaging with our customers is important

Admiral places customers at the centre of its business model, guided by its purpose, to help more people look after their future. Always striving for better together. The Group is committed to broadening access to competitive financial services and ensuring customer needs shape product design and delivery. Feedback informs ongoing improvements, and customer experience is continually assessed against expectations and regulatory standards. In line with the FCA's Consumer Duty, Admiral has strengthened processes to ensure clear communications, fair value, and appropriate support. During 2025, the business reviewed data and implemented enhancements to products and services, including its approach to FCA focus areas and reviews such as motor total loss (see page 147), thereby reinforcing its commitment to positive customer outcomes. Further details are provided on page 154.

How the business engages with our customers

Admiral is committed to strong, transparent, and responsive customer relationships across every stage of the customer journey. Engagement is supported through multiple channels, including digital platforms (customer portals, surveys, SMS feedback, and the Admiral App), live chat, and social media for real-time interaction and service refinement. Customer insight initiatives such as focus groups, panels and perception studies inform enhancements to digital experiences, while direct engagement with frontline teams ensures feedback is acted upon promptly. Internal feedback loops escalate insights to senior leadership, shaping strategic decisions and service improvements.

Customer satisfaction is embedded in Admiral's culture and performance framework, forming a key component of the Group's reward structure. Notably, 12.5% of the vesting criteria for share awards, impacting around 4,600 colleagues, is linked directly to customer satisfaction metrics. Further details on Admiral's approach to responsible customer engagement can be found in the sustainability section on page 55.

How the Board engages with our customers

While the Board does not engage directly with customers, it maintains robust oversight of customer experience and outcomes through regular reporting from management. These updates include assessments of how customers are treated throughout their journey, with particular focus on ensuring good outcomes and compliance with regulatory expectations, including the integration of Consumer Duty principles.

Customer-related objectives formed part of the Board's 2025 priorities, and progress against these is reviewed at Board meetings (see page 118 for further details). Customer satisfaction metrics are routinely incorporated into strategic discussions, informing decisions on digital investment, service enhancements, and product development. In addition, the Board receives updates on conduct risk via the Group Risk Committee, ensuring customer considerations remain central to Admiral's governance and risk oversight.

Outcomes and impact of Board decision making

During 2025, the Board maintained its strategic focus on delivering good customer outcomes, particularly through the implementation of the Consumer Duty regulation across the Group. Regular updates on governance and reporting enhancements enabled the Board to strengthen oversight and swiftly address any emerging risks to customer experience.

Customer insights, gathered via surveys, focus groups, and the Admiral Customer Panel were reviewed by the Board and directly informed decisions to improve pricing transparency, simplify communications, and enhance claims handling. Benchmarking exercises highlighted areas for improvement, leading to targeted service enhancements.

The Board also monitored the rollout of new technology strategies, including generative AI, which improved customer journeys through greater personalisation and operational efficiency. New senior hires in this space were overseen by the Board. Safeguards were reinforced to detect and resolve poor outcomes promptly.

Through its review of customer outcomes and feedback, the Board confirmed Admiral's compliance with Consumer Duty obligations and reaffirmed its commitment to delivering good outcomes as a core strategic priority.

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Section 172 statement continued



Communities

Admiral is committed to ensuring its impact on society is both positive and enduring.



Why engaging with our communities is important

Admiral is committed to making a positive and lasting contribution to the communities in which we operate, as well as to wider society. Community engagement is a core element of our culture and reflects our values as a responsible corporate citizen. Through ongoing dialogue with community stakeholders, we have identified key areas of focus including employability, social mobility, education, financial inclusion, and support for sports, arts, and culture. By addressing these priorities, Admiral demonstrates a genuine commitment to social impact and long-term value creation beyond the boundaries of the business.

As a major employer across multiple countries, Admiral recognises its responsibility to provide meaningful employment opportunities within local communities, while investing in the training and development of our people. We are also committed to promoting diversity and inclusion both within Admiral and in the communities we serve, ensuring our actions contribute to a more equitable and resilient society.

How the business engages with our communities

Supporting the communities in which Admiral operates is a core part of the Group's culture. Through targeted investment in programmes, education, and local enterprises, Admiral addresses immediate needs, while empowering individuals and organisations for long-term success, reflecting our commitment to societal value and community resilience. Our strategy is built on three pillars: Partnerships – collaborating globally and listening to stakeholders to direct support where it is most needed; Impact Funds – providing aid during crises and supporting climate resilience projects; and Colleague Engagement – enabling employees to contribute through grants, match funding, volunteering, and special interest groups.

To ensure effectiveness, Admiral's Community Strategy undergoes regular review, with impact monitored through feedback from partners, employees, community stakeholders, and external bodies. This evaluation framework ensures our engagement remains responsive, aligned with our values, and delivers meaningful outcomes.

How the Board engages with our communities

The Board provides strategic oversight of Admiral's community initiatives, ensuring alignment with priorities such as employability, financial inclusion, climate resilience, and social mobility, while fostering a culture that encourages employee participation in worthwhile causes. In 2025, the Board supported investment of over £4.4 million in community programmes, including donations to strategic partners, and delivered 45,000 Impact Hours of colleague volunteering (2024: 32,500 hours). These efforts were complemented by colleague-led community and sponsorship activities, with further details available on our website. Internationally, the Board backed Admiral's Global Emergency Fund, enabling swift donations to humanitarian causes, including contributions to the Disaster Emergency Committee alongside financial aid for flood-affected regions.

To measure impact, the Board endorsed the Social Value Portal, which evidenced millions of pounds in social value delivered to date. The Board also receives regular updates on community strategy through governance papers, dashboards and committee reviews, incorporating feedback from partners, colleagues, and external bodies to ensure engagement remains effective, responsive, and aligned with Admiral's strategic goals.

Outcomes and impact of Board decision making

During 2025, the Board maintained strategic oversight of Admiral's community impact and social purpose agenda. It reviewed progress against key objectives and received regular updates on flagship initiatives, including investment in Earth Schools, which promotes environmental education, and Admiral's membership of the Disaster Emergency Committee Rapid Response Network, enabling swift humanitarian support during global crises.

The Board provided direction on Admiral's social purpose priorities and endorsed plans to strengthen this strategy further in 2026 and beyond. This included guiding future investment through the Community Investment Programme and ensuring alignment with long-term objectives. These actions demonstrate the Board's commitment to delivering measurable social value and reinforcing Admiral's role as a positive influence within its communities.

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Section 172 statement continued

Environment

Admiral is committed to reaching net zero greenhouse gas emissions across its operations by 2040.



Why engaging with environmental issues is important

Admiral is committed to proactive environmental engagement as a strategic imperative and a reflection of our responsible business practices. Addressing climate-related challenges is essential to securing a sustainable future for our customers, colleagues, shareholders, and society. Being an environmentally responsible company matters to all stakeholders, our colleagues want to work for an organisation that protects the environment, customers expect us to support a sustainable future, and shareholders and regulators increasingly focus on environmental risks and opportunities. Our environmental strategy includes reducing our operational carbon footprint, supporting customers in their transition to a low-carbon economy, meeting evolving regulatory expectations, and contributing to broader industry and societal change. Further details are available in our Sustainability Report on our website.

How the business engages with environmental issues

Admiral adopts a proactive and structured approach to environmental engagement. Our strategy is designed to raise awareness, drive meaningful action, and support the transition to a low-carbon economy. Key initiatives include:

- **Net Zero Commitment:** Achieving net zero greenhouse gas emissions in our operations, supply chain, and investments by 2040, supported by our inaugural Net Zero Transition Plan
- **Sustainability Governance:** Oversight is led by the Sustainability Steering Committee, which includes the Group CEO, with five working groups ensuring alignment and integration across the Group
- **Operational Sustainability:** Carbon-neutral operations covering Scope 1 and 2 emissions and selected Scope 3 categories

- **Employee Engagement:** Sustainability roundtables, forums, and events like Green Week unite colleagues to share ideas and drive sustainability initiatives
- **Community Investment:** The Green Fund initiative supports environmental work in local communities, such as nature-based flood prevention
- **Embedding Sustainability:** Integrated into Group strategy, linked to communications and non-financial metrics, with disclosures aligned to TCFD, SECR, SASB, and CFD.

How the Board engages with environmental issues

The Board oversees Admiral's sustainability and climate agenda, approving strategy and ESG ambitions as drivers of long-term value. Directors provide diverse expertise and regularly review environmental topics, including regulations, climate initiatives, and emerging risks. The Group CEO holds overall accountability, supported by the Chief Risk and Compliance Officer, who leads climate-related matters and ensures integration across the Group.

Outcomes and impact of Board decision making

During 2025, the Board strengthened the integration of environmental considerations into Admiral's strategy, long-term planning and operational priorities. This included enhancing climate governance through the introduction of a Sustainability Risk Policy and development of a Climate Risk Management Framework, due to launch in 2026, alongside monitoring progress against the Group's 2040 net zero ambition.

Climate risks and opportunities were further embedded within strategic planning and the Own Risk and Solvency Assessment ('ORSA'), supporting capital adequacy and resilience under different climate scenarios. The Board also reviewed ESG performance, regulatory developments and oversaw the Sustainability Report, reinforcing accountability and transparency in environmental reporting.

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Section 172 statement continued



Partners and suppliers

We are committed to cultivating strong, collaborative relationships with our partners and suppliers that deliver mutual value and long-term benefit.



Why engaging with our partners and suppliers is important

Our partners and suppliers play a vital role in enabling the Group to achieve its strategic objectives. Representing a broad spectrum of businesses, including financial and reinsurance partners, IT hosting providers, and those delivering distribution and claims services, amongst others, alongside the regulators and governments within the countries in which we operate. Admiral is committed to cultivating strong, collaborative relationships through well-established governance processes that oversee the full lifecycle of supplier engagement across the Group. Effective management of these relationships is essential to mitigating third-party risks throughout our supply chain.

Admiral acts responsibly in our procurement practices, prioritising local and regional suppliers where feasible, and promoting ethical and environmentally sustainable standards. In support of supplier financial resilience, we also strive to ensure timely payment practices.

How the business engages with our partners and suppliers

The Group maintains robust processes for managing third-party relationships, with dedicated relationship managers overseeing supplier performance, contract renewals, negotiations, service reviews, and continuous improvement initiatives. For example, to ensure governance and transparency, Admiral uses an integrated contract management platform in the UK, which centralises procurement activities such as tendering, contract lifecycle management, supplier oversight, and has invested in new procurement technology to run supplier due diligence across our main entity EUI Ltd, ensuring consistency and accountability across all stages of engagement.

In addition, specialist regulatory relationship teams maintain proactive communication with the FCA and PRA in the UK, while equivalent teams operate within international

businesses to manage local regulatory relationships. This approach ensures compliance and alignment with regulatory expectations globally, supporting the Group's commitment to strong governance and effective stakeholder engagement.

How the Board engages with our partners and suppliers

The Board does not engage directly with partners and suppliers but receives regular updates from management on strategic relationships, procurement activities, payment practices, emerging partnership opportunities, co-insurance and reinsurance arrangements, customer-facing supplier performance, third-party risk management, and modern slavery risks within the supply chain. These updates inform the Board's assessment of long-term strategic implications, with the Chief Financial Officer providing detailed reports on the renewal of co-insurance, reinsurance, and quota share agreements, ensuring continuity of Admiral's strategic partnership with Munich Re.

Outcomes and impact of Board decision making

In 2025, the Board strengthened oversight of Admiral's relationships with partners and suppliers to ensure resilience, regulatory compliance, and ethical standards across the value chain. It supported collaboration with major suppliers to drive knowledge exchange and innovation, improving operational efficiency and customer experience. This included reviewing strategic partnerships, overseeing good payment practices, reinforcement of Modern Slavery provisions across the supply chain, and approval of Admiral's Modern Slavery Statement, which sets out a zero-tolerance approach to forced labour and exploitation. These actions were supported by comprehensive employee training on anti-bribery, corruption, modern slavery practices and supplier conduct.

The Board also received updates on the project to enhance Third-Party Risk Management ('TPRM'), including supplier due diligence, the establishment of a TPRM forum, and development of an enterprise-wide risk framework to ensure consistent application across the Group. It maintained open, constructive relationships with the PRA and FCA, responding promptly to feedback and adapting processes to meet regulatory expectations. The PRA attended the January 2025 Board meeting to discuss regulatory matters, including Admiral's pre-Internal Model application, and the Board reflected on this feedback to adjust its processes where necessary.

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Non-financial and sustainability information statement

The non-financial and sustainability reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006 are addressed within this section by means of cross reference, to indicate where they are located within the Annual Report and to avoid duplication.

Reporting requirement	Annual Report	Page	Relevant policies, statements and codes available at admiralgroup.co.uk
Our business	Business model	See page 10	<ul style="list-style-type: none"> • Group Underwriting Risk & Pricing Policy • Group Remuneration Policy • Group Investments Policy • Group Liquidity Management Policy • Group Capital Management Policy • Group Tax Strategy Policy
	Strategy	See page 21	
	Group capital structure and financial position	See page 54	
	Key performance indicators	See page 27	
Sustainability	Our approach to sustainability	See page 56	<ul style="list-style-type: none"> • Sustainability Report 2025 • Net Zero Transition Plan • Sustainability Policy
	Responsible investments	See page 67	<ul style="list-style-type: none"> • Group Investments Policy
Environmental	Environmental sustainability	See pages 69, 79, 81	<ul style="list-style-type: none"> • Sustainability Report 2025 • Net Zero Transition Plan
	Task Force on Climate-related Financial Disclosures	See page 81	
	Climate-related Financial Disclosures ('CFD')	See page 81	
	Streamlined Energy and Carbon Reporting ('SECR')	See page 79	
Employees	Our culture	See pages 59, 131	<ul style="list-style-type: none"> • Group Health and Safety Management Policy • Equality, Diversity and Dignity at Work Policy
	Diversity, equity and inclusion	See pages 60, 147	<ul style="list-style-type: none"> • Sustainability Report 2025
Social matters	Social purpose	See page 62	<ul style="list-style-type: none"> • Group Data Protection Policy • Corporate Website Privacy Notice • Group Board Diversity & Inclusion Policy
	Community investment	See page 62	<ul style="list-style-type: none"> • Sustainability Report 2025
Respect for human rights	Human rights and modern slavery, responsible business practices	See pages 66, 101	<ul style="list-style-type: none"> • Modern Slavery Statement • Group Procurement & Outsourcing Policy • Group Vulnerable Customers Policy • Equality, Diversity and Dignity at Work Policy • Anti-slavery, Exploitation and Human Trafficking Policy
Anti-corruption and anti-bribery matters	Financial crime and anti-corruption and anti-bribery	See pages 66, 163	<ul style="list-style-type: none"> • Group Financial Crime and Anti-Bribery Policy • Group Conduct Risk Policy
	Suppliers	See pages 66, 75, 101	<ul style="list-style-type: none"> • Group Procurement & Outsourcing Policy • Group Whistleblowing Policy
Governance	Principal risks and uncertainties	See page 106	<ul style="list-style-type: none"> • Group Risk Management Policy • Group ORSA Policy
	Governance	See pages 68, 115	

Non-financial and sustainability information statement continued

Group Policies

Admiral's governance framework supports the due-diligence processes underpinning our policies. Our sustainability governance structure and DE&I Working Groups help ensure relevant matters are considered and that clear communication is maintained across the business. The annual Great Place to Work® survey provides an important due-diligence mechanism for identifying social and employee-related issues, with results discussed throughout this Annual Report. All Group policies are reviewed regularly, and all in-scope business areas must demonstrate how they comply with each policy and its associated controls.

Policy	Description
Group Health and Safety Management Policy	This policy outlines our commitment to ensuring the health and safety of staff and anyone affected by our business activities, and our commitment to providing a safe environment for those attending our premises.
Equality, Diversity and Dignity at Work	In line with The Worker Protection (Amendment of Equality Act 2010) Act 2023, this policy outlines Admiral's commitment to ensuring that any type of unfair discrimination including harassment, victimisation, favouritism, and bullying is not accepted. It outlines the standards of behaviour that are expected from all employees to ensure that everyone at Admiral is treated with dignity and respect, feels comfortable in the workplace, and has equal opportunities.
Code of Conduct	Our Code of Conduct outlines the standards of behaviour that all colleagues must adhere to regardless of their role. Colleagues are expected to abide by these policies and act with integrity, due skill, care and diligence.
Group Sustainability Policy	This policy outlines Admiral's commitment to operating responsibly and sustainably across its business activities. It sets expectations for managing environmental, social and governance ('ESG') impacts, integrating sustainability into decision-making, and ensuring that the Group works towards long-term value creation for colleagues, customers, communities and the environment.
Group Data Protection Policy	This policy outlines our obligations and expectations regarding the processing of personal data. This policy is supported by a comprehensive Privacy Compliance Programme. Adherence to the Policy and to the requirements contained within our Privacy Control Framework is monitored through regular reviews and audit activities, which are reported to Audit and Risk Committees.
Group Board Diversity & Inclusion Policy	This policy sets out the approach to Board diversity for Boards within Admiral, covering diversity of approach, skills and experience, race, age, gender, educational and professional background and other relevant attributes. Board appointments should complement the existing Board's skills and experience and will always be made on merit against objective criteria, including diversity.
Group Vulnerable Customers Policy	This policy outlines the behaviour and standards expected when dealing with vulnerable customers throughout the end-to-end product lifecycle. It has been designed to ensure that Admiral acts to deliver good outcomes for customers with characteristics of vulnerability.
Modern Slavery	Our Anti-Slavery, Exploitation and Human Trafficking policy confirms Admiral's zero tolerance approach to modern slavery, outlines our ongoing commitment to eliminating unethical working practices, and provides guidance to employees on reporting any problems identified at work or in the community. We release an annual Modern Slavery Statement in line with the Modern Slavery Act 2015.
Group Conduct Risk Policy	This policy covers the risk that our products, services, culture, communication or interaction with customers may result in unfair customer outcomes. It demonstrates Admiral's commitment to ensuring that customers receive the outcomes they can reasonably expect from the products and services we provide, and how to mitigate conduct risk within the business.
Group Financial Crime and Anti-Bribery Policy	This policy ensures that robust systems and controls are in place to detect, prevent and deter financial crime across the Group, covering areas such as money laundering, market abuse and insider trading, sanctions breaches, modern slavery, tax evasion, and bribery and corruption. It also strictly prohibits the solicitation or acceptance of any bribe by anyone acting on Admiral's behalf, whether to gain an unfair commercial, contractual or regulatory advantage for Admiral, or any personal benefit for the individual or their associates.
Group Procurement & Outsourcing Policy	This policy requires employees engaging in procurement activity to uphold business integrity, combat unethical practices such as including modern slavery, comply with laws, and drive de-carbonisation with key suppliers. This is enforced through strict controls and monitoring.
Group Whistleblowing Policy	This policy encourages and enables employees to raise any concerns they have about serious malpractice or wrongdoing. It is designed to ensure that an employee can raise their concerns without fear of victimisation, subsequent discrimination, disadvantage, or dismissal. This policy details internal and external reporting lines for any employee concerns.

Principal risks and uncertainties

The Board, with support from the Group Risk Committee and the Group Risk Management Function, undertakes a regular and robust assessment of the principal and emerging risks facing the Group alongside engaging with the management team on the Group Strategy. These risks have been summarised as those which would threaten its business model, future performance, solvency or liquidity, and reputation.

The following table sets out the principal risks and uncertainties ('PR&Us'), which Admiral has identified through its Enterprise Risk Management Framework ('ERMF'). Admiral continues to monitor how the PR&Us interact with external events and emerging risks. In 2025, this notably included the impact of geopolitical instability on global trade conditions and the development and broader adoption of new and emerging technologies such as fully autonomous vehicles ('AVs'), generative AI, and quantum computing. This volatility has foregrounded the role of operational resilience and cyber-security in ensuring the Group is sufficiently robust and agile to respond to threats, cyber-attacks, and risk events. The impact of the PR&Us, development of the risks during 2025, and actions taken to mitigate them are explained below. This section also includes a description of Admiral's approach to identify, manage, and govern emerging risks.

Admiral Group's risk management and strategy linked to climate change, is discussed in the Task Force on Climate-Related Financial Disclosures on page 76.

Risk appetite: The Admiral Group risk strategy contains strategic risk statements for the relevant risks that help deliver the Group's business objectives. The Group risk appetite is owned and approved by the Admiral Group Board. The responsibility for the Group risk appetite is delegated to the Group Risk Committee, which reviews all components prior to Board approval and monitors the performance of the business against the approved Group risk appetite through the Group CRO Report and other risk reporting.

The PR&Us reflect the main risks faced by the Group in achieving its strategic objectives, with the links to the strategy noted against each PR&U. For more information on the strategy, refer to page 20.

Identification of risks

Principal risks (A–J)

- A** Reserving risk
- B** Insurance risk
- C** Market risk
- D** Operational risk
- E** Legal and regulatory risk (including conduct)
- F** Credit risk
- G** Catastrophe risk
- H** Reinsurance risk
- I** Strategic risk
- J** Reputation risk

Impact on strategic initiatives key

- 1** Accelerating towards Admiral 2.0
- 2** Diversification
- 3** Evolution of Motor

Risk trend key

- ↑** Risk increased
- ↔** Risk stable
- ↓** Risk decreased

+ See also note 3 to the financial statements, which provides further details on a number of these risks

Principal risks and uncertainties continued

A Reserving risk

2025 trend: 

Impact on the strategic initiatives:   

Admiral is exposed to reserving risk where claims reserves may prove insufficient to cover the ultimate cost of claims, which are by nature uncertain. This is a particular risk for motor insurance liabilities, where the amount payable for bodily injury claims (particularly large claims) can change significantly during the lifetime of the claim due to risks such as changes in Ogden rates, increased propensity of Periodical Payment Orders ('PPOs'), and claims inflation.

This uncertainty, also impacted by economic, environmental, regulatory, or political change (such as geopolitical conflicts impacting supply chains) can lead to adverse development and higher claims costs than projected, resulting in higher loss ratios, reduced profits, or underwriting losses.

The impact of environmental risks is drawn out in more detail for climate-related risks in the TCFD section on page 78.

In mitigation, the Group continues to reserve conservatively, setting its IFRS 17 risk adjustment in the financial statements between the 85th and 95th percentiles, which is aligned to the Group risk appetite for reserve risk.

Best estimate reserves are estimated both internally and externally by independent actuaries. For very large levels of claims, Admiral purchases excess of loss reinsurance, which mitigates a portion of the loss.

B Insurance risk

2025 trend: 

Impact on the strategic initiatives:   

Admiral has a high appetite for writing insurance and value-added ancillary products, while maintaining a low expense ratio. The Group is exposed to the risk that inappropriate premiums are charged for its insurance products leading to either insufficient premiums to cover claims costs or uncompetitive rates resulting in reduced business volumes. Insurance risk can be affected by geopolitical conflicts and economic uncertainty, driving supply chain pressures and fluctuations in vehicle repair and replacement costs, changes to customer behaviour or to the competitive market, and climate change. Growth in technologies such as electric vehicles and AI also introduce additional insurance risk by driving market trends.

Mitigating factors, which contribute to Admiral's strong UK underwriting results, include a disciplined, dynamic and forward-looking approach to pricing and growth, with a focus on building the business for the long term. Admiral has experienced and focused senior management teams, notably in pricing and claims and a highly data-driven and analytical approach to the regular monitoring of claims and underwriting performance. The business is capable of identifying and resolving underperformance promptly through rapid and dynamic changes to key performance drivers, particularly pricing, and continuously appraises and invests in employees, systems, and processes.

C Market risk

2025 trend: 

Impact on the strategic initiatives:  

Market risk arises due to developments in economic and financial market conditions that result in movements in interest rates, credit spreads, and foreign exchange rates. Market volatility (notably significant changes in risk-free interest rates or material increases in credit spreads) can adversely impact the value of the Group's assets. In addition, growth of the Group's businesses outside the UK has altered the exposure to net assets and liabilities in currencies other than pounds sterling, increasing the Group's exposure to Euros in particular.

In mitigation, Admiral has a dedicated Investment Committee, which advises each subsidiary board and oversees the investment management of funds as well as advising on effective treasury and foreign currency exposure management of the Group's funds. The Group's investment and liquidity policies for managing cash and invested assets

support compliance with the Prudent Person Principle and other regulatory requirements. These policies also set expectations to ensure that assets and liabilities are adequately matched, thereby reducing mismatch risk.

This is translated into the Group's investment strategy, which is derived based on key considerations, which include the preservation of the amount invested, low volatility of returns, matching duration and currency of liabilities, and strong liquidity. The majority of the portfolio is invested in high-quality fixed-income and other debt securities, money market funds, and other similar funds, in order to achieve these objectives, with a limited exposure to private credit and equity markets. This is reviewed regularly by the investments team, Investment Committee, and asset managers to ensure Admiral is adequately positioned.

Principal risks and uncertainties continued

D Operational risk

2025 trend: 

Impact on the strategic initiatives:   

Admiral continues to review the impacts and level of operational risk in the context of a modern, digital, hybrid workplace. The principal categories of operational risk for Admiral include transformation and change, people, technology, information security / cyber, resilience, data management, and third-party management.

Operational risk can arise in a number of forms, including poor business decisions due to lack of data or weaknesses in the data, inadequate or failed internal / outsourced projects, processes, and systems, and from people-related sources such as hybrid working, or external events. These can lead to loss of services and data, customer detriment / dissatisfaction, regulatory censure / enforcement, reduced earnings, and / or reputational damage due to Admiral's action or inaction.

Admiral operates a three lines of defence model, and internal controls are in place and are monitored to mitigate risks. The following are a limited number of examples of how operational risks are managed:

- **Transformation and change:** To enable its strategic objectives of driving innovation and agility, Admiral is prioritising the reduction of technical debt, leveraging emerging technologies, and automating manual processes. These efforts are supported by strong change governance and assurance, to ensure robust development and delivery
- **People:** Admiral continues to strengthen succession planning in the UK through targeted recruitment and internal talent development. The commitment to diversity and inclusion is embedded in a refreshed DE&I strategy and supported by inclusive hiring practices. Admiral remains accredited under the UK Real Living Wage and has enhanced reward practices to support fair pay. Embracing hybrid working remains central to attracting, engaging and retaining talent in a flexible, inclusive and productive environment
- **Technology:** Admiral is continually evolving and enhancing its technology landscape to keep pace with industry standards, while reducing complexity and maintenance costs. The scale, nature, and pace of these changes introduce risks related to the security and effectiveness of new systems, potential disruptions during cutover and post-migration, and the need to maintain high levels of customer service. The business continues to apply rigorous governance and oversight, including performance and operational testing, rollback planning, and business readiness activities, ensuring robust support during upgrades and minimising disruption to services
- **Information security / cyber:** Enhancing the cyber defence capabilities has remained a key priority to stay ahead of an increasingly sophisticated threat landscape. Admiral employs a multi-layered security strategy focused on prevention, detection, and rapid response. Vigilance is maintained through continuous monitoring, proactive threat hunting and simulation, and real-time adaptation to emerging threat intelligence and evolving tactics, techniques, and procedures. In addition, Admiral continues to collaborate with industry partners and the National Cyber Security Centre as part of its broader commitment to cyber security resilience. During the year, the Group increased the limits of its cyber insurance arrangements
- **Resilience:** Resilience is recognised as a pervasive risk that underpins all aspects of operations and is supported by dedicated incident management teams within entities. With new regulations through 2025 enhancing requirements for stronger business continuity and disaster recovery practices, further maturity in resiliency practices is developing, which ensures that continuity and recovery plans are regularly tested including system and data recovery
- **Data management:** The Group recognises the increasing significance of high-quality data for decision making and AI integration. Accordingly, a new data governance and quality policy has been approved to establish robust standards for data quality and ownership. In addition, a Group-level second line responsible data team has been established with the aim of supporting the consistent application of critical data definitions and lineage across Group-level metrics, and helping to optimise the management of critical data assets. A centralised annual data maturity assessment is now conducted by this team
- **Third-party management:** Strategic reviews are periodically undertaken to align procurement and outsourcing arrangements with the wider business strategy and in response to ongoing macroeconomic challenges. Outsourced activities are monitored through regular risk assessments, ongoing supplier relationship management, initial and ongoing due diligence reviews, exit plan testing, and integrated business continuity planning for material outsourcers. Oversight is particularly focused on the cyber risks posed by third parties and also their own suppliers.

Admiral also purchases a range of insurance covers to mitigate the impact of a number of operational risks, including public and products liability insurance, civil liability insurance, and employers' liability insurance.

Principal risks and uncertainties continued

E Legal and regulatory risk (including conduct)

2025 trend: 

Impact on the strategic initiatives:   

As Admiral operates globally, across various business lines and products, it is exposed to differing political regimes, legal jurisdictions, regulatory expectations, and tax systems.

Admiral has a very low appetite to legal and regulatory risk, which may arise where Admiral fails to identify, interpret, or fully comply with legal, tax, and / or regulatory requirements, including regulatory reporting in a timely manner.

This could lead to regulatory intervention, censure, and / or enforcement action through fines and other sanctions, potential criminal and / or civil enforcement action, and potential customer detriment and / or dissatisfaction.

This risk may also arise where previous industry, tax, regulatory, and / or legal compliance standards are reinterpreted with negative consequences and applied retrospectively, for the industry and / or the Group.

Failing to meet increasing expectations from regulators, legislators, and shareholders around climate change and broader environmental, social and governance matters could also potentially lead to exposure to legal and regulatory risk and potentially adversely impact other stakeholders' perceptions.

In mitigation, Admiral operates a three lines of defence model with strong oversight from Group, entity boards and committees, to monitor the Group's compliance with current and proposed requirements. Admiral also interacts regularly with regulators and consults with internal and external subject matter experts to advise on industry best practice.

Assurance of compliance with legal and regulatory compliance is gained through internal assurance and monitoring, external reviews and benchmarking exercises. In addition, the Group undertakes regulatory horizon scanning and has implemented strengthened governance of change initiatives in order to identify and implement regulatory change, whilst also increasing the size and strength of both Group and local regulatory teams. Admiral continues to have a strong customer focus and monitors, manages, and reports on customer outcomes, including product value assessments, and aims to attract, retain, and motivate quality employees to deliver superior customer service and to achieve business objectives.

F Credit risk

2025 trend: 

Impact on the strategic initiatives:  

Admiral is primarily exposed to institutional credit risk in the form of: (a) reinsurance counterparty credit risk; (b) banking counterparty credit risk; and (c) the credit risk of the investment portfolios. One or more significant counterparties suffering financial difficulties could lead to a deterioration in their credit quality resulting in a downgrade by rating agencies or ultimate credit default. In addition, Admiral is exposed to retail credit risk in relation to customer defaults on Admiral Money's loan portfolio.

An increase in credit risk detailed above could result in financial losses, increases in capital requirements and / or potential liquidity strains (should there be a default event of any primary cash holding or facility-providing counterparties). Increased defaults could also impact future profitability and lending capabilities or a reduction in capacity in the event of reinsurer default.

To mitigate this risk, the Group reinsurance policy requires Admiral to contract with reinsurers that are rated 'A-' or above. In addition, major reinsurance contracts are operated on a funds withheld basis, which substantially reduces credit risk, as Admiral holds the payments due as collateral.

The credit risk of Admiral's banking and investment counterparties is managed by ensuring a well-diversified portfolio with respective counterparty limits based on their credit quality. This is supported by frequent monitoring and the appointment of specialist third-party asset managers. Such arrangements mean that the average credit quality of the Group's bond mandate is high (A+) and that cash balances and deposits are placed only with highly rated counterparties. The Group also invests in a range of liquidity funds, which hold a wide range of short duration, high-quality securities, and in fixed-income funds holding primarily investment grade assets. All investments, which are of elevated credit risk, are monitored via a credit watchlist by the investment team and the Investment Committee.

Admiral Money's credit risk appetite is set to ensure that the risk taken is commensurate with its pricing framework. During the year, credit performance remained resilient across all portfolios, evidenced by low and stable arrears rates. Strategic diversification away from a solely unsecured book has enhanced the portfolio's risk characteristics by increasing collateralised exposure and reducing relative loss severity. Admiral Money continuously monitors its criteria for new business pricing and the performance of its portfolio. Creditworthiness and affordability checks are in place, with additional support available to vulnerable customers.

Principal risks and uncertainties continued

G Catastrophe risk

2025 trend: 

Impact on the strategic initiatives:  

Admiral has a low appetite for net risk exposure caused by catastrophe events. Admiral is exposed to the risk of higher losses than anticipated due to the occurrence of man-made catastrophes or severe natural weather events, such as large floods, freeze events, subsidence, or windstorm, which could cause extensive property damage. The risk is likely to increase in frequency and severity due to climate change.

To mitigate this, Admiral monitors the impact arising from climate change risks, covering physical risks, as well as other emerging risks, which may impact catastrophe drivers.

Admiral contributes a levy to the government-backed Flood Re scheme to protect against large flood losses and contributes to a similar scheme in Spain.

Admiral also purchases excess of loss reinsurance, which is designed to mitigate the impact of very large individual or catastrophe event claims.

H Reinsurance risk

2025 trend: 

Impact on the strategic initiatives:   

Admiral has a low appetite for inappropriate or inefficient use of capital and, therefore, uses proportional co-insurance and reinsurance across its insurance businesses to optimise the use of capital, to increase the return on the capital it does hold, and to mitigate the cost and risk of establishing new operations.

There is a risk that co- and / or reinsurance cover will not be available, that it is ineffectively placed, or that it will only be available at an uneconomical price in the future. This could lead to a need to raise additional capital to support an increased underwriting share, and return on capital might reduce compared to current levels.

Inflationary uncertainty, geopolitical instability, and other factors could result in a change in reinsurer appetite and an increased cost of reinsurance protection for insurers.

Climate change and the increased frequency and severity of extreme weather events, as well as increased chronic physical risks, could also adversely impact the availability and cost of reinsurance protection for insurers.

Admiral mitigates the risk to its reinsurance arrangements by regular monitoring and scenario testing, by ensuring that it has a diverse range of financially secure partners, and by staggering contract maturities to prevent a cliff-edge ending of large reinsurance covers. Admiral continues to enjoy strong, long-term relationships with several different co- and reinsurers, some of which are amongst the world's largest. Quota share and co-insurance arrangements are contracted over a number of underwriting years.

Admiral's Group Risk Committee is responsible for approving the Group Reinsurance Policy, in addition to helping set stress and scenario tests, which consider both the availability and effectiveness of reinsurance in combination with other adverse events.

Principal risks and uncertainties continued

I Strategic risk

2025 trend: 

Impact on the strategic initiatives:

Admiral is exposed to strategic risk and external factors, which could lead to the Group being unable to fully meet its strategic objectives. These include technological changes, such as needing to build the capabilities in data and AI required to maintain Admiral's competitive advantage in its main UK market.

In particular, Admiral continues to closely monitor the development and use cases of generative and agentic AI, including its potential to open new distribution channels for Admiral products. Against this background, customer retention becomes ever more critical; Admiral is increasing its focus on offering great value products with easy service, whilst delivering best-in-class pricing. Various enhanced mobility trends will also continue to shape the industry, such as mobility as a service, EVs, telematics, embedded insurance, and connected or fully autonomous vehicles ('AVs').

Higher penetration of AVs is expected in the longer term and has the potential to impact the personal lines motor insurance markets the Group operates in and Admiral will remain close to these developments, including through partnerships such as the existing partnership with Wayve in the UK.

While Admiral is generally insulated from some of the current macroeconomic and global instability, risks to the supply chain and ability to grow remain. Additionally, consolidation of the UK personal lines market is anticipated to see certain competitors benefit from economies of scale and gain access to additional data points, though this could also lead to a more stable market with more rational players.

Admiral's strategy generally covers a three-year time horizon and is refreshed annually with input from management as well as a wide range of stakeholders. Entity and Group strategies are aligned with priorities shared top-down and bottom-up. The Group Board reviews and approves the Group strategy annually along with the priorities for the following year, which inform the Group KPIs and objectives and key results ('OKRs'); these are tracked and reported on monthly. Developments, including technological and market changes, that could impact delivery of the strategy are also monitored and, where appropriate, acted upon on an ongoing basis.

In mitigation to the risk of failing to execute the strategy, Admiral seeks to minimise reliance on any single source by earning revenue from a range of products, distribution channels, and territories. Admiral continues to react quickly to changes in market conditions and customer feedback on its products and services.

J Reputation risk

2025 trend: 

Impact on the strategic initiatives:

Admiral has a very low appetite for reputation risk and could be exposed to an erosion in trust from customers, regulators, employees, shareholders, suppliers, and other stakeholders, as a result of decisions, associations, actions, or inactions, as well as accusations of greenwashing. A negative reputation could have a significant impact on the share price and brand value and could result in reduced sales, reduced profitability, difficulty in recruiting and retaining talent, and increased regulatory focus.

Reputation risk can be a secondary impact caused by failures in any part of the Group such as operational events. However, it can also be a primary risk should the firm's perceived behaviours or communications not meet stakeholder expectations.

In mitigation, Admiral monitors metrics that inform reputational risk analysis for different stakeholder groups, including customer feedback, social media metrics, staff surveys, and investor relation reports. The Group also monitors parliamentarians' questions and the announcement of regulation and policy changes. Reputational impact is considered across key decisions and major internal and external events, and Admiral has a crisis response and communications plan that seeks to minimise the reputational and other impacts of an event once it has materialised.

Moreover, given that reputation risk will often be a secondary impact of other types of risk event, controls that mitigate the primary risk also help limit reputation risk.

Principal risks and uncertainties continued

Emerging risks

This year, Admiral took steps to further improve emerging risk management and better integrate it into routine risk reporting as a key element of Admiral's strategic risk management and an important tool for identifying business opportunities.

Admiral Group leverages the Cambridge Centre for Risk Studies' definition, considering emerging risks to be 'a new risk, changing risk, or novel combination of risks, which may present both opportunities and threats, and for which the broad impact, likelihood, and timescale to crystallisation are not yet well understood'. Emerging risk management, therefore, consists in working to identify these risks, the potential threats and opportunities they may pose, and to provide an estimate as to the timescale and magnitude of their impact. As emerging risks are inherently unpredictable and difficult to quantify, emerging risk management processes are designed to provide context and data that can inform a change in strategy, management behaviour, ways of working or risk management. This in turn leads to a stronger and more robust business, which better delivers on its commitments to customers, employees, and other stakeholders.

Emerging risks are identified via horizon scanning. This is conducted by the Group Risk Management Function and consists of an extensive literature review, consultations, focus sessions with internal working groups, and interviews with internal stakeholders, subject matter experts, and external specialists. The Group Risk Management Function assesses emerging risks using an internally-developed framework, which includes qualitative and quantitative analysis to grade each emerging risk on a scale designed to be comparable across entities and compatible with the management of operationalised risks. Evaluation of the potential impact to Admiral includes consideration of how the risk may interact with existing principal risks and uncertainties ('PR&Us').

Admiral's emerging risk radar captures an assessment of potential impact and time to crystallisation for emerging risks. It categorises each risk into four broad risk segments: (a) political, economic and social; (b) legal and regulatory; (c) technology; and (d) environmental. Plotting emerging risks in this way can shed light on the macro trends with common drivers and effects, helping to drive discussions and identify exposure across product lines.

The visually redesigned radar continues to employ velocity arrows to highlight risks crystallising more or less quickly than before. In this instance, velocity arrows on risks such as (1) 'climate change transition risks'; (2) 'geopolitical instability'; and (10) 'future of AI' point towards the centre of the radar. This visualises ongoing trends in the external environment, and can provide texture to reporting and facilitate 'at-a-glance' readings of emerging risk developments.

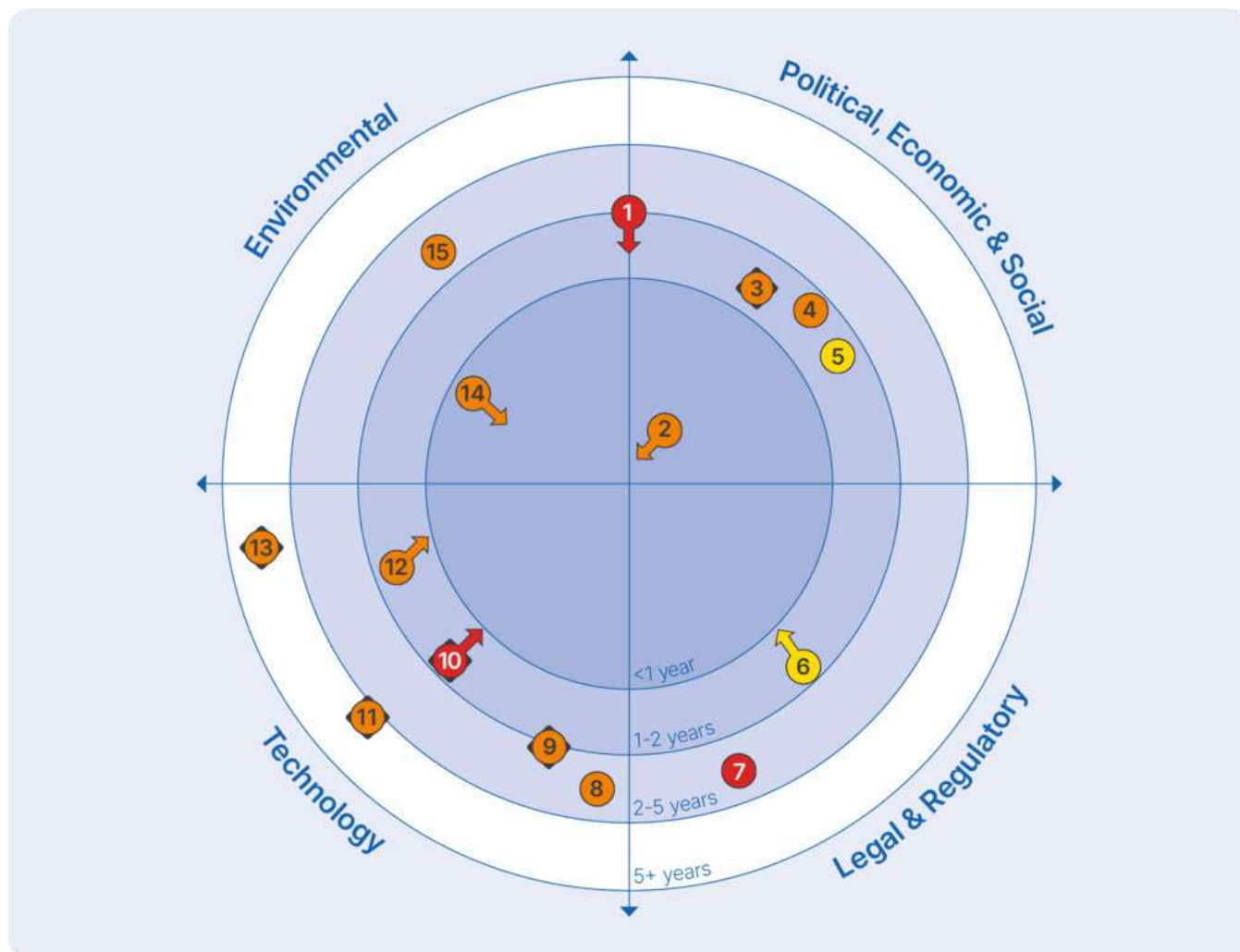
The highest priority risks are frequently the subject of targeted analysis provided to, and discussed by, forums such as the Group Risk Committee. This helps to ensure management awareness of issues such as severe weather events or risks to supply chains and products, enabling more informed decision making, driving the precautionary deployment of management actions and mitigating controls, and supporting opportunity analysis and strategic goal setting.

The conflict in the Middle East is not currently expected to have a direct impact on Admiral, given that the Group does not operate in the region and has limited exposure through its operations and investment portfolios. In addition, whilst disruption to key trade routes could contribute to broader supply chain pressures, the impact on the Group's motor and household repair networks is currently expected to be limited given a significant proportion of supplies are either produced or stored in Europe, and the Group is working closely with global partners to ensure supply routes remain unrestricted. However, such risks could increase should the conflict, or the impact on trade, spread more widely.

Currently the main potential impact relates to heightened financial market volatility, driven by energy price movements and wider inflationary pressures, and the subsequent impact on macro-economic prospects for the Group's main markets. The Group is closely monitoring the situation, any indirect exposures and other risks and impacts. At the date of this report, no significant changes to the Group's principal risks and uncertainties or solvency position are noted.

Principal risks and uncertainties continued

Emerging risk radar 2025



Top emerging risks / macro trends (1-15)

- 1 Climate change transition risks
- 2 Geopolitical instability
- 3 Changing consumer expectations
- 4 Economic shocks and crises
- 5 Domestic social dysfunctions
- 6 Future workforce risks
- 7 Changing claims landscape
- 8 Non-traditional competition
- 9 New mobility solutions
- 10 Future of AI
- 11 Disruptive technology
- 12 Digital infrastructure failure
- 13 Mobility as a service ('MaaS')
- 14 Climate change physical risks
- 15 Pandemics and infectious diseases

Crystallisation

- <1 year
- 1-2 years
- 2-5 years
- 5+ years

Material opportunity



Velocity

- Towards centre: approaching crystallisation
- Away from centre: becoming less immediate

Magnitude

- High
- Medium-high
- Medium-low
- Low

Viability statement

In accordance with provision 31 of the 2024 UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a three-year period, having referenced the Group's business plan, Own Risk and Solvency Assessment ('ORSA'), the capital plan, AIM analysis, risk strategy, risk appetite, principal risks and uncertainties, key risk drivers, and ongoing risk management activities.

As per provision 31, Admiral considers three years to be a period of assessment over which it has a reasonable degree of confidence. Although the Group reviews financial projections that extend beyond the three-year time horizon covering the years up to 2030, Admiral considers that there is an inherent risk and uncertainty in projecting beyond this three-year period, as the degree of certainty in the impact of internal and external developments reduces greatly due to the nature of Admiral's primary business (one-year insurance policies). However, these financial projections contain no information that would cause different conclusions to be reached over the longer-term viability of the Group. In addition, the Group considers the long-term prospects for its markets and products as part of its strategic planning, and considers liquidity on a rolling basis.

The Board utilises a range of relevant reporting to assess viability, including five-year financial projections reviewed twice a year, three-year Standard Formula solvency projections reviewed at least twice a year, AIM solvency projections, the ORSA, and a one-year financial budget for the forthcoming 12 months approved on an annual basis, in addition to multiple time horizon liquidity projections.

The Group's business plan projects the Group to report profits throughout the viability projection period. The Group Risk Management function has performed a high-level review and challenge of the business plan to give comfort over the robustness of the process and output. As part of the business planning process, several adverse scenarios were modelled in order to explore the impacts on profits of various risks to the plan, including:

- In 2026, anticipated price increases in the UK Car market are delayed, which leads to lower projected growth for Admiral
- Impact of a major weather event on UK Household
- Impact on investment income of a macroeconomic stress based on the European Banking Authority 2025 EU-wide stress test.

Another source of evidence is the alignment of the financial and business planning process, liquidity assessment and solvency assessment, referred to within Admiral as the capital plan. This makes sure that Admiral is appropriately capitalised and liquid at a fixed point in time as well as over the future planning time horizon, given Admiral's principal risks and uncertainties and a plausible range of potential stressed conditions. The capital plan is a key consideration for Group and subsidiary boards in assessing and approving the business strategy, business / financial plan, capacity to pay dividends, and key business decisions.

The Group seeks to hold a buffer on top of the regulatory capital requirement that is sufficient to protect its regulatory capital position against a range of significant but plausible potential shocks and stresses. The Board-approved capital risk appetite includes a lower trigger of intervention for the solvency ratio of 150%, which is a key criterion for the Board in assessing viability. Refer to the Strategic Report on page 51 for information on sensitivities to the reported 2025 solvency ratio position. The Group also ensures that any potential liquidity risks are managed appropriately by identifying potential risk drivers, setting an appropriate liquidity buffer for the Group through the Liquidity Contingency Plan and by holding appropriate liquidity and solvency buffers at an individual entity level.

At least annually, the Group produces an ORSA Report, which is another source of evidence used by the Board to assess viability. The ORSA Report sets out a detailed consideration of the principal risks and uncertainties facing the Group and also examines a series of stress and scenario tests ('S&STs') and reverse stress tests ('RSTs')¹. These are examined and quantified based on the regulatory capital basis (which is the Standard Formula method with adjustments tailored to reflect Admiral's risk profile) to understand the potential impact of severe but plausible events on the Group's solvency, liquidity, and profitability over a three-year period from year-end 2024 to year-end 2027. In addition to these Group tests, there are also entity-specific scenarios, considered of lower materiality to the Group, that are performed by each subsidiary insurance entity as part of their ORSA processes. In 2025, a range of scenarios have been performed, including a standalone liquidity scenario, and scenarios capturing insurance risk, market / credit risk, strategic risk, natural catastrophe, climate change and cyber / operational risk. In total, 14 S&STs and three RSTs have been quantified to understand the potential impact on the Group's solvency ratio. The results of the stress tests also form part of the process to set the Group's capital risk appetite.

¹ Reverse Stress Tests are very remote, extreme, goal-seeking stresses, which go beyond normal stress testing and are designed to determine the firm's breaking point – historically this has been defined as the point at which Admiral's solvency ratio drops below 100%.

Viability statement continued

The results provide comfort that Admiral has sufficient capital and liquidity to withstand the extreme scenarios. While the 150% lower solvency trigger is breached in several S&ST instances, once changes in dividend payments are included, the Solvency Capital Requirement ('SCR') recovers to above the 150% trigger. Similarly for the respective liquidity scenario, the liquidity ratio recovers post adjustments to the dividend payments and tactical Group funding allocations.

The exceptions to this are extreme RSTs, combining several severe stresses. In the absence of management actions, these would result in a breach of the 100% minimum solvency ratio but, as is the intention of the RSTs, they are considered to be extremely remote outcomes, being well in excess of 1-in-200-year events. Should such scenarios actually occur, there would be a number of management actions that would be called on to alleviate financial pressures and maintain the solvency and liquidity ratios above their respective triggers. Depending on the nature, severity, and timing, these range from modest actions, e.g. pricing rate changes, to more significant changes, e.g. raising additional capital through the issuance of new shares, the sale of a business, or reducing planned dividend payments.

In addition to the ORSA / Standard Formula scenarios, a suite of scenarios has been run on an AIM capital basis, ahead of the forthcoming full application submission to the PRA. These also give comfort that Admiral is adequately capitalised, with no scenarios breaching the 150% lower trigger once changes in dividends are taken into account.

Risk management is an essential part of Admiral's operations, and successful risk taking is key to the Group achieving its business objectives. Risk management is, therefore, a key consideration when setting the Group's strategy, managing performance, and rewarding success. The Enterprise Risk Management Framework and Group Risk Management Policy set out Admiral's approach to risk management, as well as the governance of risk management across the Group. The current risks that are faced by the Group are captured in the risk universe, with the most notable risks captured in the Group's principal risks and uncertainties (page 97)¹, and the key risk drivers impacting Admiral being further discussed in the Group Risk Committee ('GRC') report on page 154.

¹ See note 3 to the financial statements for further details on the management of financial risks.


The Group also considers a range of emerging risks that could impact the Group to varying degrees in the future, but which are not yet fully understood, see page 103. No emerging risks seem sufficiently likely to threaten the business model at this stage.

Admiral Group's strategy linked to climate change is discussed in more detail in the Task Force on Climate-Related Financial Disclosures on page 76.

Based on the results of all these activities, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due, for the period up to, and including, December 2028.

Strategic Report approval

The Strategic Report is approved for issue by the Board of Directors, and signed on behalf of the Board:



Milena Mondini de Focatiis
Group Chief Executive Officer

4 March 2026

Corporate Governance

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Chair's introduction to governance

Delivering sustainable growth within an **effective governance framework**

“Our governance framework is designed to uphold Admiral's purpose and nurture its distinctive culture. By embedding these principles into every decision we ensure that our business remains strong, responsible, and focused on delivering long-term returns.”

Mike Rogers
Group Chair



Dear shareholder,

On behalf of the Board, I am pleased to present Admiral's Corporate Governance Report for the financial year ended 31 December 2025.

This report outlines our governance framework that underpins effective Board and Committee operations, fostering robust support and critical challenge to management and the wider organisation, alongside how the Board and its Committees have executed their responsibilities within this framework throughout 2025. Through this approach, we uphold the highest standards of governance across the Group, while continuing to deliver sustainable, long-term value for all stakeholders.

Board and senior management appointments

During 2025, we strengthened the Board with the appointments of Paola Bonomo and Carlos Selonke de Souza as Non-Executive Directors. These new appointments bring varied expertise and reflect our commitment to ensuring the Board has the right skills to oversee a rapidly evolving business landscape. More information on these appointments and what they bring to the business can be found on pages 119 and 134. At the executive level, we welcomed a new CEO at Admiral Money, we appointed senior leaders in data, AI and technology, including a Group Chief Data Officer and are in the process of appointing a Group Chief Technology Officer, to accelerate Admiral's adoption of advanced technologies and data-driven decision making. These appointments underscore our strategic focus on innovation and resilience in a digital-first world.

People and culture

Admiral's culture remains the foundation of our success, and in 2025, the Board continued to play an active role in overseeing how this culture is nurtured and sustained across the Group. The Board regularly reviewed updates on employee engagement, diversity and inclusion initiatives, and talent development to ensure our values remain embedded within every aspect of the business. We monitored progress against cultural objectives, including maintaining Admiral's reputation as one of the UK's best employers (see pages 58 and 123), and supported management in fostering an environment where colleagues feel empowered, respected, and motivated. The Board remains committed to ensuring that our people strategy aligns with long-term business goals and continues to deliver positive outcomes for colleagues and customers alike. See pages 89 and 91 for more information.

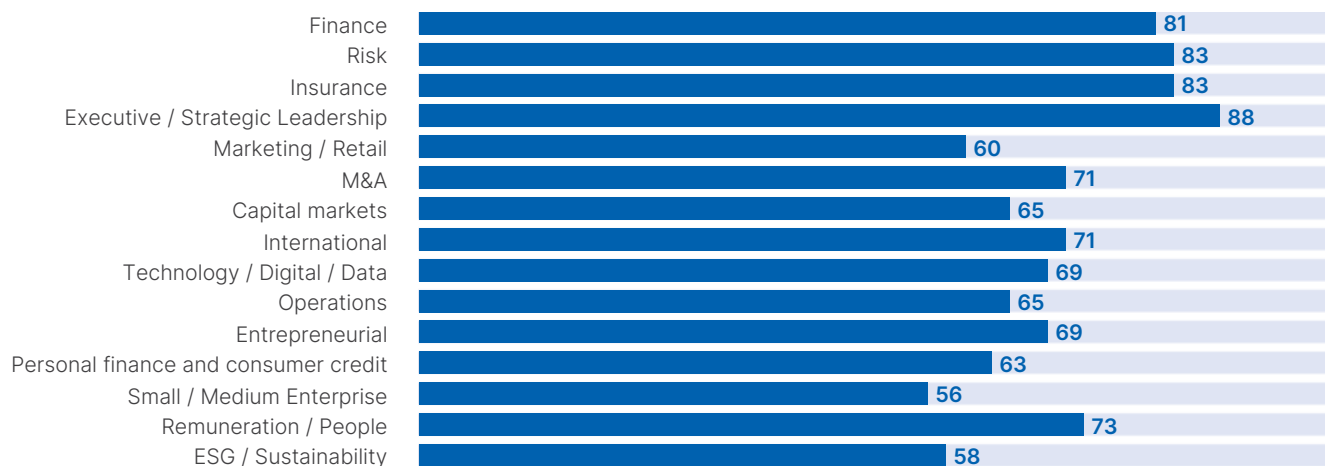
Reward framework

A key governance priority for the year, overseen by the Board, was the introduction of a new reward framework for our UK colleagues. This project, designed to ensure fairness, transparency, and alignment with Admiral's purpose and values, involved discussion and challenge by the Remuneration Committee as well as oversight from the Board, and was successfully rolled out to approximately 13,000 of our UK colleagues across the Group in October 2025. This framework supports competitive reward, reinforces performance culture, and ensures compliance with regulatory expectations. More information is provided on page 13 and 127.

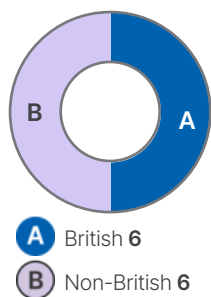
Chair's introduction to governance continued

Governance at a glance

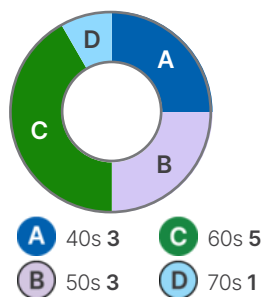
Skills and experience on the Board (%)



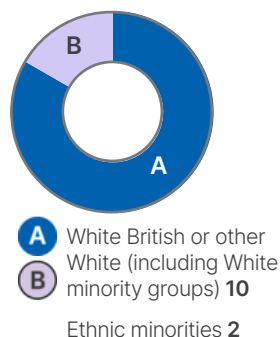
Board nationality



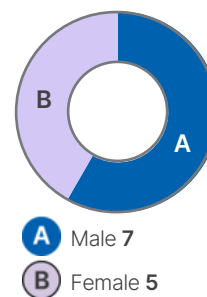
Board age



Board ethnicity



Board gender



ESG and sustainability

ESG considerations remain central to our decision making and are embedded within our Group Strategy. I am pleased to report that the Admiral Board's female representation throughout the year was between 42% and 45%, exceeding the 40% target set by the FTSE Women Leaders Review, and we have met the objectives of the Parker Review on ethnic diversity at Board level. While these achievements are significant, we recognise the need to continue building an inclusive culture and developing a diverse talent pipeline to support our long-term success. Further details on our diversity and inclusion initiatives, including targets for ethnicity within senior management, are provided on page 141.

On climate and environmental stewardship, the Board remains committed to meeting our responsibilities and advancing our sustainability agenda. Our progress and disclosures are outlined in the SECR and TCFD reports on pages 74 and 76.

Board and Board Committee effectiveness

In December 2025, the Board completed its annual evaluation of its own performance and that of its Committees. In line with our three-year cycle, this review was conducted by the independent, external company, Bvalco Ltd. The findings, together with progress against recommendations from the previous year, are set out on page 145. This process ensures a clear focus on areas for development for the Board, its Committees, and individual Directors, while confirming that they operated effectively throughout the year to support the long-term success of the business and its stakeholders.

I would like to thank my fellow Board members for their insight and support during the year. I look forward to welcoming shareholders to our 2026 AGM, which will be held on 29 April 2026. Further details will be provided in the Notice of Annual General Meeting, which will be sent or made available on the Company's website.

Mike Rogers

Chair

4 March 2026

Board of Directors

Mike Rogers

Chair



Committee membership



Current appointments

- Chair of Experian Plc.

Background and experience

Mike was Group Chief Executive Officer of LV= Group from 2006 until 2016, during which time he grew the organisation into a significant player in the life and general insurance market.

Before that, Mike was with Barclays plc for more than 20 years, holding a number of senior roles, most recently as Managing Director, UK Retail Banking.

Mike was previously a Non-Executive Director of NatWest Group plc (where he Chaired its Group Sustainable Banking Committee and sat on the Group Performance and Remuneration Committee). He was also previously a Non-Executive Director of the Association of British Insurers and Chair of Aegon UK.







Appointed

Appointed as Chair of the Board on 27 April 2023.

Contributions and reasons for appointment

Mike was appointed as Chair of the Board based on his wide business, insurance and financial services knowledge and on his ability to impact the strategic direction of Admiral. Mike has over 30 years of international financial services experience holding the senior positions described above. Mike also has a wealth of board experience; he is currently Chair of Experian plc and stepped down as Non-Executive Director of NatWest Group plc immediately prior to joining Admiral. Mike's recent and relevant background and experience, and the skills he has developed over his significant and distinguished career made him the ideal choice as Chair to lead Admiral Board and business through the next stage of its evolution.

Committee membership

-  Audit Committee member
-  Remuneration Committee member
-  Group Risk Committee member
-  Nomination and Governance Committee member
-  Committee Chair
-  Senior Independent Director

Milena Mondini de Focatiis

Chief Executive Officer ('CEO')



Current appointments

- Admiral Insurance Company Limited Board member (an Admiral Group subsidiary)
- Mentor for A-Road, Growth Capital.

Background and experience

Milena joined Admiral in 2007 and was appointed CEO in January 2021. She has been a member of the leadership team throughout her time at Admiral, has extensive experience of the Group's operations, and has attended and actively contributed at Board meetings as an observer since 2011. Her previous roles included being Head of UK and European Insurance and CEO of ConTe.it, Admiral's Italian insurance business, which she founded in 2008.

Before joining Admiral, Milena worked as a management consultant for Bain & Co and Accenture. She holds an MBA from INSEAD and a degree in Telecommunication Engineering from Università degli Studi di Napoli Federico II.

Appointed

Appointed to the Board in August 2020 and became CEO on 1 January 2021.

Contributions and reasons for appointment

Milena leads a very strong and experienced management team and is an effective CEO who continues to build an even stronger Admiral for the future. In 2023, Milena was awarded the Best Leader of a Big Company at the 2023 Best Companies Awards.

Board of Directors continued

Geraint Jones

Chief Financial Officer
(‘CFO’)



Current appointments

- Admiral Financial Services Limited Board member (an Admiral Group subsidiary)
- Admiral Insurance (Gibraltar) Limited Board member (an Admiral Group subsidiary)
- Admiral Europe Compañía de Seguros, S.A.U. (an Admiral Group subsidiary)
- Director, Trustee and Chair of the Finance and Audit Committee of the Wales Millennium Centre
- Finance, Audit and Risk Committee member at the Football Association of Wales.

Background and experience

Geraint joined Admiral in 2002 and held several senior finance positions including Head of Finance, before being promoted to Deputy CFO in January 2012 and CFO in August 2014. Geraint is responsible for finance, investments and investor relations. A Fellow of the Institute of Chartered Accountants in England and Wales, Geraint spent the early part of his career as an external auditor at Ernst & Young and KPMG.

Appointed

Appointed in August 2014.

Contributions and reasons for appointment

Geraint has worked for Admiral for 24 years and has been Group CFO for over 11 years. He has a deep understanding of the Group’s businesses and strategy, which, together with his significant financial and accounting experience, and broad range of skills and commercial expertise, makes him a valuable contributor both to the Board and the wider Group. Geraint is also able to use his financial and accounting experience to provide insight into the Group’s financial reporting and risk management reporting processes.

Mike Brierley

Non-Executive Director



Committee membership



Current appointments

- Chair of Admiral Financial Services Limited (Admiral Money) (an Admiral Group subsidiary)
- Non-Executive Director and Chair of the Audit Committee and Risk and Compliance Committee at Alpha Bank London Limited.

Background and experience

Mike was CFO of Metro Bank Plc between 2009 and 2018, helping lead the business from start-up to listing on the London Stock Exchange and profitability. He spent seven years at Capital One Europe in various roles including CFO Europe, CFO UK and Chief Risk Officer Europe. He has also served as CFO for Royal Trust Bank, Financial Controller at Industrial Bank of Japan (London Branch), Director Business Risk at Barclaycard and was co-founder, Deputy Managing Director and CFO of Gentra Limited. Mike is a Fellow of the Institute of Chartered Accountants in England and Wales.

Appointed

Appointed in October 2018.

Contributions and reasons for appointment

Mike brings a depth of knowledge from working at senior levels across multiple financial services sectors, jurisdictions and markets. As a result of his extensive financial and commercial experience, Mike is able to contribute effectively as a Non-Executive Director, and in his role as a member of the Audit, Investment and Remuneration Committees. Through his recent and relevant financial experience, he is able to effectively challenge management on the financial reporting and internal control matters that come before the Audit Committee. Mike demonstrates full commitment to the responsibilities that go with his Board and Committee roles, and offers appropriate challenge and guidance in respect of the matters considered in these forums.

Board of Directors continued

Karen Green

Non-Executive Director



Committee membership



Current appointments

- Non-Executive Director, Senior Independent Director and Chair of the Sustainability Committee, member of the Nominations, Remuneration and Risk Committees Standard Life Plc
- Non-Executive Director, Risk and Audit Committee Chair, Senior Independent Director and member of the Remuneration Committee of Miller Insurance Services LLP and Ben Nevis Clean Co Ltd
- Non-Executive Director, Senior Independent Director, member of the Audit, Nomination and Remuneration Committees, Great Portland Estates Plc
- Board member and Risk and Audit Committee Chair of the TMF Group Ltd
- Trustee and member of the Audit Committee of Wellbeing of Women, a registered charity
- Adviser to Cytora Limited, an InsureTech owned by Applied Systems Inc
- Non-Executive Director and member of the Audit and Compensation Committees of Hamilton Insurance Group
- Governor of Bute House Preparatory School for Girls Ltd.

Background and experience

Karen is the former CEO of Aspen UK. Other senior Aspen positions included Group Head of Strategy, Corporate Development, Office of the Group CEO and she was a member of the Group Executive Committee for 12 years. Prior to that, she held various corporate finance, M&A and private equity roles at GE Capital Europe and Stonepoint Capital having started her career in investment banking at Baring Brothers and Schroders.

Appointed

Appointed in December 2018.

Contributions and reasons for appointment

Karen has substantial financial services experience and has a deep understanding of insurance and reinsurance. Karen also has a strong background in strategic planning and corporate development, and her experience of sitting on remuneration committees of other businesses means that she is well placed to be the Chair of Admiral's Remuneration Committee.

Andrew Crossley

Non-Executive Director



Committee membership



Current appointments

- Chair of EUI Limited (an Admiral Group subsidiary).

Background and experience

Andrew was CFO at Domestic & General Group from 2014 to 2017. He spent 14 years at Prudential Plc from 2000 as Director, Group Finance, Group Chief Risk Officer, and CFO and Deputy Chief Executive of Prudential UK. He previously held senior manager roles at Legal & General Group Plc, where he was Group Financial Controller, and Lloyds Bank plc. More recently, he served on the board of Vitality Health and Life for nine years until July 2025 and was Chair of its Audit Committee. Andrew is a Fellow of the Institute of Chartered Accountants in England and Wales.

Appointed

Appointed in February 2018.

Contributions and reasons for appointment

Andrew has held a variety of senior roles relating to financial planning, strategy and risk across UK financial services. He has a wealth of commercial and financial experience and provides progressive insights to the matters that come before the Board. Andrew is a valuable contributor to the Board and as a member of the Group Risk Committee (of which he is Chair). Andrew also demonstrates full commitment to his role as a member of the Group Nomination and Governance Committee and as Senior Independent Director.

Committee membership

- A** Audit Committee member
- R** Remuneration Committee member
- Ri** Group Risk Committee member
- N** Nomination and Governance Committee member
- C** Committee Chair
- I** Senior Independent Director

Board of Directors continued

Jayaprakasa Rangaswami

Non-Executive Director

Committee membership



Current appointments

- Non-Executive Director and member of Remuneration Committee (joint with both Allfunds entities) of Allfunds Bank SA and Allfunds Group Plc
- Non-Executive Director and member of Remuneration & Nominations, Audit & Risk Committees, Chair of the AI and Technology Security Committees at Daily Mail and General Trust Plc ('DMGT')
- Board Member of Harmsworth Media
- Non-Executive Director and member of Audit Committee, Human Resources and Remuneration Committee and Chair of the Sustainability and Innovation Committee of National Bank of Greece S.A.
- Board member of Cumberland Lodge
- Chair of the Board of Trustees of Web Science Trust
- Advisory role at Future Energy Ventures
- Advisory role at Generation Investment Management
- Adjunct professor in Electronics and Computer Science at the University of Southampton.

Background and experience

Jayaprakasa (JP) has a wealth of large-scale IT operational experience gained through his roles as Chief Information Officer (Dresdner Kleinwort 2001–06) and Managing Director / Chief Scientist (BT Group 2006–10). JP has also been Chief Scientist (Salesforce 2010–14) and was Chief Data Officer and Group Head of Innovation (Deutsche Bank 2015–18). JP is an adviser for Future Energy Ventures one of the world's largest early-stage climate and energy tech investors. Additionally, he is an adviser for Generation Investment Management one of the world's largest growth stage climate and energy-related investors.

Appointed

Appointed in April 2020.

Contributions and reasons for appointment

JP brings a wide range of IT skills and digital experience, which helps to complement and enhance the existing skills around the Board table. He has operated in financial services for over ten years and understands the challenges of working in a regulated environment. He is also able to effectively contribute to the Board debate and demonstrates full commitment to the role, as well as his role as a member of the Group Risk Committee.

Evelyn Bourke

Non-Executive Director

Committee membership



Current appointments

- Non-Executive Director, Chair of the Audit & Risk Committee and member of the Nominations Committee at Marks and Spencer Group Plc
- Non-Executive Director and member of the Group Audit Committee and Group Remuneration Committee of St James's Place Plc (with effect 1 March 2026)
- Chair of GenesisCare UK Limited and Non-Executive Director of GenesisCare Cayman Holdings
- Director of Gatcombe Court and Highgrove Court Management Company Limited
- Adviser role at League Inc.

Background and experience

Evelyn was Bupa Group's CFO between 2012 and 2016, before becoming Bupa's Group Chief Executive Officer from 2016 to 2020. Evelyn has held several senior leadership roles during her career including Chief Commercial Officer at Friends Life UK (2011–2012), CFO at Friends Provident (2009–2010), CFO at Standard Life Assurance (2006–2008), and CEO at Chase de Vere (2004). Evelyn has also served as a Non-Executive Director on the boards of The Children's Mutual, IFG plc, Bank of Ireland plc and AJ Bell plc. Evelyn is a qualified actuary and holds an MBA from London Business School.

Appointed

Appointed in April 2021.

Contributions and reasons for appointment

Evelyn brings valuable general management, finance and strategy experience from life and health insurance, internationally. She complements and enhances the range of skills currently on the Board. Evelyn has held several leadership positions in financial services organisations and has the appropriate skills, knowledge and experience to perform her role as a Non-Executive Director. Through her recent and relevant financial experience, Evelyn is able to effectively challenge management on the financial reporting matters that come before the Audit Committee.

Board of Directors continued

Bill Roberts

Non-Executive Director



Committee membership



Current appointments

- None.

Background and experience

Bill has a wealth of insurance, underwriting and marketing experience gained during his time at US insurer, GEICO, which he joined in 1984. Whilst at GEICO, Bill held several Executive appointments, including COO and President and CEO for all GEICO Insurance Companies, a position he held from 2018 until he was promoted to Vice Chairman, GEICO Insurance Companies in 2020. Bill held this role until he retired from GEICO in December 2020.

Appointed

Appointed in June 2021.

Contributions and reasons for appointment

Bill brings valuable insurance experience and insight on the US insurance market having held several senior Executive positions with US insurer, GEICO. Bill contributes and challenges effectively on the matters that come before the Board. His extensive US insurance experience and insight has been of specific value to the Group. Bill does not currently have any other Executive or Non-Executive Director commitments outside of the Group that would impact the time commitment requirements for his roles as Non-Executive Director and member of the Nomination and Governance Committee.

Committee membership

- Audit Committee member
- Remuneration Committee member
- Group Risk Committee member
- Nomination and Governance Committee member
- Committee Chair
- Senior Independent Director

Fiona Muldoon

Non-Executive Director



Committee membership



Current appointments

- Non-Executive Director, Chair of the Risk Committee, member of the Audit Committee and Employee Engagement Director at Beazley plc
- Non-Executive Director of ITX Re.

Background and experience

Fiona has 30 years' experience in the insurance industry. Fiona was the CEO of FBD Holdings plc, a listed general insurer in Ireland, from 2015 to 2020. Prior to that, Fiona was Director of Credit Institutions and Insurance Supervision at the Central Bank of Ireland, the Irish regulator. Fiona spent 17 years of her career with XL group in various progressively senior finance and general management positions, in Dublin, London, and Bermuda. Fiona served eight years on the Board of the Bank of Ireland (2015–2023) and was the inaugural Chair of the Board Sustainability Committee. Additionally, Fiona served two years as Treasurer of the Eastern region of the Society of St Vincent de Paul in Ireland (2020–2022), which is a registered charity focused on addressing social justice issues and alleviating poverty in Ireland. Fiona is a member of the International Women's Forum. The IWF is a global women leader's organisation aimed at supporting and developing women in leadership positions. She is a Fellow of the Institute of Chartered Accountants in Ireland.

Appointed

Appointed in October 2023.

Contributions and reasons for appointment

Fiona has acquired extensive experience of the insurance sector during her career in financial services. Fiona has built a compelling portfolio in the financial services sector, demonstrating an ability to leverage her financial and commercial skills to make a useful contribution to Board discussions. Fiona's background and experience means that she has the relevant financial and industry expertise to be Chair of the Audit Committee. She demonstrates the commitment required to discharge effectively the responsibilities attached to this role and to challenge management on the Group's financial reporting and risk management processes.

Board of Directors continued

Paola Bonomo

Non-Executive Director



Committee membership



Current appointments

- Non-Executive Director, Vice Chair, Chair of the Remuneration and Nomination Committee and member of the Control and Risk Committee of Infrastrutture Wireless Italiane S.p.A
- Non-Executive Director of FAAC Technologies
- Vice Chair of Italian Angels for Growth.

Background and experience

Paola has a wealth of expertise in digital innovation gained through several senior leadership roles during her career, notably Global Marketing Solutions Regional Director for Southern Europe at Facebook (2015–16); Head of Online Services, Commercial Operations for Vodafone Italy (2010–13); Head of Il Sole 24 Ore's Online Business Unit; and Senior Director of EU Operations at eBay. Previously, she was a Partner at McKinsey & Company. Additionally, she is an experienced angel investor in technology startups and an adviser to a venture capital fund.

Paola was a Non-Executive Director of AXA Assicurazioni S.p.A., the Italian operating entity of the AXA Group (2014 to April 2025) and was a member of its Audit, Internal Control and Risk, and Remuneration Committees. She was a Non-Executive Director of TIM S.p.A., a leading telecommunications operator in Italy and Brazil (2018–24) and served as a member of its Remuneration and Nomination, Strategies and Sustainability, and Control and Risk Committees.

Appointed

Appointed in May 2025.

Contributions and reasons for appointment

Paola brings a wide range of strategy, digital and innovation experience, which complement and enhance the existing skills around the Board table. Paola has acquired extensive experience of the insurance sector, as well as Board-level experience in M&A, carve-outs and asset disposals, and has demonstrated an ability to leverage her financial and commercial skills, as well as her understanding of regulated services, to make a useful contribution to Board discussions. She brings substantial expertise in remuneration in an insurance context and has the appropriate skills, knowledge and experience to perform her roles as Non-Executive Director and member of the Remuneration Committee.

Carlos Selonke de Souza

Non-Executive Director



Current appointments

- Chief Information Officer of Revolut UK.

Background and experience

Carlos is the current Chief Information Officer for Revolut UK, a British multinational neobank and fintech company. Carlos spent seven years at Santander Group from 2014 and 2021 as Head of Core Banking Migration, Chief Information Technology Officer in the UK and Chief Information Officer in the US. He has an MBA in Management from the Massachusetts Institute of Technology, USA.

Appointed

Appointed in December 2025.

Contributions and reasons for appointment

Carlos is a proactive, business-oriented Senior Level IT Executive with more than 15 years of experience in managing Information Technology focused on efficiency, quality service and operational risk. He's able to effectively contribute to the Board debate and demonstrates full commitment to the role.

Dan Caunt

Group Company Secretary and General Counsel



Appointed

Appointed in May 2022.

Background and experience

Dan trained at Field Fisher where he qualified into the IP disputes team in 2005. Dan relocated to Cardiff in 2008. He spent two years in the IP / commercial litigation team at Osborne Clarke before joining Admiral's in-house legal team in September 2010. Dan became Group Company Secretary and General Counsel at Admiral in May 2022, and leads the in-house Group Legal and Company Secretarial teams within the business. Dan is Secretary to the Admiral Group Board and all Group Board Committees.

Board leadership and Company purpose

UK Corporate Governance Code

The UK Corporate Governance Code (2024) (the 'Code'), available at frc.org.uk, applied to Admiral throughout the year ended 31 December 2025.

The Code is built around a set of principles that highlight the importance of strong corporate governance in driving the long-term, sustainable success of a business.

By embracing these principles and adhering to the detailed provisions of the Code, the Board can clearly demonstrate to Admiral's stakeholders that an effective, transparent, and accountable governance framework, aligned with the Company's purpose and values, supports the development of Admiral's unique culture and enables delivery of the Group's strategy within the legal and regulatory environments in which the Group operates.

Admiral is required to report to shareholders on how it has applied the principles and whether it has complied with all provisions of the Code during the year and, where it has not complied with a provision, the reason for not doing so.

The Board confirms that Admiral has complied with all of the provisions set out in the Code for the year ended 31 December 2025.

Details on how Admiral has applied the principles, complied with the provisions set out in the Code, and how governance operates throughout the Group, have been summarised throughout this Governance section and elsewhere in this Annual Report.

The table below cross references where explanations of Admiral's application of the Code principles are located.

Although provision 29 of the Code does not come into effect before accounting periods beginning on, or after, 1 January 2026, the Group Audit Committee has been monitoring the work to strengthen the Group's approach to evidencing internal control effectiveness. Further details of its work can be found on page 147.

Application of the Code principles

1 Board leadership and Company purpose	Pages
A Effective Board	110, 130, 145
B Purpose, values and culture	10, 116
C Governance framework	107, 129
D Stakeholder engagement	55, 87, 126
E Workforce policies and practices	95, 123
2 Division of responsibilities	Pages
F Board roles and responsibilities	110, 130
G Independence and division of responsibilities	110, 139
H External commitments and conflicts of interest	132, 140
I Board resources	133
3 Composition, succession and evaluation	Pages
J Appointments to the Board	110, 138
K Board skills, experience and knowledge	110, 140
L Annual Board evaluation	145
4 Audit, risk and internal control	Pages
M External Auditor and Internal Auditor	151
N Fair, balanced and understandable review	147, 193
O Risk management and internal control framework	97, 147, 154
5 Remuneration	Pages
P Linking remuneration to purpose and strategy	159
Q Remuneration policy	164
R Performance outcomes 2025	174

Board leadership and Company purpose continued

Principal areas of focus for the Board in 2025

In 2025, the Board held seven scheduled meetings and several ad hoc Board meetings to deal with significant matters that were unable to wait until the next scheduled meeting. A Board planner sets out those items to be reviewed on an annual basis at scheduled Board meetings in accordance with the Schedule of Matters Reserved for the Board. The items below are not exhaustive but demonstrate some of the key areas of the Board's focus during the year ended 31 December 2025.

Strategy and business plan

- Set Group milestones for the year and followed up on performance against them and the non-financial performance measures for Executive Directors
- Regular updates around key areas of business strategy across the Group including progress against current plan and strategic priorities for the business going forward
- Careful consideration and approval of the sale of the Group's US motor insurance business, Elephant – see more on page 119
- A two-day Board strategy meeting took place in Oxford where the Group's business strategy was refreshed
- Consideration of individual business strategies within the Group presented by divisional CEOs, evaluating how these tied into the wider Group strategy
- Review of ESG, sustainability and community strategies and how these are integrated throughout the wider business strategy
- Brand, change, technology, and digital programme updates.

Operational performance, financial and risk management

- Review of the operational performance of the business through regular reports from the CEO and presentations from CEOs and senior management from across business divisions
- Regular updates from the CFO on the Group's financial performance against strategic objectives, business plans, capital allocation and budgets, tax planning and international tax considerations, planning liquidity and adequacy of solvency thresholds and prudential buffers considering market conditions, analyst forecasts and financial and non-financial KPIs
- Review and approval of the half-year and full-year results and consideration and approval of interim and final dividends
- Consideration of fair, balanced and understandable requirements in the half and full-year financial reports, along with going concern and viability statements following review by the Audit Committee – see page 193
- Review and approval of the risk management framework, policy and appetite for the Group through the Risk Committee – see page 154

- Oversight of internal control environment and framework through updates from Audit Committee and Risk Committee including Cyber Risk, ORSA, Solvency II and Group Governance framework – see pages 147 and 154
- An update on share scheme dilution management
- An update on cyber incidents in the external environment
- Review and approval of Capital Return Policy / Share Buyback Programme – see page 119.

Culture and internal stakeholders

- Consideration of how the Group purpose and values are aligned
- Review of how Admiral's culture continued to develop and embed including analysis of feedback from Great Place To Work® ('GPTW') survey results, working groups, culture scorecard and Diversity and Inclusion Policy review – see more on pages 125 and 141
- Consideration of stakeholder map and respective stakeholder updates throughout the year, including engagement mechanisms – see more on pages 58, 87 and 127
- Presentations and discussion from the Chairs of the UK and Overseas Employee Consultation Groups – see page 127
- Updates on the implementation of the Group reward strategy – see page 122
- Review and approval of the award of shares to employees under the Group's Share Incentive Plan
- Talent management strategy throughout the Group
- Review of Investor Relations reports
- Group health and safety updates.

Society, environment and sustainability

- Oversight of Group ESG and sustainability strategy to ensure alignment with the Group's wider strategic objectives and culture – see page 55
- Updates on environmental sustainability and strategic priorities, given the Group's environmental impact, work required to address environmental risk and the expectations of the Group's stakeholders – see page 55
- Updates on progress against sustainability targets – see page 55
- Updates on suppliers and partners and the communities within which Admiral operates – see pages 94 and 92
- Updates on volunteering and charity propositions within the Group as part of a wider community outreach strategy including sponsorship of community events, charitable giving, volunteering and fundraising – see page 61
- An update on customer outcomes being delivered across the Group and how the Duty has been further embedded – see page 91.

Board leadership and Company purpose continued

Governance and Regulatory

- Approval of the appointments of Paola Bonomo and Carlos Selonke de Souza as Non-Executive Directors to the Group Board, on recommendation of the Nomination and Governance Committee
- Regular reports from the Chairs of the Audit, Risk, Nomination and Governance, and the Remuneration Committees
- Regular updates on regulatory developments, including the FCA's investigations into total loss, premium finance and ancillaries in the motor insurance market
- Review and approval of the target operating model and legal structure of the European businesses
- The fostering of good relations and open and constructive dialogue with regulators
- Discussions around conclusions of the Board evaluation findings and agreed areas of focus and Board objectives for 2025
- Consideration of skills, experience and time requirements for Directors and recommendations to shareholders regarding their reappointment
- Discussions around diversity, equity and inclusion, including the diversity targets set for senior management, in accordance with the Parker Review and FTSE Women Leaders Review, as well as the implications for succession planning
- Review and approval of Group policies including Board members' potential Conflicts of Interest, Modern Slavery and Anti-Bribery considerations and approval of Admiral's Modern Slavery Statement
- Considered and approved the Notice of 2025 Annual General Meeting ('AGM') for issue to shareholders
- Reviewed matters reserved for the Board and the Committees' respective Terms of Reference.

Principal areas of focus for the Board in 2026

- Continued focus on improvements to customer experience, including claims service levels, customer satisfaction and loyalty
- Ensuring there remains a deep understanding across the business of the importance of the FCA's Consumer Duty
- Continued progress on the UK multi-product advancement strategy, including brand strategy, and implementation of technical and data enablers
- Oversight of the development of a Group-wide artificial intelligence ('AI') and data strategy, measures to track progress, an appropriate AI governance framework, and the onboarding of new senior roles in these fields
- Oversight of progress of the Group's diversification strategy to ensure long-term resilience within the business, while strengthening and complementing existing customer propositions
- Oversight of the review of Admiral's capital return policy
- Continued focus on the Admiral internal model, supporting a planned full regulatory application
- Continued focus on Board composition and skills, in conjunction with the Nomination and Governance Committee's work to review succession planning in light of the vacancies arising on the Board in 2027
- Oversight of the Group CFO transition plan
- Ensure diversity and inclusion objectives are embedded throughout the Group and continued progress is made
- Continued deepening of the Board's understanding of external risk factors.

Board leadership and Company purpose continued

s172 Principal decisions






Our section 172 statement, set out on page 87, highlights how the Board considers those matters set out under section 172 of the Companies Act 2006. On the pages that follow are examples of some of the key discussions and decisions taken by the Board during the year, along with details around how those considerations set out under section 172 were taken into account.

Key

Board considerations as defined under s172

- A** Long-term impact
- B** Interests of employees
- C** Fostering business relationships
- D** Impact on community and environment
- E** Maintaining reputation for high standards of business
- F** Treating stakeholders fairly

Stakeholders

-  Customer
-  Shareholders
-  People
-  Partners / Suppliers
-  Communities

Disposal of US motor insurance business

As announced on 22 April 2025, Admiral Group entered into an agreement to sell its US motor insurance business (Elephant Insurance Company and Elephant Insurance Services ('Elephant')) to J.C. Flowers, a global private investment firm dedicated to investing in the financial services industry. The deal was for an undisclosed cash consideration and was subject to regulatory approval.

Headquartered in Richmond, Virginia, Elephant offers US customers simple and affordable car insurance. The company's tools allow customers to find the best protection for their needs and budget, with tools that are easy to use and understand.

In the lead up to the agreement to sell Elephant, the Group Board had oversight, including multiple discussions and updates, of the following during Group Board meetings:

- Elephant's strategy and financial performance to confirm profitability and capital independence
- Negotiations and due diligence updates
- The governance process and risk management to ensure that good customer outcomes would be maintained across the Group
- The process to select and appoint financial advisers, Bank of America
- Analysis of the strategic options available
- The impact of all elements of the decision on key stakeholders, for example:
 - The decision to sell the business as a whole, going concern benefited Elephant employees and customers, rather than selling assets separately
 - Allowing the business to be self-sustaining outside of the Admiral Group was the best decision for Elephant employees and customers
 - No further capital injections from Admiral
 - Opting to sell to another buyer could have led to a higher risk of Elephant not being supported longer term
 - On shareholders, who had been engaged and supported the sale
- Work to engage the Virginian regulator.

The Group Board balanced the interests of a range of Group and Elephant stakeholders in reaching the final decision to divest.

As announced, the sale of Elephant to J.C. Flowers completed on 31 December 2025.

Key s172 criteria considered:



Relevant stakeholders considered:



Board leadership and Company purpose continued

Appointment of Paola Bonomo

As announced on 13 May 2025, Paola Bonomo was appointed to the Group Board as a Non-Executive Director ('NED') and a member of the Remuneration Committee with effect from 12 May 2025.

The Nomination and Governance Committee reviewed NED succession in the context of a vacancy on the Board arising in June 2025 and established that, following the departure of Justine Roberts at the end of her tenure, the Board would need a candidate that ideally:

- Is, or recently was, a business leader
- Had a strong focus on customer centricity and an understanding of how Admiral could continue to improve customer experience, drive retention and achieve sustainable growth
- Was curious, able to support the Group's ongoing growth and innovation initiatives, which continue to inform Admiral's culture
- Had M&A experience
- Was familiar with how the digital landscape and new technologies were impacting regulated industries
- Could contribute their insights and perspectives on European markets.

External consultancy, Spencer Stuart, was engaged in the search and following interviews, Paola was identified as the most suitable candidate with European, remuneration and data experience. Therefore, the Nomination and Governance Committee recommended her appointment to the Group Board on the basis that she was a strong fit for this role.

Further information is detailed in Paola's biography on page 115.

Key s172 criteria considered:



Relevant stakeholders considered:



Appointment of Carlos Selonke de Souza

On 10 December 2025, Carlos Selonke de Souza was announced as having been appointed as a Non-Executive Director ('NED') of the Group Board with immediate effect.

The Nomination and Governance Committee continued to review the composition of the Group Board, following Paola Bonomo's appointment and the review of the Group Strategy in October 2025, deciding that it would be beneficial to seek an additional member of the Group Board to bolster its skills and experience.

External consultancy, Egon Zehnder, was engaged to lead the search for a NED candidate with the following skills and attributes:

- A robust background in either the insurance sector or broader retail financial services
- Significant experience in technology was essential, particularly in senior roles such as Chief Technology Officer or Chief Information Officer, or in comparable senior leadership positions focused on data and digital leadership
- A genuine affinity to Admiral's customer-centric approach
- A strong cultural fit with the Admiral Group Board, with the ability to thrive in an informal, dynamic environment and embrace a culture that prioritises direct communication and close collaboration.

Following interviews, Carlos Selonke de Souza was identified as the preferred candidate for the additional role, given his experience in consumer-facing brands and managing information technology with a focus on efficiency, quality service and operational risk.

Further information is detailed in Carlos' biography on page 115.

Key s172 criteria considered:



Relevant stakeholders considered:



Board leadership and Company purpose continued

Decision to appoint Rachel Lewis as Group CFO (with effect from 1 July 2026)

As announced on 12 January 2026, the Group's current CFO, Geraint Jones, has decided to retire from his role and transition to a part-time role within the Group from July 2026. Rachel Lewis, who is currently CFO and Director of the EUI Limited Board, will be appointed Group CFO and join the Admiral Group Board as an Executive Director on 1 July 2026, subject to regulatory approval.

During 2025, the Group Nomination and Governance Committee had oversight of an external recruitment process, as well as internal succession plans, to identify a suitable successor for the Group CFO. As part of this process, the Group Nomination and Governance Committee considered the following:

- The success profile of the Group CFO role
- The appointment of an external search consultancy
- The succession plan for the role and a robust assessment of potential internal candidates
- A market analysis summary identifying potential external candidates
- The interview process and those that should be involved
- A critical review of the experience, competencies, cultural fit, potential risks, and development needs of shortlisted candidates against the Group CFO success profile
- The impact on, and desired composition of, the Board.

The Group Nomination and Governance Committee approved the recommendation to appoint Rachel as Group CFO with effect from 1 July 2026, subject to regulatory approval, on the basis that she is a strong fit for the role, has a strong history with Admiral and an established expertise in insurance accounting, as well as having a clear understanding of how the role must expand and evolve. The Board's decision to appoint Rachel, demonstrates Admiral's philosophy of developing internal talent.

The Group Nomination and Governance Committee will continue to oversee the impact of this transition during 2026, including on regulatory accountabilities and Senior Management Function changes, and the consequential subsidiary board changes.

Key s172 criteria considered:



Relevant stakeholders considered:



Appointment of Emma Powell as CEO of Admiral Money

In accordance with its Terms of Reference, the Group Nomination and Governance Committee is responsible for approving appointments to subsidiary boards, as well as periodically considering the Group's succession plans for such key roles, on behalf of the Group Board.

In order to arrive at the decision to approve the appointment of Emma Powell as CEO of Admiral Money, the Group Nomination and Governance Committee considered the following:

- The success profile of the Admiral Money CEO role
- The succession plan for the Admiral Money CEO
- Whether a search for external candidates was necessary
- Emma's biography, including a critical review of her experience and competencies mapped against the Admiral Money CEO success profile, and her development needs
- 360 feedback from Emma's current and former managers, peers, direct reports, members of the EUI Board and other key stakeholders (both internal and external)
- The impact on the composition of the Admiral Money Board, noting that this was limited given Emma was already a member of this Board
- The impact of regulatory accountabilities and Senior Management Function changes and applications required.

The Group Nomination and Governance Committee approved the recommendation to appoint Emma as CEO of Admiral Money on the basis that she was a strong fit for the role, already well regarded by the Admiral Money Board and management, champions the customer and strong customer outcomes, considers all perspectives and stakeholders, and a very strong cultural fit.

Key s172 criteria considered:



Relevant stakeholders considered:



Board leadership and Company purpose continued

Capital Return Policy / Share Buyback Programme

As part of its commitment to delivering sustainable, long-term value to shareholders, the Board approved a change to Admiral's capital return policy in December 2025.

This change, announced in March 2026, will mean that surplus capital will be returned to shareholders either through special dividend or through buying back and cancelling shares. Admiral expects to confirm returns of surplus capital via buy back at both interim and final 2026 results announcements.

Subject to regulatory approval the buy backs will commence in 2026 and will involve open market purchases of the Company's ordinary shares on the London Stock Exchange.

Throughout 2025, the Board evaluated a range of options for returning capital to shareholders. After careful consideration, the Board determined that introducing the option to buy back shares to return surplus capital was an effective way to enhance shareholder value, provide flexibility in capital management, demonstrate confidence in Admiral's long-term prospects and strong capital position, and optimise its capital structure, whilst maintaining regulatory solvency requirements and supporting future growth opportunities.

The decision to change the capital return policy was informed by extensive engagement with stakeholders including:

- **Shareholders:** In summer 2025, Admiral consulted its top 30 shareholders, representing approximately 70% of the register. Feedback indicated broad support for introducing a buyback programme alongside dividends
- **Employees:** The Board assessed the potential impact on employees, ensuring that the policy change would not compromise investment in talent, reward structure, or growth initiatives
- **Regulators:** Admiral engaged proactively with regulators to confirm that the programme aligned with prudential requirements and maintained a robust capital position.

Special dividends or buy backs will only use surplus capital and this approach is consistent with Admiral's ESG commitments. By maintaining a strong capital base, a commitment to disciplined capital management and prioritising sustainable growth, the Company ensures resilience in a changing economic and regulatory environment. The decision to combine dividends with buy backs reflects responsible capital allocation, supporting long-term value creation for shareholders, while safeguarding investment in innovation, customer service, and employee development.

Key s172 criteria considered:



Relevant stakeholders considered:



Group Reward Transformation Project

The Board and Remuneration Committee provided strong governance and strategic oversight throughout the Group Reward Transformation Project, which aimed to modernise and harmonise pay structures for all UK colleagues through the introduction of a new remuneration framework across the Group. This project was a significant initiative, aligning reward practices with the Group's long-term objectives as it grows into a diversified multinational business, while addressing market competitiveness, employee expectations and regulatory requirements.

Board members actively engaged with employees through this process by attending Employee Consultation Groups ('ECG') during the design and consultation phase, ensuring that a wide range of stakeholder perspectives were heard and incorporated.

Direct feedback from these ECG sessions, alongside Board and Board Committee discussions and benchmarking data, influenced refinements to the proposed framework, including clearer job families and enhanced communication tools.

Oversight was maintained through Board and Board Committee papers, governance reports, and updates from the Group Reward Steering Committee, which monitored milestones and emerging risks.

Key s172 criteria considered:



Relevant stakeholders considered:



Board leadership and Company purpose continued

Culture

At Admiral, we regard culture as the essence of our business – defining how we act, what differentiates us, our character and personality, and how we engage with our employees, customers and other key stakeholders. The Board sets the tone from the top, leading by example, and embedding behaviours that cascade through the Company, creating a culture lived daily by colleagues and recognised by our wider stakeholders.

We believe Admiral’s culture is truly distinctive, as reflected through this report. While it is essential that our culture continues to evolve and adapt in response to a changing business environment, it is equally critical that the elements, which represent our competitive advantage and have underpinned our success to date, are safeguarded and preserved, particularly during periods of ongoing change.

At Admiral we implement our purpose through our unique workplace culture. This is reinforced by our values – the ‘Four Pillars of our Culture’:

78%¹

of employees believe that everyone has the opportunity to get special recognition. After at least one year’s service, all colleagues in the business will receive up to the equivalent of £3,600 of shares in Admiral during the year.

82%¹

of employees perceive Admiral as being a fun place to work.

95%¹

of employees believe Admiral is a diverse and inclusive employer.

90%¹

of employees believe that their managers share important knowledge and information with them.



Fun

A big part of working at Admiral Group, and one of the reasons it’s a great place to work, is having fun. We want our people to feel proud to be part of the Group and look forward to working within a team where they can celebrate who they are and the value they bring each and every day.

What makes Admiral a fun place to work can be found throughout our Strategic Report and in our Governance Report on pages 14 and 107.

Communication

All our colleagues play an important role in our businesses delivering against our purpose and strategy so we encourage transparent communication at every level. We have an open-floor office structure and encourage feedback across the Group. Further information can be found on pages 58 and 89.

Equality

Our commitment to our people is to ensure an inclusive and supportive workplace where everyone feels that they can succeed. We continuously evolve our proposition and policies so that we can meet the needs of our people and empower colleagues to share views to inform our approach. Further information can be found in our Sustainability Report on page 59 and the Nomination and Governance Committee Report on page 141.

Recognition and reward

Recognising our colleague’s dedication to our customers is crucial and our share ownership scheme is just one of the ways that we thank our people. We are proud to offer colleagues the opportunity to own part of the Group and to benefit financially from the hard work throughout the year. The Group’s approach to investing in, and rewarding, its workforce can be found on page 164.

¹ 2025 Great Place to Work® survey results.

Board leadership and Company purpose continued

Aligning our culture with our purpose, values, strategy, policies, and practices

Admiral's culture is closely aligned to our purpose to 'Help more people to look after their future. Always striving for better, together'. Delivering excellent products and services to customers, while caring for our people and other key stakeholders, remains central to everything we do.

Our Four Pillars of Culture are embedded within our training, communications, policies, and day-to-day operations.

Guiding and promoting culture

The Board is responsible for acting with integrity, leading by example and fostering the desired culture. This is achieved

through its governance framework, decision-making processes and day-to-day interactions. We also ensure that any policies that apply to Directors are consistent with those in place for the wider workforce.

A range of initiatives are undertaken throughout the year to promote Admiral's unique culture, examples of which are outlined below:



Admiral has been recognised in the top 2 UK Best Workplaces by 'Great Places to Work®' a global authority on workplace culture.

Initiatives that shape Admiral's culture

Compensation and promotion structure	A compensation and promotion structure based on meritocracy and a rounded employee benefit offering.
Career development	Excellent opportunities for career development throughout the business leading to high retention of employees.
Training opportunities	Encouraging use of training opportunities for work and personal development.
Diversity and inclusion	Diversity and inclusion working groups and initiatives
Leadership visibility	Leadership visibility is strengthened through Live Q&As, monthly CEO video updates, Ask Milena mailbox, in-person and virtual meet-and-greets, and Friendly Forums.
Admiral's Got Talent	Admiral's Got Talent was a Group-wide competition where local heats across countries selected finalists, through audience votes and judges' scores, to compete in the grand final in Cardiff.
Multifest	Multifest was our biannual celebration inspired by our multi-cover insurance product. 4,000 colleagues and guests came together at Principality Stadium in 2025 for a four seasons themed festival.
Department and team away days	Department and team away days including time allocated for Impact Days to give back to the community.
Workshops	Employee induction workshops focusing on Admiral's culture.
Top 10	The Group Top 10 competition sees departments present on a new culture-focused question each year to a panel of senior managers, competing to be named the best department.
Manager awards	Annual manager awards, both locally and Group-wide.
Flexible working	Flexible working empowers teams to design their own optimal working blueprint, self-organise effectively, and still come together for key shared moments.
'People Who like...'	'People Who like...' is Admiral's fun engagement initiative that helps colleagues discover new interests, learn new skills, connect meaningfully, and enjoy tailored activities, from Zumba to candle making, while giving out over £14,000 in prizes.
Long service awards	Long service awards since 1999. Whether it's five years or thirty, we mark each milestone with thoughtful and personalised events that show how much we value people.
Health and wellbeing initiatives	Health and wellbeing is supported through initiatives encouraging colleagues to seek help, a weekly health and wellbeing bulletin, online yoga and meditation, running clubs, outdoor day, webinars on a range of financial wellbeing benefits.
Reward and recognition	Local reward and recognition programmes.
Live feedback	Live feedback in the moment and throughout the year, enabling colleagues to reflect in their quarterly reviews.
Regular Group-wide updates	Regular Group-wide updates on business performance and matters of importance from Executive Directors and senior management.

Board leadership and Company purpose continued

How the Board monitors and assesses culture

People and culture metrics

The key people and culture metrics continue to provide valuable insight, supporting management and the Board in assessing the overall health of the Group's culture. They also support the identification of any trends in workforce and cultural evolution, including potential risks that could affect the delivery and support of the Group's strategy.

The Group regards the following people and culture metrics, derived from the annual Great Place To Work® ('GPTW') survey and Admiral's internal pulse survey as some of the key indicators of Admiral's cultural health. The GPTW survey is an independent, external survey that aggregates anonymised responses from all colleagues to produce overall and departmental results.

Scores relating to culture remain consistently high across the Group, reflecting the strength and impact of Admiral's culture. During the year, Admiral was recognised in the Top 2 UK Best Workplaces by GPTW, a global authority on workplace culture.

The Board received an update on the people and culture metrics during the year, which focused on several key metrics across the Group, including recruitment, engagement, productivity, absence and attrition trends, which are considered to be closely associated with cultural risks, particularly in the context of a hybrid working model.

Index

Score

GPTW Trust Index:

The Trust Index comprises 60 questions from the GPTW survey, which are stable over time, benchmarked against the best companies in each market, and highly representative of the overall people sentiment of a positive culture.

83%
2024: 86%

GPTW Engagement Index:

The Engagement Index is a specific measure comprising nine questions from the GPTW survey relating to willingness to go the extra mile, intention to stay with the business and likelihood of being an employer brand promoter. It is also benchmarked and stable over time, and has a proven correlation with business performance. According to the GPTW institute research, the drivers that are most correlated to higher engagement scores are: (i) teamwork; (ii) career development; (iii) values and ethics; (iv) empowerment and accountability; and (v) innovation.

81%
2024: 84%

GPTW Leadership Effectiveness Index:

The Leadership Effectiveness Index is a specific measure comprising four questions from the GPTW survey relating to employee perception of management and their competency at running the business.

84%
2024: 87%

Pulse surveys:

Based on colleague feedback about survey fatigue, the Pulse survey frequency was adjusted to once a year in June for the entire Group.

92% "I believe Admiral Group is a diverse and inclusive employer."

89% "My manager shares important knowledge and information with me."

87% "I understand how my role brings to life Admiral Group's purpose to; help more people to look after their future. Always striving for better, together."

84% "In my opinion, the Admiral Group is truly customer focused."

Other people metrics:

Recruitment, gender balance, headcount, absence, attrition.

Board leadership and Company purpose continued

Other tools to monitor the embedding of culture

In addition to workforce participation in surveys and the annual GPTW survey, there are several other mechanisms used by the Group and the Board to monitor and assess culture. For example, 'Meet the Manager' meetings; the 'Ask Milena' scheme; regular online manager chats; ECG and IECG meetings (see page 127); mandatory training completion rates; health and safety data; whistleblowing and grievances; and customer net promoter score ('NPS'). All are felt to be valuable methods of capturing the mood of our people and to gauge the health of our culture.

The Board Committees play an important role in supporting the Board in monitoring and assessing culture through their respective responsibilities, as illustrated below:

- **Nomination and Governance Committee** – Oversees succession and talent management strategies, diversity and inclusion policies and progress against targets to ensure alignment with the Group's strategy and values
- **Remuneration Committee** – Monitors the alignment of workforce remuneration policies with culture and strategy, and reviews risk events reported by the Risk Committee under the malus and clawback framework
- **Audit Committee** – Oversees whistleblowing arrangements, Internal Audit, and adherence to Group Minimum Standards
- **Risk Committee** – Considers risk events that may impact remuneration under malus and clawback provisions, as well as financial crime and misconduct risks.

In addition to receiving updates on Group culture at Board meetings, Directors use other mechanisms to assess and monitor culture, including attending meetings of the UK ECG, observing subsidiary board sessions, and conducting site visits across the Group's entities. These visits provide opportunities for Directors to engage with a cross-section of colleagues and gain first-hand insight into the prevailing culture. In 2025, the Board Chair and several other Non-Executive Directors visited the L'olivier office in Paris, the ConTe office in Rome, and Admiral India for meetings with the Boards, management team and employees.

Whistleblowing

The Board has established arrangements that enable employees to raise concerns confidentially and, where necessary, anonymously. During the year, the Board received an update from management on the Group's whistleblowing framework. The Audit Committee, chaired by the Group's Whistleblowing Champion, Fiona Muldoon, was satisfied that the arrangements were appropriate for independent internal investigation of matters raised and supported an ethical culture where colleagues feel safe to speak up. In addition, the Board is informed, on an exceptions basis, of reports arising from issues raised under the Policy. The Audit Committee receives more frequent updates in respect of whistleblowing matters. See page 153 for further information.

Stakeholder engagement

The Board prioritised effective stakeholder engagement throughout the year, ensuring their interests informed decision making. Full details are in the Strategic Report on page 87, outlining how the Board has discharged its duties under s172(1) of the Companies Act 2006, and information on the ECG and IECG workforce advisory panels is adjacent (see page 127).

Shareholders

Regular communication with institutional shareholders and market participants remains essential. Open dialogue helps shareholders understand the Group's strategy, objectives, governance, and performance. The Investor Relations ('IR') team manages day-to-day market communications, with meetings, briefings, roadshows, and conferences, and teach-in sessions held in-person and virtually by senior management and IR. Investor visits to Cardiff generally occur twice yearly, enabling engagement with senior leaders.

The Board receives IR reports summarising market feedback, share price performance, shareholder register changes, and analyst forecasts.

The Senior Independent Director is available to investors who have any issues or concerns, and in cases where contact with the Chair, Chief Executive Officer and Chief Financial Officer has either failed to resolve their concerns, or where such contact is inappropriate. No such concerns have been raised in the year under review.

All shareholders are invited to the Company's Annual General Meeting ('AGM') in person. The 2025 AGM was held on 9 May 2025 with the required quorum. Shareholders were able to vote on the annual business and encouraged to submit questions to the Board in advance of the AGM. The Chairs of the Audit, Remuneration, Nomination and Governance, and Risk Committees attend the AGM along with the other Directors and are available to answer shareholders' questions on the activities of the Committees they chair. Shareholders are also invited to ask questions during the meeting and have an opportunity to meet with Directors after the formal business of the meeting has been concluded. Proxy voting details, including votes withheld, are published on the Company's website.

The Group's corporate website (admiralgroup.co.uk) provides further investor information. The major shareholders of the Company are listed in the Directors' Report on page 192.

Regulators

Regular communication with the Financial Conduct Authority ('FCA') and Prudential Regulation Authority ('PRA') was maintained throughout the year. Additionally, the PRA joined the Board meeting remotely in January 2025 to discuss its periodic summary meeting letter. The Board is also kept up to date with the regular communications between the Admiral Insurance (Gibraltar) Limited Board and the Gibraltar Financial Services Commission, as well as contact between the Group's other insurance subsidiaries and respective regulators.

Board leadership and Company purpose continued

Employee Consultation Group

Purpose

The Board recognises the importance of engaging with its workforce and does so through a mix of formal and informal channels. To support two-way communication and ensure the views of the workforce are heard, the Board established a UK Employee Consultation Group ('ECG') in 2019, strengthening and formalising its existing employee engagement arrangements. For the purposes of Provision 5 of the Code, the ECG is a formal workforce advisory panel.

Membership and attendance

Membership of the UK ECG comprises elected colleague representatives and its remit is to provide a forum for a safe space to raise issues and share ideas. Members are elected through a democratic process and receive an induction to clarify both the ECG's purpose and their responsibilities.

Non-Executive Directors are invited to attend ECG meetings on a rotational basis and report to the Board on discussions and agreed actions. This approach ensures that each Non-Executive Director can engage directly with the workforce and hear first-hand the issues affecting colleagues.

To maintain a two-way mechanism, Non-Executive Directors share insights from ECG meetings at subsequent Board meetings, and the ECG Chair is regularly invited to update the Board on matters raised. ECG meeting minutes are published on the intranet and Non-Executive Directors also update the ECG on recent Board discussions.

Meeting	Main presentations and key topics discussed	Outcome / impact
January 2025	Reward transformation	Discussions highlighted the critical part ECG representatives will play before, during and after the review. The need for a Reward Framework was explained; reasons included governance and transparency, responding to GPTW feedback, to offer clear direction to colleagues, consistency, and to support talent retention.
May 2025	CEO UK Insurance Update	Alistair Hargreaves provided an update on UK Insurance business performance, emphasising the importance of customer retention. An explanation of the key business objectives and metrics was provided, along with a summary of initiatives to retain data scientists.
	Single-sex and gender-neutral facilities	The ECG was updated on the steps Admiral was taking to ensure all colleagues felt safe and supported.
	Pensions	Mercer gave a presentation to the ECG on Admiral's current scheme including structure, investment options, benefits of Salary Exchange and accessing pension funds for retirement, as well as the importance of saving for retirement.
	Facilities	The Facilities team shared the latest overview of proposed changes to parking facilities in response to feedback received via the ECG representatives. The ECG was given the opportunity to challenge, suggest and approve proposals.
July 2025	Pulse survey results	The Engagement Manager shared annual Pulse Survey results and discussed comparisons to the GPTW survey results, the increased response rate and the strong overall score. A detailed breakdown of scoring was provided and it was noted that the new 'Customer Promise' concept was being incorporated into future surveys. The ECG was encouraged to support progress by delivering results locally and feeding back any concerns or support needed.
	Reward framework follow up	This topic was revisited to continue to engage with the ECG. A summary of the next steps was provided, which included ECG training sessions to address ongoing concerns / questions around how colleagues would be impacted.
November 2025	Health and wellbeing	The ECG discussed the health and wellbeing support available, new initiatives and responded to feedback that had been provided.
	Reward framework follow up	The ECG discussed phase 2 of the Reward transformation project and provided feedback and challenge.
	2026 OKRs	The ECG was provided with a high level view of the Objectives and Key Results (OKRs) for 2026 for discussion.

The Board remains confident that the ECG has been, and continues to be, an effective mechanism for engaging with the workforce. The Board is committed to supporting the ongoing development of the ECG as a formal and effective workforce advisory panel and will maintain regular interaction between the Board and the ECG.

Board leadership and Company purpose continued

International Employee Consultation Group ('IECG')

The IECG was formed in 2022 and meetings are chaired by AECS Board members, on rotation. There were three IECG meetings in 2025, which were attended by candidates chosen on a voluntary basis, with agendas focusing on employee interests, questions and proposals.

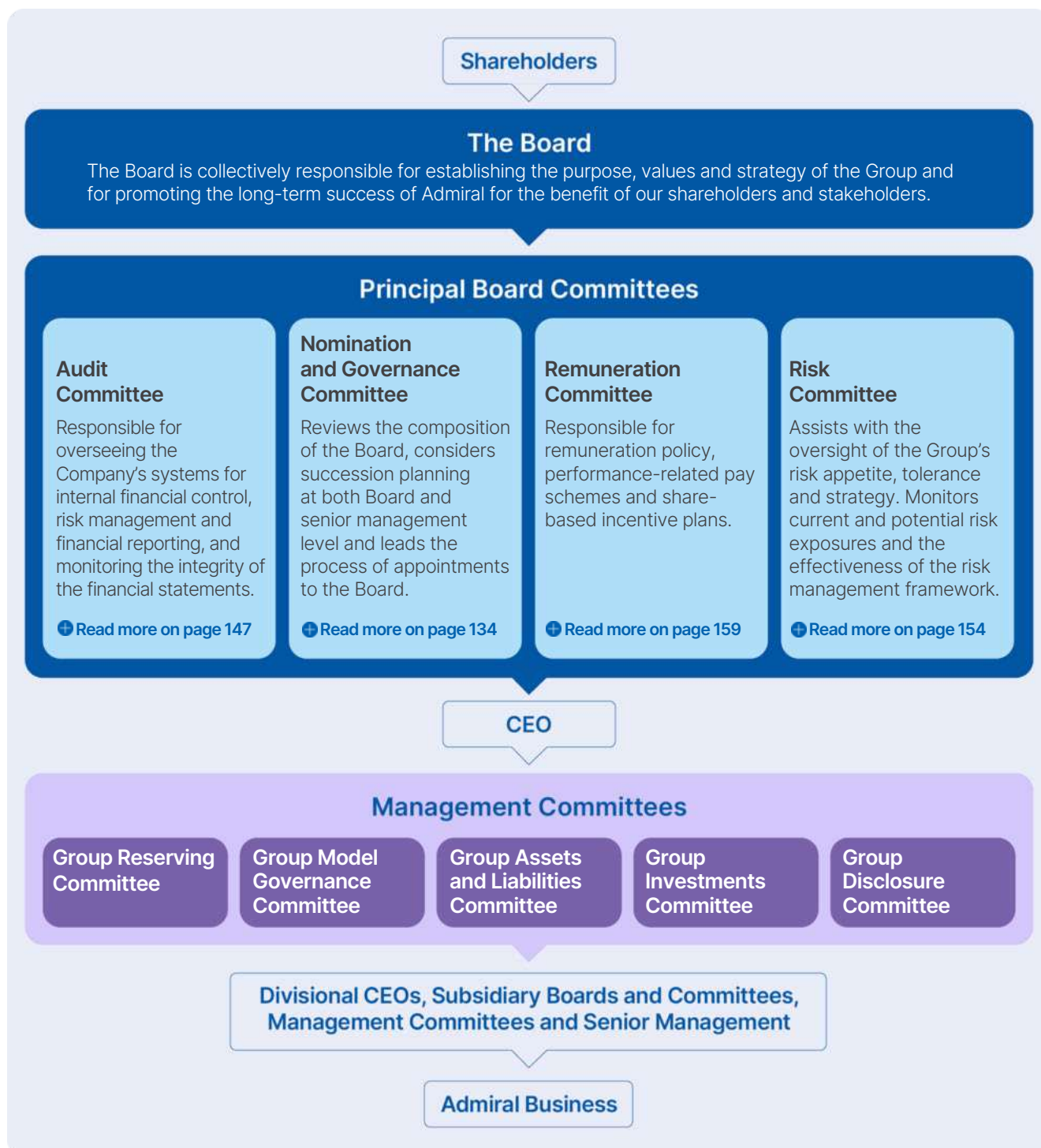
Entity / Meeting	Topics discussed	Outcome / Impact
ConTe – May 2025	Sustainability and environmental impact	The IECG discussed that sustainability was a key focus of the Group, recognised ongoing initiatives and highlighted the strategic opportunities presented by electric mobility and evolving green policies.
	Technology and artificial intelligence	Discussions emphasised the integration of artificial intelligence as a key lever for accelerating innovation. Data protection was also identified as a key priority, with recognition of the need for sustained investment to mitigate increasing cyber threats.
	Strategic decision making and communication	Board members highlighted the pivotal role of European business CEOs in shaping strategic decisions. The discussion also addressed internal communication practices, acknowledging areas of good practice, while noting the need for improved information selection and contextual clarity in others.
AECS – September 2025	Impact of AI and Company ambition	The IECG confirmed a positive trajectory, noting the launch of predictive AI models and the implementation of generative AI across claims, IT, pricing, risk selection, productivity, and internal operations. These advancements were viewed as the start of a broader journey towards enhanced efficiency and the creation of valuable roles.
	The role of technology in achieving strategic goals	The discussion focused on the mid-term outlook for the European business and the new strategy to centralise efforts in order to secure competitive advantages. Non-Executive Directors raised questions regarding the extent of AI utilisation, noting its successful application in rewriting procedural manuals. Technology was identified as an area for improvement, with a focus on enhancing control, profitability and preserving culture and talent.
	Cross-functional communication	The IECG discussed the operational challenges and emphasised the need to strengthen cross-functional communication, collaboration and mutual understanding across teams. The strategic objective of unifying the Company to drive Admiral's European growth was reiterated.
	Career reflections	Board members shared insights into their career journeys, which led to a discussion on work-life balance. The IECG expressed a desire for professional growth opportunities at Group level.
L'olivier – November 2025	Natural disaster risk management	Discussions addressed the Group's strategy regarding extreme weather events, referencing the 2024 flooding in Spain. The ECG noted that prevention and land use planning were crucial actions, and discussed the Group's speed to react, which was seen as a key differentiator when compared with competitors.
	European growth strategy and mission	The IECG discussed the vision for the future of the European business, noting that growth needed to be profitable and not only driven by volume. The focus was on growth in the Group's current European markets and related products, by sharing knowledge and assets across these markets.
	Governance	A central theme of discussion was the optimal balance between maintaining local operational agility and adhering to Group standards and governance. The strategic focus had shifted towards greater standardisation to drive efficiencies. It was acknowledged that local agility remained paramount to accommodate specific market requirements.
	Strategic priorities	The IECG discussed priorities for the coming years, which included customer centricity, data and technology, talent management and retention, core system modernisation, and the impact of new generations.

Division of responsibilities

By maintaining a robust governance framework, the Board ensures effective delivery of its strategic objectives, driving sustainable financial and operational performance for shareholders and wider stakeholders.

Board and Committee framework

Our Board and Committee framework supports the development of the highest standards of governance practices across the Group, which is integral to the successful delivery of our strategy.



Division of responsibilities continued

Board roles and responsibilities

The Chair is primarily responsible for leading the Board, setting its agenda and monitoring its effectiveness. He is supported by the Senior Independent Director ('SID'), who acts as a sounding board and serves as an intermediary for the other Directors. Neither are involved in the day-to-day management of the Group.

Save for the matters reserved for the Board, the Chief Executive Officer (with the support of the Executive Directors and senior management) is responsible for proposing the strategy to be adopted by the Group, running the business in accordance with the strategy agreed by the Board and implementing Board decisions.

It is the Non-Executive Directors' role to provide constructive challenge, strategic guidance, offer their respective specialist advice and hold management to account.

The Company Secretary's role is to support the Chair and administer the workings of the Board and Committees, ensuring Directors have precise and timely information to enable effective decision making, whilst providing governance, legal and statutory advice and ensuring a record of decisions and actions is clear and attributable.

The Board has approved a statement that sets out the clear division of responsibilities between the Chair, Chief Executive Officer and SID. This, and the Schedule of Matters Reserved for decision by the Board, are reviewed annually and are available to review on Admiral's website at admiralgroup.co.uk.

Chair

- Runs the Board and sets its agenda, with an emphasis on strategic issues
- Ensures the Board has effective decision-making processes and applies sufficient challenge to proposals
- Facilitates constructive Board relations, including effective contribution from Non-Executive Directors
- Ensures the Board has an appropriate balance of skills, knowledge, experience and diversity
- Leads the induction and development plans for new and existing Board members
- Communicates with major shareholders and ensures the Board understands their views
- Ensures the Board receives accurate, timely and clear information
- Leads the annual Board evaluation.

Senior Independent Director

- Supports the Chair in the delivery of their objectives
- Provides as a sounding board for the Chair and serves as an intermediary for the other Directors
- Available to shareholders if they have concerns that cannot be resolved through the normal channels
- Works with the Chair and other Directors / shareholders to resolve significant issues where necessary
- Leads the annual performance evaluation of the Chair
- Leads the Chair appointment process
- Available to step in on a temporary basis should the Chair be unable to perform their duties.

Chief Executive Officer

- Runs the Group's business and delivers its commercial objectives
- Proposes and develops the Group's strategy, in close consultation with the Chair and the Board
- Implements the decisions of the Board and its Committees
- Ensures operational policies and practices drive appropriate behaviour, in line with the Group's culture
- Leads the communication programme with shareholders and other key stakeholders, including staff
- Ensures management provides the Board with appropriate information and necessary resources.

Division of responsibilities continued

Board and Committee meeting attendance

	Board	Audit Committee	Risk Committee	Nomination and Governance Committee	Remuneration Committee
Mike Rogers (Chair)	7/7			6/6	
Milena Mondini de Focatiis (Chief Executive Officer)	7/7				
Geraint Jones (Chief Financial Officer)	7/7				
Karen Green	7/7		8/9 ⁵		6/6
Justine Roberts	4/4 ¹			3/3 ¹	4/4 ¹
Andy Crossley	7/7		9/9	3/3 ⁷	
Michael Brierley	7/7	8/8			6/6
Jayaprakasa (JP) Rangaswami	7/7		7/9 ²		
Evelyn Bourke	7/7	7/8 ⁴			
William (Bill) Roberts	7/7			6/6	
Fiona Muldoon	7/7	8/8	6/6 ⁶		
Paola Bonomo	4/4 ³				3/3 ³
Carlos Selonke de Souza	1/1 ⁸				

1 Justine Roberts stepped down as a Non-Executive Director and from her other roles on 18 June 2025.

2 JP Rangaswami was unable to attend the January and June 2025 Risk Committee meetings due to illness.

3 Paola Bonomo was appointed as a Non-Executive Director and a member of the Remuneration Committee on 12 May 2025.

4 Evelyn Bourke was unable to attend the May 2025 Board meeting due to a prior commitment.

5 Karen Green was unable to attend the January 2025 Risk Committee meeting due to a funeral.

6 Fiona Muldoon was appointed as a member of the Risk Committee on 28 April 2025.

7 Andy Crossley was appointed as the Senior Independent Director and member of the Nomination and Governance Committee on 18 June 2025.

8 Carlos Selonke de Souza was appointed as a Non-Executive Director on 10 December 2025.

Collective role of the Board

The Board is responsible for promoting the long-term, sustainable success of the Group, creating value for shareholders, while considering the interests of all stakeholders and contributing to the wider society in which Admiral operates. The Board is the principal decision making body of the Group, providing entrepreneurial leadership, both directly and through its Committees, and delegating authority to the Executive Directors and senior management for the day-to-day running of the business.

The Board holds responsibility for overseeing and guiding the Group's activities to create and sustain long-term value. Supported by a robust governance framework, the Board ensures delivery of its strategic objective to achieve strong, sustainable financial and operational performance. It is also accountable for confirming that, in fulfilling its duties, the Group complies with all legal and regulatory requirements and operates within appropriate risk boundaries.

Board and Committee meetings

Directors are expected to attend all meetings of the Board and the Board Committees on which they serve, dedicating sufficient time to the Group to fulfil their duties and responsibilities. When attendance is not possible, Directors receive the relevant meeting papers, enabling them to raise any matters with the Chair in advance. Details of the number of scheduled Board and Committee meetings attended by each Director during 2025 is provided in the above table.

In addition to the scheduled Board meetings outlined in the table above, the Board convened several ad-hoc meetings to address matters of sufficient urgency that could not be deferred until the next scheduled meeting. All Directors are invited to participate in these meetings, which are arranged at short notice. Where attendance is not possible due to prior commitments, Directors are given the opportunity to share their views with the Chair beforehand. The Board also delegates authority to a sub-committee for the approval of final drafts of announcements and proposals previously considered by the Board or its Committees. During the year, the Board met in-person for six out of seven of its scheduled meetings, including the two-day strategy meeting (and October Board) held in Oxford.

Division of responsibilities continued

Matters reserved for the Board

The Board has adopted a formal schedule of matters reserved for the Board's consideration. This is monitored by the Company Secretary and reviewed by the Board on an annual basis. Specific matters reserved to the Board include the approval of:

- The Group's long-term objectives and corporate strategy
- Operating and capital budgets, financial results, and any significant changes to accounting practices or policies
- The Group's capital structure
- Results and financial reporting
- The system of internal control and risk management
- The Group's overall risk appetite
- Changes to the structure, size and composition of the Board, including new appointments
- Succession plans for the Board and senior management
- Dividend policy and proposals for dividend payments
- Major acquisitions, disposals, and other transactions outside delegated limits
- The annual review of its own performance and that of its Board Committees
- Annual review of selected Group policies
- The review of the Group's overall corporate governance arrangements.

Board Committees

The Board has delegated authority to several permanent Committees to deal with matters in accordance with written Terms of Reference. The principal Committees of the Board – the Audit, Remuneration, Risk, and Nomination and Governance Committees – all comply with the requirements of the Code.

All Committees are chaired by an independent Non-Executive Director and each comprises a majority of independent Non-Executive Directors. In line with the Code, all Audit Committee members are independent Non-Executive Directors. Committee appointments are made on the recommendation of the Nomination and Governance Committee for a term of up to three years, which may be extended for two additional three-year periods, subject to the Director's continued independence and annual reappointment to the Board by shareholders.

Each Committees operates under written Terms of Reference, reviewed annually to ensure they remain appropriate and reflect developments in best practice and governance. These Terms of Reference are available from the Company Secretary and on the Company's website: admiralgroup.co.uk.



Directors are kept fully informed of Committee activities through the reports from the Committee Chairs at subsequent Board meetings, and copies of Committee minutes are circulated to the Board. Committees have authority to seek external legal or other independent professional advice, where deemed necessary. The Chair of each Committee attends the Annual General Meeting to address any shareholder questions regarding the Committee's work. An annual evaluation of each Committee's performance against its Terms of Reference is also undertaken.

Group conflicts of interest

In accordance with the Companies Act 2006 requirements on Directors' duties regarding conflicts of interest, the Group's Articles of Association permit the Board to authorise potential conflicts and apply any restrictions it considers appropriate. The Group maintains a Conflicts of Interest Policy, which was reviewed and approved by the Board in October 2025. This Policy outlines the procedures for managing potential conflicts at Board level, within Board Committees, and across the Group's Subsidiary Boards. Following its review, the Board confirmed that these processes continue to operate effectively.

Additionally, each Director completes an annual conflicts of interest questionnaire, disclosing any circumstances in which they or their connected persons have, or may have, a direct or indirect interest that could conflict with the Company's interests. This includes details of any companies in which they hold more than 1% of issued share capital. The Board is satisfied that no Director had any potential conflicts during the year that could not be authorised.

Division of responsibilities continued

Information flows to and from the Board

Agendas and papers

Agendas and supporting papers are distributed to the Board electronically in a secure format ahead of Board and Committee meetings. The Chair, in consultation with the Company Secretary and CEO, structures the Board agenda. An annual schedule of agenda items is maintained and reviewed regularly to ensure matters are addressed at the appropriate stage in the financial and regulatory cycle. Meetings are designed to allow thorough consideration and discussion of all items, with routine papers supplemented by information specifically requested by Directors, as required.

At each scheduled meeting, the Board receives updates from the Chair, the CEO and CFO on the Group's financial and operational performance, together with any significant developments requiring attention. Additionally, each of the principal subsidiary board meetings. Ad hoc meetings are convened when necessary, and ongoing contact between the Board, its Committees, subsidiary boards, and management ensures the effective progression of the Group's business.

Attendees

The CEO of UK Insurance (Alistair Hargreaves), together with the Chief Risk and Compliance Officer (Keith Davies), the Head of International Insurance (Costantino Moretti), and the Director of Pet, Travel and Household (Scott Cargill) are invited to attend every Board meeting and regular Board dinners. This has proven to be an effective means of ensuring that senior managers below Board level, have exposure to the Board and the way it operates.

Dynamics

Throughout the year, all Board and Committee meetings were conducted in an open environment that encouraged robust and constructive challenge and debate. This approach enables the Directors to exercise independent judgement on matters including strategy, risk management, performance, and resource allocation.

Cross-Committee membership

As shown on pages 110 and 131, Committee membership is structured to enable cross-Committee membership, ensuring that matters of significance can be highlighted and addressed across Committees promptly. This approach is complemented by the briefings provided to the Board, summarising the key points of discussion following each Committee meeting.

Advice

All Directors have access to the advice and support of the Company Secretary, who is responsible for ensuring compliance with Board procedures and advising the Board, through the Chair, on governance matters. The Company Secretary provides regular updates on regulatory developments, corporate governance issues, new legislation, and Directors' duties and obligations.

Appointment and removal of the Company Secretary is a matter reserved for the Board. Dan Caunt has served as Company Secretary since 1 May 2022; his biography can be found on page 115.

Directors also have the right to seek independent professional advice at the Group's expense, whenever they consider it necessary to discharge their responsibilities effectively.

Other information flows

The Board Chair met with a wide range of Admiral colleagues and visited various parts of the business, including those in France, India and Italy during 2025. The Non-Executive Directors are invited to visit areas of the business for in-person on-site visits to meet employees and review business functions.

As referenced within the commentary on employee consultation on page 127, the Non-Executive Directors are invited to attend ECG meetings and participate in the two-way engagement with employees.

The Non-Executive Directors met in-person during the year without the Executive Directors being present. Non-Executive Directors individually met with the Chair for discussion ahead of each Board meeting in 2025 and also met with the CEO for a debrief at the conclusion of each scheduled Board meeting.

The Chair holds one-to-one meetings with members of the Group's senior management team either in-person or on a virtual basis. Members of the senior management team were invited to join Board dinners, which allowed the opportunity for informal interaction between Directors and the senior management team.

A session was held at the end of the year to provide an opportunity for all subsidiary board Non-Executive Directors to meet and hear more about the Group Strategy, following the October Group Board Strategy meeting.

Training and professional development

Director development and training is an ongoing process and remains a focus throughout the year. Directors receive regular updates on the Group's business, legal matters relating to their roles and responsibilities, the competitive landscape in which the Group operates, and other significant developments impacting the Group and its industry. During the year, the Board received more in-depth updates, briefings and training on topics such as (i) Senior Management Functions, Conduct Rules and Reasonable Steps; (ii) the new UK Corporate Reporting and Audit Regime; (iii) AI and the external environment; and (iv) several sessions on the Admiral internal model ('AIM').

Nomination and Governance Committee report

Overseeing our Board composition

“The Nomination and Governance Committee is committed to building a leadership structure that is effective, diverse and aligned with the Group’s strategic ambitions.”

Mike Rogers

Chair of the Nomination and Governance Committee



Committee at a glance

Membership

- Mike Rogers (Chair)
- Bill Roberts
- Andy Crossley.

Roles and responsibilities

The Committee assists the Board with its oversight of Board composition, Board and senior management succession and corporate governance by:

- Reviewing the structure, size and composition of the Board as a whole and identifying and nominating candidates for vacancies
- Considering the balance of skills, knowledge, experience, time commitment and diversity requirements of the Board and its Committees
- Reviewing and overseeing the effectiveness of Admiral’s corporate governance framework to ensure effectiveness, transparency and accountability
- Overseeing the Board, Board Committees and subsidiary board evaluations and implementation of any resulting recommendations
- Evaluating Admiral’s leadership framework including skills and expertise requirements to ensure the Company remains competitive in a dynamic market
- Reviewing the Committee’s own effectiveness.

+ The full Terms of Reference of the Committee can be found on our website: [Board governance | Admiral Group Plc](#)

2025 highlights

- Appointment process completed for an Executive Director, in line with established succession plan
- Appointment process completed for two Non-Executive Directors
- Oversight of subsidiary board evaluations, succession planning and diversity
- Recommended the appointment of the new CEO of Admiral Money in line with established succession plan
- Monitoring and overseeing progress towards the achievement of diversity targets
- Review of own performance and recommendations from Board and Committee external performance review.

2026 priorities

- Succession planning for Executive and Non-Executive Directors (‘NEDs’), particularly in light of several NED nine-year terms ending in 2027
- Succession planning for subsidiary boards, particularly the EUI Board Chair who is due to step down in 2027
- Oversight of the implementation of the actions arising from the external Board performance review
- Oversight of the diversity, equity and inclusion strategy
- Oversight of talent and succession planning in senior management.

Nomination and Governance Committee report continued

Dear shareholder,

I am pleased to present this year's report, which describes the Committee's main activities, along with how it has discharged its responsibilities throughout the year ended 31 December 2025.

Succession planning

The Committee was busy supporting the Board with succession planning, particularly at Board level, during 2025.

NED and Senior Independent Director ('SID') succession was reviewed in the context of Justine Roberts' departure following the end of her nine-year tenure in June 2025. Paola Bonomo was identified as the most suitable replacement and joined the Board and Remuneration Committee on 12 May 2025.

Following an internal process to identify a suitable candidate to replace Justine Roberts as SID, Andy Crossley was selected and appointed, given his experience on the Board and as Chair of the UK's insurance business, EUI Limited. Andy also became a member of the Committee on 18 June 2025.

Having carefully reviewed the composition of the Board in light of the Group Strategy, the Committee concluded that it would be appropriate to further bolster its skills and experience by recruiting another NED. Carlos Selonke de Souza was identified as a strong candidate to meet these needs and the Board welcomed his appointment on 10 December 2025.

Following a robust internal and external process, which the Committee oversaw in 2025, on 12 January 2026 the Board announced that it had approved the appointment of an internal successor, Rachel Lewis, as Group Chief Financial Officer ('CFO') with effect from 1 July 2026, subject to regulatory approval.

At a senior management level, the Committee considered the succession of the CEO of the Group's UK lending business, Admiral Money, and subsequently approved the recommended appointment of Emma Powell.

Further information on the Director appointment and induction process can be found on pages 136 and 137. Further detail about these decisions is outlined on page 119.

Diversity, equity and inclusion

Diversity, equity and inclusion also continued to be a key topic for Committee discussion in 2025. The Committee monitored progress to meet the FTSE Women Leaders Review target, that 40% of the Board should be female, in addition to the Parker Review's target that the Board should include at least one Director from an ethnic minority background. The Board continues to satisfy these recommended targets, whilst recognising that there is further work to be done at a senior management level.

Governance

During 2025, subsidiary board chairs were invited to present to the Committee on the outcome of their respective board performance review and provide an update on their board succession planning and diversity. These updates were invaluable, strengthening the Committee's oversight of subsidiary governance, and so will continue in 2026.

The 2025 annual review of the Board and Committees' performance took place in December and was externally facilitated in accordance with the Code. The review concluded that, overall, the Board and its Committees remained effective but noted some areas for improvement. These are outlined on pages 145, 147, 154 and 159 of this report.

The rest of this report sets out, in more detail, the activities of the Committee during 2025. I would like to thank the Committee members for their continued contributions and support throughout the year.

Mike Rogers

Chair of the Nomination and Governance Committee

4 March 2026

Nomination and Governance Committee report continued

Committee meetings held during the year

The Committee meets at least twice per year, in accordance with its Terms of Reference, and at such other times as the Chair may require. During 2025, the Committee held six formal scheduled meetings. The Committee Chair agrees the meeting agendas for each meeting with the Company Secretary.

The table outlined on page 131 shows the attendance of Committee members at meetings during 2025.

Attendees at Committee meetings

The Company Secretary acts as Secretary to the Committee. Other individuals, such as the Group Chief Executive Officer, the Group Chief People Officer and representatives of different parts of the Group, may be invited to attend all, or part of, any meeting, as and when appropriate.

Key activities of the Committee during the year

A description of the activities the Committee has focused on during the year ended 31 December 2025 is outlined under the following headings.

Director appointment process

Appointments to the Board are the responsibility of the Board as a whole, acting on the advice and recommendations of the Committee. The Committee seeks to balance the retirement and recruitment of Non-Executive Directors well ahead of relevant deadlines so as to avoid a dislocation of Board process by losing experience and skills. Similarly, in the case of Executive Directors, succession plans are carefully considered to identify suitable internal candidates and their readiness. The Committee is mindful of the need to promote diversity and inclusion in appointments to the Board and throughout the Group. Appointments are made on merit and against objective criteria, having due regard to the benefits of diversity, and with a view to ensuring the Board has the appropriate mix of personalities, skills and experience.

The Board appointment procedure requires the Committee to develop a detailed role specification outlining the necessary skills and experience. In most cases, external recruitment consultants are engaged to lead the search and identify suitable candidates. Shortlisted candidates are interviewed by the Chair and Committee members, after which the Committee considers the outcomes and makes a recommendation to the Board for the appointment of the preferred candidate. The Committee is satisfied that this process is formal, rigorous and transparent, ensuring a comprehensive evaluation of the skills, knowledge and experience required for new Directors to the Board and its subsidiaries.

External recruitment consultants

As reported in the previous Annual Report, Spencer Stuart was engaged at the end of 2024 as the external, independent recruitment consultant in anticipation of former Non-Executive Director, Justine Roberts, stepping down at the end of her nine-year tenure in June 2025.

Egon Zehnder was also engaged in early 2025 as the external, independent recruitment consultant in the search for an additional Non-Executive Director to join the Board.

Additionally, Russell Reynolds was engaged during 2025 as the external, independent recruitment consultant in the market search for potential external candidates for the Group CFO role.

Spencer Stuart, Egon Zehnder and Russell Reynolds have no other connections with the Admiral Group or its Board Directors.

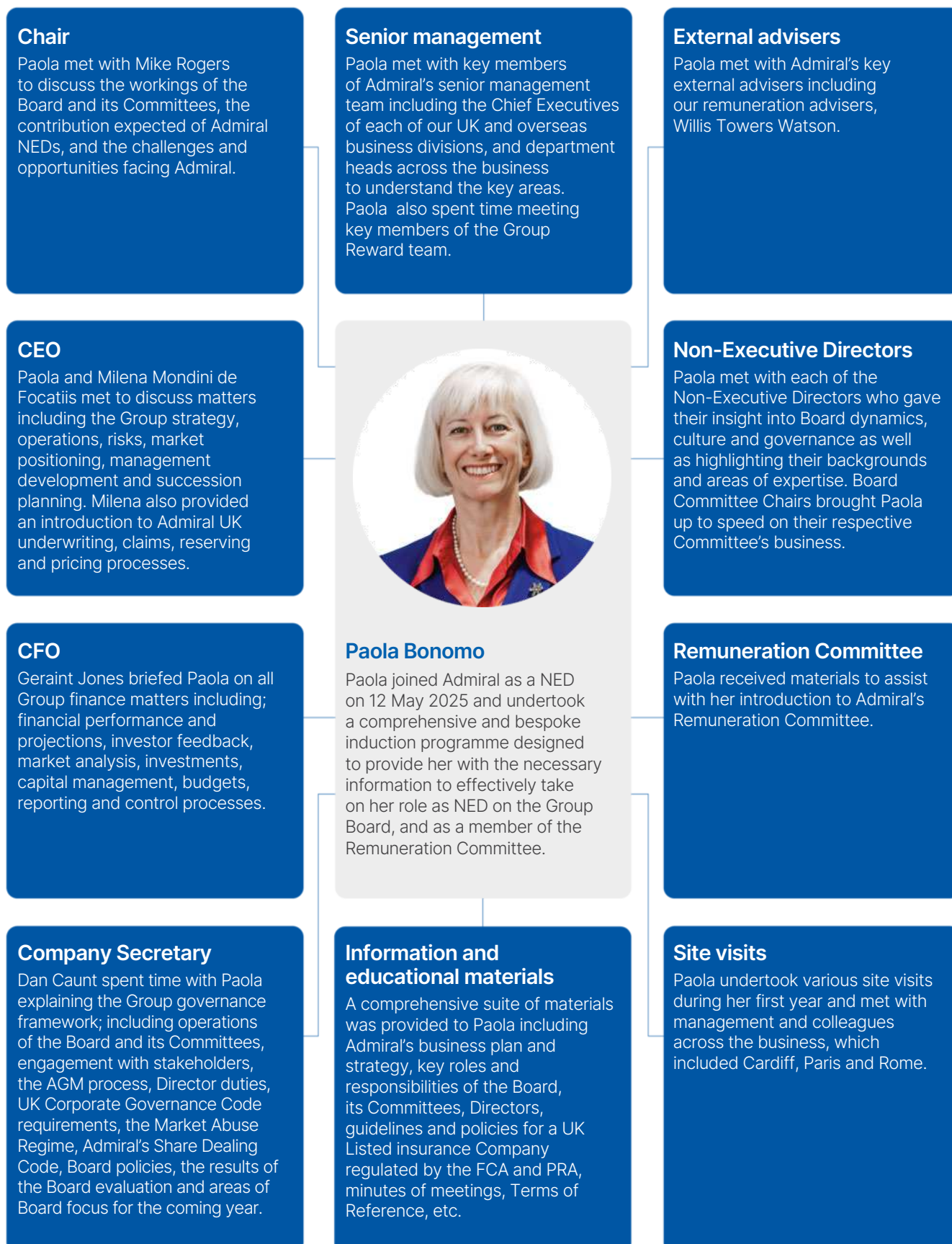
Non-Executive Director induction

On appointment, Non-Executive Directors undertake a tailored and comprehensive induction programme. This includes core elements common to all Non-Executive Directors, alongside components customised to the individual's role, skills, knowledge and experience. Led by the Company Secretary, the induction programme covers the role and responsibilities of a Non-Executive Director, the operation of the Board and the Group's subsidiary boards, and an overview of the Group's business. Non-Executive Directors receive a suite of background materials in advance, followed by induction sessions with senior leaders across the Group, aligned to their specific requirements. A summary of Paola Bonomo's induction is outlined on the next page.

Ongoing professional development needs are monitored through annual individual Director evaluations and the Committee's oversight of the Board skills matrix.

Nomination and Governance Committee report continued

Non-Executive Director induction process



Nomination and Governance Committee report continued



Board Committee changes, term extensions and internal appointments addressed by the Committee during 2025

The Board, on the recommendation of the Committee, agreed to the following proposals / changes during the year:

- Consideration of, and recommendation for, reappointment of all Directors at 2025 AGM
- The appointment of Fiona Muldoon as a member of the Risk Committee
- The appointment of Paola Bonomo as a Non-Executive Director and member of the Remuneration Committee, following Justine Roberts stepping down from these roles
- The appointment of Andy Crossley as Senior Independent Director and member of the Nomination and Governance Committee, following Justine Roberts stepping down from these roles
- The appointment of Carlos Selonke de Souza as a Non-Executive Director.

The Committee also considered and approved, on behalf of the Board, subsidiary board appointments, such as the appointment of Emma Powell as the CEO of Admiral Money. Further information on this particular decision is detailed on page 119.

Annual re-election

Under the Group's Articles of Association, and in line with the Code, all Directors should retire and stand for re-election at each AGM. Accordingly, all Directors will be submitting themselves for election or re-election at the forthcoming AGM. Following a comprehensive review, the Board is satisfied that all Directors remain suitably qualified through their skills, experience and contribution to the Board and its Committees. Further details of how each Director's contribution is, and continues to be, important to the Company's long-term sustainable success is provided on page 110 and within the notes to the Notice of the 2026 Annual General Meeting.

Nomination and Governance Committee report continued

Board composition and how we plan for succession

The composition of the Board is kept under constant review by the Committee. As at 31 December 2025, the Board comprised 12 Directors: The Chair (independent), two Executive Directors, and nine independent Non-Executive Directors – see page 110.

The Committee carefully considers the Board's independence, composition, and the balance of skills, knowledge and diversity. It continually monitors the need for the orderly refreshment of Board and Committee memberships to preserve continuity of Board process and the strength of relationships that underpin Board effectiveness.

Our Board has a broad range of skills and experience, which it uses to bring independent judgement to bear on issues of strategy, performance, risk management, governance, resources and standards of conduct, which are integral to the success of the Group.

Board composition and succession planning

Balance of skills, knowledge and experience

Non-Executive tenure and independence

Time commitment and external appointments

Annual Board evaluation and individual Director appraisals

Board diversity

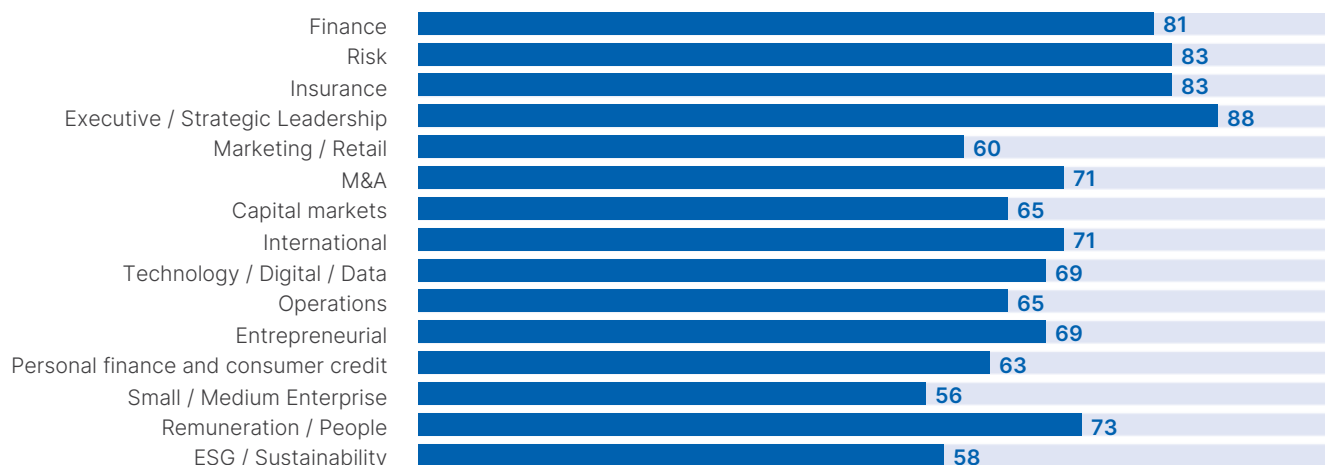
Tenure and independence

The table below details the length of service of the Chair and each of the current Directors. It illustrates the balance between experience and bringing in a fresh perspective, as well as the independence of each of the Non-Executive Directors.

Director	Date of appointment	Length of service as a Director as at 31 December 2025	Independence
Non-Executive Directors			
Mike Rogers (Chair)	27 April 2023	2 year 8 months	Independent
Andy Crossley	27 February 2018	7 years 10 months	Independent
Michael Brierley	05 October 2018	7 years 3 months	Independent
Karen Green	14 December 2018	7 years	Independent
JP Rangaswami	29 April 2020	5 years 8 months	Independent
Evelyn Bourke	30 April 2021	4 years 8 months	Independent
Bill Roberts	11 June 2021	4 years 6 months	Independent
Fiona Muldoon	02 October 2023	2 year 3 months	Independent
Paola Bonomo	12 May 2025	7 months	Independent
Carlos Selonke de Souza	10 December 2025	<1 month	Independent
Executive Directors			
Milena Mondini de Focatiis	Director – 11 August 2020 CEO – 1 January 2021	5 years 4 months	Executive Director
Geraint Jones	13 August 2014	11 years 4 months	Executive Director

Nomination and Governance Committee report continued

Skills and experience on the Board (%)



The Chair, Senior Independent Director and independent Non-Executive Directors

Non-Executive Directors are currently appointed for fixed periods of three years, subject to election by shareholders. The initial three-year period may be extended for two further three-year periods subject to performance review and annual re-election by shareholders. Letters of appointment may be inspected at the Company's registered office or can be obtained on request from the Company Secretary.

On appointment, the Board considered that Mike Rogers met the independence criteria set out in provisions 9 and 10 of the Code. The Chair's biography can be found on page 110.

The independence of each Non-Executive Director has been assessed during the year, in line with the independence criteria contained within provision 10 of the Code, and is outlined on page 139. For the year ended 31 December 2025, 83% of the Board were considered independent Non-Executive Directors, which complies with provision 11 of the Code.

Balance of skills, knowledge and experience

The Directors have a broad range of skills, knowledge and experience, and can bring independent judgement to bear on issues of strategy, performance, risk management, resources and standards of conduct, which are integral to the success of the Group.

The Committee understands that a wide range of complementary skills on the Board will assist in the meeting of Board objectives and the delivery of Company strategy. The Committee regularly reviews the Board skills matrix, particularly in the context of succession planning and skills that are potentially lost at the end of a Director's tenure on the Board. An aggregated view of the current skills and experience on the Board is outlined above and an explanation regarding how this feeds into succession planning follows later in this report.

Time commitment and external appointments

On appointment, all Directors are advised of, and requested to make, the necessary time commitment required to

discharge their responsibilities effectively. This time commitment is also outlined in the letters of appointment issued to the Chair and Non-Executive Directors. When making new appointments, the Committee takes into account other demands on the Directors' time. Prior to appointment, significant commitments are disclosed by Directors to the Committee and the Board.

As part of the annual performance evaluation, each Director is appraised on their time commitment dedicated to the Company. The Committee also reviews the time commitment required of all Non-Executive Directors at least annually to consider whether the guidance on time commitment of certain roles needs to be extended due to market or responsibility changes. The Board is satisfied that all Directors have dedicated the required amount of time to the Company to effectively fulfil their roles, and that the Company has given the Non-Executive Directors sufficient time to perform the duties required of them.

As well as considering the demands of a Director's time upon appointment, as required under provision 15 of the Code, there is in place a formal procedure for the approval of additional external appointments for Directors through the Committee and the Board. The Committee and the Board are satisfied that the external commitments of all the Non-Executive Directors do not conflict with their duties and commitments as Directors of the Company.

Overall assessment of composition

The Board, through ongoing assessment and an annual performance review, remains satisfied that it has the appropriate balance of skills, experience, independence and knowledge of the Group to enable it, and its Committees, to discharge their duties and responsibilities effectively, as required by the Code. In addition, the Directors are aware of their legal duties under s172 of the Companies Act 2006 to act in a way they consider, in good faith, will be most likely to promote the success of the Company for its shareholders, as well as considering the interests of wider stakeholders. Further details of how the Board fulfills its duty in this regard are outlined on page 87.

Nomination and Governance Committee report continued

Board and senior management diversity, equity and inclusion

As required by the Listing Rules, and Disclosure and Transparency Rules, a table showing gender and ethnicity diversity at Board and senior management level is included on page 143. The Board's diversity targets, aligned with the FTSE Women Leaders Review and the Parker Review, are: a minimum of 40% of the Board to be women; at least one of the senior Board positions (Chair, SID, CEO or CFO) to be held by a woman; and at least one Board member to come from a minority ethnic background. As outlined below, the Committee is satisfied that Admiral meets the requirements set out in Listing Rule 6.6.6(9)(a), and Disclosure Guidance and Transparency Rule 7.2.8.

Gender diversity

Diversity and inclusion, and the breath of perspectives they bring, have been shown to foster innovation and creativity, thereby enhancing overall performance. They also deliver additional benefits, including greater awareness, a broader talent pool and the ability to challenge entrenched views or practices. Admiral relies on these advantages, strengthened by a diverse workforce, to successfully execute its business strategy.

During the year, the Committee reviewed the Board Diversity and Inclusion Policy and assessed progress against the measurable targets previously set to improve diversity and inclusion at Board, subsidiary board and senior management level. The policy explicitly references diversity dimensions such as ethnicity, sexual orientation, disability and socio-economic background alongside age, gender, educational and professional backgrounds, approach, skills and experience, and other relevant personal attributes. The Committee remains committed to ensuring that recruitment strategies for Board and senior management appointments are clearly defined and aligned with this policy.

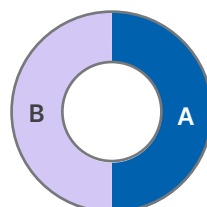
Measures that are covered under the Policy, including progress updates against each, include:

- (i) Designating a senior executive team member who is responsible and accountable for gender diversity and inclusion at Group level. Keith Davies (Group Chief Risk and Compliance Officer) is the accountable executive for gender diversity
- (ii) Setting internal targets for gender diversity in senior management, the Group Board and the subsidiary boards. Progress against these targets is outlined as follows in the rest of this section
- (iii) Publishing annual progress against these targets in reports on the Group's website, presenting a consolidated Group position
- (iv) Linking the pay of the Group CEO to the progress made against internal targets on gender diversity.

The proportion of women on the Board has reduced slightly since 31 December 2024 due to the appointment of an additional Director. As at 31 December 2025, there were five women (2025: 42%) out of 12 positions on the Board (2024: 45% of 11 positions). Additionally, the role of Group

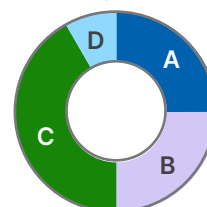
CEO is held by a woman. Official data published by the FTSE Women Leaders (succeeding the Women on Boards Report and Hampton Alexander Review) for 2025, issued in February 2026, reported that the percentage of women on FTSE 100 Boards was 44.4% (2024: 44.7%).

Board nationality



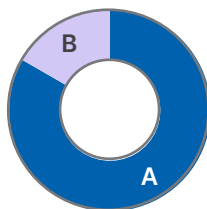
- A British 6
- B Non-British 6

Board age



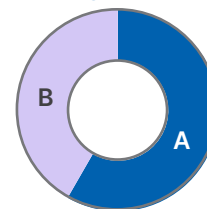
- A 40s 3
- B 50s 3
- C 60s 5
- D 70s 1

Board ethnicity



- A White British or other White (including White minority groups) 10
- B Ethnic minorities 2

Board gender



- A Male 7
- B Female 5

As a result of the continued progress to balance gender diversity at Board level and to align with (i) the Women in Finance Charter's aim of increasing female representation at the UK senior executive level to 40%; and (ii) the FTSE Women Leaders target of 40% representation, the Committee previously aligned the annual target of women in senior management positions at 40%. The aim continues to be to achieve this level of gender diversity at an aggregate level across the subsidiary boards too. As at 31 December 2025, women represented 35% of subsidiary board appointments, which is an increase on the position in 2024 (29%). This increase reflects ongoing oversight from the Committee and targeted actions taken to support greater gender balance across our subsidiary boards. The Committee will maintain its focus on continued progress in the areas through future appointments.

Female representation was 40% of our Senior Executives (Executive Committee equivalent) and 34% of their direct reports. Admiral continues to work towards achieving the 40% target. As at 31 December 2025, the gender diversity split across the Admiral Group was 50.8% female / 48.4% male. The remaining 0.7% included non-binary and other genders, and colleagues who would prefer not to say.

Nomination and Governance Committee report continued

Ethnic diversity

The Group remains firmly committed to the principle of boardroom diversity, recognising that gender and ethnicity are important, but not the sole considerations. Equally critical is diversity of thought, experience and approach, ensuring that each new appointment complements the existing composition of the Board.

The Committee continues to monitor the requirements of the Parker Review on ethnic diversity in relation to Board composition and the newer reporting requirements for senior management. It also oversees initiatives across the Group aimed at enhancing diversity and considers how best to develop and track measures that build a strong pipeline of diverse talent for future Board and senior management appointments. The Board includes two Directors from ethnic minority backgrounds, which meets one of the Parker Review's key recommendations for FTSE 100 companies, as well as Listing Rule 6.6.6(9)(a) and Disclosure Guidance and Transparency Rule 7.2.8. Further information on how the Group is developing a pipeline of ethnically diverse candidates is outlined below.

Ethnic diversity in senior management and the wider workforce is something that Admiral continued to focus on throughout 2025. Admiral produced its third ethnicity pay gap report in the UK during the year, further demonstrating its commitment to ethnic diversity in the workplace. Whilst the Committee recognises that the workforce is not always comfortable with voluntarily sharing such personal information, there have been initiatives introduced to encourage more people to make such voluntary disclosures. This year, the disclosure rate was 84% in the UK (2024: 83%).

In line with the Parker Review definition, ethnic diversity at senior management level in the UK stood at 6.2% as at 31 December 2025. In 2024, the Committee discussed the Parker Review recommendations to implement a target for ethnic diversity representation at senior management level within the UK operation of the Group by 2027. The Committee agreed a longer-term goal of 10% of ethnic diversity in senior management by 2030 with an interim target of 7% by 2027. These targets took into consideration:

- Internal analysis in respect of ethnic diversity, which reflected a stable senior management population of colleagues over the past two years, with ethnic minorities representing between 6–7%. Modelling also looked at the annual attrition rate, internal mobility, and the talent pipeline, which showed that stronger ethnic diversity would be possible in a longer timeframe
- Admiral's geographical location in the UK, including its regional labour market context. As the only FTSE 100 company headquartered in Wales, Admiral draws the majority of its UK workforce and talent pipeline from South East Wales. According to Stats Wales (Equality & Diversity Statistics 2018–2020), the local population of South East Wales is 6.8% ethnically diverse

- The Parker Review Report (2025), which noted that, as at December 2024, ethnic minority executives comprised between 9% and 11% of UK-based senior managers across the FTSE 100, FTSE 250 and in-scope private companies. It also reported that the average target for 2027 is between 13% and 15%, which supports that a long-term ambition of 10% is proportionate for Admiral.

Activity to improve diversity, equity and inclusion in the talent pipeline

Examples of the work Admiral has undertaken to improve its diversity pipeline during the year are set out below.

1 Where you can – Our 'Where you can' promise captures and celebrates all the brilliant possibilities of life at Admiral, where colleagues are accepted, supported and empowered to be themselves. There's no one destination for work at Admiral. We're all different, with different talents, skills, goals and paths.

2 A culture that cares – Our colleagues experience a truly supportive team culture, one that welcomes and develops colleagues to be their best. We celebrate diversity, we support wellbeing, and we foster collaboration. We make work fit around life through flexible and hybrid working, ensuring everyone feels included and valued.

3 Building inclusive communities – Across every country within the Admiral Group, our diversity, equity and inclusion networks run a calendar of events and encourage allyship. We've created safe spaces where colleagues can represent themselves confidently and build meaningful communities within Admiral.

4 Partnering for progress – We've partnered with global consultancy Green Park to conduct an in-depth Culture and Inclusion review and equip our leaders with inclusive leadership skills through targeted learning and development.

5 Empowering women across Europe – Our European Empowering Women Programme identifies talented colleagues at all levels and supports their progression into leadership roles strengthening diversity across our European operations and creating opportunities for talent mobility that make our business stronger.

6 Proud partnerships and accreditations – Our external partnerships reinforce our commitment to inclusion. In the UK, we are a Disability Confident Leader, Endometriosis Friendly Employer, Neurodiversity Friendly, and a proud sponsor of Pride Cymru.

Nomination and Governance Committee report continued

Admiral remains committed to providing equal opportunities, eliminating discrimination, and encouraging diversity amongst its employees both in the UK and overseas. A breakdown of the gender and ethnicity of Directors and senior employees at the end of the financial year are set out in the tables below, in accordance with the FCA Listing Rule requirements.

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	7	58%	3	48	65
Women	5	42%	1	26	35
Other category	–	–	–	–	–
Not specified / prefer not to say	–	–	–	–	–

Ethnicity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority White groups)	10	83.33%	4	43	58%
Mixed / Multiple Ethnic Groups	1	8.33%	–	–	–
Asian / Asian British	1	8.33%	–	2	3%
Black / African / Caribbean / Black	–	–	–	1	1%
Other Ethnic group, including Arab	–	–	–	1	1%
Not specified / prefer not to say	–	–	–	27	37%

Succession planning

The Committee is responsible for overseeing succession planning and the appointment process for new Directors on behalf of the Board. It evaluates the skills, experience and diversity represented on the Board to identify areas of strength, potential gaps and opportunities to introduce complementary expertise that will enhance the Board's effectiveness and breadth of experience. These requirements are then communicated to an independent recruitment consultant, who will source candidates aligned with the specified criteria and prepare a diverse shortlist for the Committee's consideration.

In addition, the Committee reviews senior management appointments on behalf of the Board, ensuring these align with established succession planning strategy. All recruitment processes for the Board are merit based and assessed against objective criteria. Diversity remains a central consideration throughout this process.

Non-Executive Directors

Non-Executive Director succession planning is structured across short, medium and longer-term horizons to ensure that, as far as possible, all eventualities are anticipated and addressed. Regular reviews of these plans provide the Committee with an opportunity to analyse the data and use these insights to shape the optimal mix of skills, experience and diversity required by the Board, both now and in the future, in the context of the Group's strategic objectives.

Horizon: Emergency cover

There are emergency succession plans to ensure that there is sufficient short-term cover or a plan in place for key roles of the Board, namely, the Chair, the SID, Committee Chairs and, in turn, Committee members if a Committee Chair's absence is longer than expected. These plans take account of any requirements under the respective Committee's Terms of Reference, as well as any Code requirements.

Horizon: Short to medium term (1–6-year tenure)

The Committee's short to medium-term succession planning involves considering the replacement of Non-Executive Directors over time to refresh the Board. The Committee considers (i) each Director's period of tenure and aims to have staggered departure dates; (ii) the skills and experience gaps that will be created as each Director's tenure comes to an end; and (iii) the diversity gaps that might also become present.

Horizon: Longer term (6–9-year tenure)

The Committee's longer-term succession planning involves the consideration of the skills, experience, and diversity that the Board will need over the longer term, taking into account the Group's strategy and the main trends and factors that are likely to affect the Group's long-term success.

Nomination and Governance Committee report continued



Executive Directors and senior management

Responsibility for senior management appointments rests with the CEO, guided by the Committee. Talent management remains a key focus for the Committee to ensure a diverse pipeline for senior management and Executive Director succession.

In 2025, the Committee reviewed progress in strengthening talent management and succession planning across the Group, reaffirming its belief that a robust internal process is essential to preserving Admiral's distinctive culture.

During the year, Group CEO succession was considered through the readiness of the internal candidate pipeline. Readiness is measured against a competency assessment scale and the current success profile for the role, as well as how this is likely to evolve in the coming years. This provided the Committee with a view of the overall health of the CEO succession pipeline.

Succession for the role of the Group CFO was also a significant focus for the Committee in 2025. Further detail on the Committee's work in this regard is on page 119.

The Committee also received an update on the pipeline for other key roles in the Executive and senior management team. These key roles are assessed using similar methods.

As part of this review, the Committee was updated on the framework to increase opportunities for internal mobility and internal promotion, other actions to close skills and development gaps in the pipeline, diversity at this level, and actions to mitigate some of the risks identified as part of the review.

Emergency succession planning for Executive Director and senior management roles is another key area that the Committee considers and debates during the year.

The review of succession planning undertaken during the year concluded that there was a healthy pipeline of talent across the Group, with no immediate risk in respect of leadership continuity, and the right level of talent to execute our 'internally grown leaders' strategy. The Committee will continue to closely monitor progress to achieve diversity, particularly within the senior management pipeline, as well as the actions required to bridge some of the readiness gaps in the pipeline.

The Committee remains satisfied that effective succession plans for Directors and senior management are in place to ensure the continued ability of the Group to implement strategy and compete effectively in the markets in which it operates.

Nomination and Governance Committee report continued

Governance

The Committee regularly reviews the Group's governance arrangements, including any changes to the subsidiary board and committee structures, updates to the UK Corporate Governance Code and FCA Listing Rules, and oversight of any regulatory applications under the Senior Managers Regime.

In 2025, the Committee sought updates from several subsidiary board chairs on the outcomes of their respective 2025 board performance reviews, succession planning initiatives and diversity considerations. These updates enhanced the Committee's oversight of subsidiary board governance and supported more effective monitoring of each board's current and future position against the established subsidiary board gender diversity aggregate target.

Committee performance review

The Committee's 2025 annual performance review was conducted alongside the wider externally facilitated Board performance review by Bvalco Limited. As part of the review, each Committee member was interviewed and asked a series of questions designed to provide objective assessment of the Committee's performance.

The Committee discussed the output from this performance review at its meeting at the beginning of February 2026 and concluded that, overall, the Committee had performed effectively during the year under review. Areas of focus for the Committee in 2026 were identified and included (i) refreshing the Board composition, as three Non-Executive Directors come to the end of their nine-year term in 2027; (ii) ensuring the Board skills matrix included a forward-looking angle to reflect the strategic trajectory of Admiral; and (iii) continuing to remain tightly focused on senior management succession planning and talent management.

Annual performance review of the Board, Board Committees and individual Directors

How we assess our Board's effectiveness

Admiral conducts an annual performance review to evaluate the skills, experience, independence and knowledge of the Board, ensuring it is able to discharge its duties and responsibilities effectively. The review considers the composition and diversity of the Board and its Committees, how well Directors work together, and the individual performance of each Director and the Chair.

In accordance with the Code, Admiral undertakes an externally facilitated evaluation every three years, with internal reviews conducted in the intervening years. Further details about this year's externally facilitated process, along with an update on progress against the recommendations arising from the 2024 internal Board performance review, are provided below.

Progress against 2024 Board performance review recommendations

At the end of 2024, the Board undertook an internal review of the performance of the Board, Board Committees and individual Directors for the year ended 31 December 2024. The results of the internal performance review were discussed at the Board meeting in December 2024 and demonstrated a Board that appeared to be functioning well, with some identified opportunities for improvement.

The recommendations from the Board performance review fed into the Board's agreed objectives for 2025 and were detailed in the 2024 Annual Report as 'Principal areas of focus for the Board in 2025'. The Board discussed progress against these agreed areas during 2025, and agreed good progress had been made against all recommendations during the year, with focus on some inevitably continuing into 2026 due to their nature.

Areas of focus for 2025	Progress update
Board composition	As detailed on pages 119, and 134, the Nomination and Governance Committee and the Board considered succession planning in the context of several Board vacancies arising in 2025/26.
Allocation of Board time and resources	The 2025 external Board performance review validated that the balance of strategic, operational performance, governance and regulatory items on the Board agenda is appropriate.
Talent and culture	The Board has continued to review talent, succession planning, diversity and culture during 2025. See page 134 for further details.
Control framework	The Audit Committee has had oversight of Admiral's evolving internal control framework, including progress to strengthen it to align with Provision 29 of the Code. See page 147.
AI and new technology	The Board has been kept abreast of the opportunities and progress achieved in the areas of data, AI and technology at Admiral. This will continue to be a key focus area for 2026.
Customers	During 2025, the Board focused on delivering good customer outcomes, particularly through the Consumer Duty regulation and rollout of new technology strategies across the Group. See page 91 for further information.
Strategic	The Board maintained its focus on strategic opportunities in 2025, one example of which was the sale of the Group's US motor insurance business, Elephant. See page 119.
Regulatory	The Risk Committee and the Board had oversight of progress to deliver an internal model application to the regulator, along with other key regulatory matters. See page 154.

Nomination and Governance Committee report continued

2025 Board performance review

Having previously undertaken an external Board performance review in 2022, in accordance with the Code requirement, the 2025 Board performance review process was facilitated externally, again using Bvalco Limited ('Bvalco'). Bvalco has no other connection with the Group or its Directors, except for facilitating the 2022 external Board performance review. Each Board member and standing attendee was interviewed and asked a set of questions in order to support Bvalco's assessment of the Board's performance. The themes and questions considered included:

- Strengths of the Board
- Purpose and strategy
- Board dynamics and culture risk
- Risk
- Succession – Board and senior management
- Board composition – now and for the future
- Director performance reviews
- Board development and learning
- Board agenda and calendar
- Board papers and minutes
- The strengths and opportunities for the development of the Chair and CEO, respectively
- The effectiveness of the SID
- Impact and value of the Board
- The three most important priorities for the Board in 2026
- The effectiveness of the Board Committees and their respective Chairs.

The results of the 2025 performance review were discussed at the February 2026 Board meeting. The overall view from Bvalco's evaluation process was that the Admiral Board and its Committees continued to be high functioning and that the recommendations made could be considered as suggestions to sustain a high functioning Board. A summary of Bvalco's main recommendations are set out in the table below. Recommendations have fed into the Board's agreed objectives for 2026 and are detailed under the 'Principal areas of focus for the Board in 2026' section on page 118.

Outcomes and areas of focus for 2026

Strategic thinking	Consider alternative ways to develop strategic thinking capability and deepen listening between Non-Executive and Executive Directors.
The Chair	Facilitate interaction more actively and offer constructive feedback on how Board members interact.
People and customers	Prioritise more time to ensure that key topics on people and customers continue to be explored and debated fully.
A learning Board	Consider looking back at key strategic decisions and review what lessons can be learnt and consider ways to provide developmental feedback.
Board induction	Explore opportunities for the Board induction to tell a clearer story and be clearer to senior management about what Non-Executive Directors need from the induction.

2025 Board Committee performance reviews

Further information on each of the Board Committee's performance reviews can be found within the respective Board Committee reports.

Individual Director performance reviews

The performance of the CFO is appraised annually by the CEO, to whom he reports. The Chair, taking into account the views of the other Directors, reviews the performance of the CEO. The Chair also carries out the performance assessments of each of the Non-Executive Directors. Each of the Directors were determined to have continued to effectively contribute to the work of the Board in 2025.

In addition, and in accordance with the requirements of Solvency II, the Senior Insurance Manager Regime, and the Group's Senior Managers & Certification Regime Policy, the Chair carried out the process of assessment for the Group CEO, Non-Executive Directors, and the Chairs of the Group's material, regulated subsidiaries – EUI Limited, Admiral Insurance Company Limited, Admiral Insurance (Gibraltar) Limited, and Admiral Financial Services Limited (Admiral Money), Able Insurance Services Limited (Admiral Pioneer), Elephant Insurance Company (US), and Admiral Europe Compañía de Seguros – AECS (Europe) – to ensure they continued to meet the requirements in terms of qualifications, capability, honesty and integrity.

The performance of the Chair is reviewed by the Board led by the Senior Independent Director. The latest review took place in December 2025 and January 2026 and was reported to the February 2026 Board meeting. The Senior Independent Director considered and discussed with the Chair the comments and feedback that had been received from the Directors as part of the Chair's evaluation questionnaire and was able to confirm that his performance in 2025 continued to be effective.

Audit Committee report

Ensuring the integrity of Admiral's financial reporting and risk management processes

"The Committee has focused its time on providing assurance to the Board that risk management and internal control processes are effective, enabling accurate reporting and the mitigation of risks that could impact the Group's performance."

Fiona Muldoon
Chair of the Audit Committee



Committee at a glance

Membership

- Fiona Muldoon (Chair)
- Michael Brierley
- Evelyn Bourke.

Roles and responsibilities

The Audit Committee assists the Board with its oversight of financial, non-financial reporting and related controls by:

- Monitoring the integrity of the Group's financial statements and non-financial reporting disclosures, significant accounting judgements, and related announcements, including the Solvency and Financial Condition Report and climate-related disclosures
- Together with the Risk Committee, monitoring the adequacy and effectiveness of the systems of internal control and risk management over financial, climate-related and other non-financial disclosures
- Overseeing and monitoring the Group's whistleblowing processes
- Monitoring and reviewing the effectiveness, performance, independence and objectivity of both the internal and external auditors.

+ The full Terms of Reference of the Committee can be found on our website: [Board governance | Admiral Group Plc](#)

2025 highlights

- Strong progress in respect of overseeing the implementation of new reporting processes needed for the UK Corporate Governance Code changes, including the dry run of the Group's approach to making its declaration regarding the effectiveness of material controls under Provision 29
- Ongoing focus on the Group reserving process to ensure that it, as well as the governance process, remains appropriate and robust
- Successful implementation of the new internal audit methodology.

2026 priorities

- Ensuring the Group is able to make its declaration regarding the effectiveness of material controls under Provision 29
- Reviewing the proposed approach to new climate-related disclosures and related assurance needs
- Overseeing the implementation of the new accounting standard IFRS 18 *Presentation and Disclosure in Financial Statements* ('IFRS 18') in preparation for 2027 reporting
- Focus on planning for the succession of the Group Head of Internal Audit in 2027, whilst also monitoring the transition of the succession of the Group CFO in 2026.

Audit Committee report continued

Dear shareholder,

I am pleased to share the Audit Committee (the 'Committee') report for the year ended 31 December 2025.

Committee composition requirements

The Committee comprises three Non-Executive Directors who fulfil the relevant Code and Disclosure and Transparency Rules ('DTR') around financial expertise, experience and independence.

Having reviewed the composition of the Committee during the year, the Board continues to be satisfied that the Committee as a whole has the relevant competence in the insurance and broader financial services industry, such that its members are able to effectively analyse, challenge and debate the issues that fall within the Committee's remit. Further details about the qualifications of individual Committee members can be found within the Director biographies on page 110.

Financial and non-financial reporting highlights

Financial reporting

The Committee continued to place considerable focus on the critical accounting judgements and estimates in the Group's financial statements, in particular the recognition and measurement of insurance contract liabilities and reinsurance contract assets in accordance with IFRS 17 and the Group's reserving methodology. Key reserving assumptions were challenged by the Committee, including how the changing economic environment, for example the implementation of tariffs and ongoing inflation, had been considered within the reported claims liabilities. The Committee also spent time reviewing the impact and disclosure relating to the multi-firm FCA review of UK motor total loss settlements.

The Committee reviewed and challenged management's assessment of the expected credit loss ('ECL') provision relating to the Group's consumer lending portfolio, as well as the impact of the sale of the back book and new forward flow arrangements, the accounting for, and disclosure of, the Group's sale of its US Motor Insurance business, and the impairment testing performed in relation to the Group Parent Company's investments in Group subsidiaries.

Non-financial reporting

The Audit Committee continued to oversee the delivery of limited assurance work over sustainability and climate reporting within the Annual Report, including the separate public assurance report over a number of sustainability performance indicators.

The Committee was kept informed of the changes to planned regulatory reporting requirements for sustainability and climate-related disclosures.

Fair, balanced and understandable

One of the responsibilities of the Committee is to assess whether the Annual Report and Accounts and Half-Year Report, taken as a whole, is fair, balanced and understandable, as well as ensuring it provides shareholders with the necessary information to assess the Group's position. The Committee reviewed and challenged management's assessment of the Annual Report in respect of the above requirements, in particular, in relation to the balance of commentary on good and bad news, and disclosure of significant events in the period.

Internal controls

The Committee continued to monitor the effectiveness of the Group's internal control systems, receiving regular updates from the internal audit team, as well as direct reports from business areas where potential control weaknesses or opportunities for improvement had been identified through audit and other assurance activities.

The Committee continued to oversee the embedding of the Group Control Requirement Framework, ensuring readiness for reporting in line with Provision 29 of the UK Corporate Governance Code (2024) at the conclusion of the 2026 financial year.

Whistleblowing

On behalf of the Board, the Committee considered and reviewed the Group's whistleblowing policy and received quarterly updates on the use and effectiveness of the policy and the instances of whistleblowing that had been raised across the Group during the year. During the year, the Committee concluded that the Group's current whistleblowing arrangements continued to be appropriate and effective allowing employees to raise concerns in confidence and anonymously.

FRC Minimum Standard

The Committee can confirm that the Company is compliant with the FRC's Audit Committees and External Audit: Minimum Standard ('Minimum Standard'), as published in 2023.

Fiona Muldoon

Audit Committee Chair

4 March 2026

Audit Committee report continued

Committee meetings held during the year

The Committee meets at least six times per year and has an agenda planner linked to events in the Company's financial calendar and other significant issues that arise throughout the year, which fall for consideration by the Committee under its remit. The Chair of the Audit Committee agrees the agenda for each meeting with the Company Secretary.

There were eight scheduled Committee meetings held in 2025, with two of these meetings focused on reserving matters in conjunction with the half-year and full-year reporting, and another on the approval of the Group's Solvency and Financial Condition Report.

The table outlined on page 131 shows the attendance of Committee members at meetings during 2025.

Attendees at Committee meetings

The Group Company Secretary acts as Secretary to the Committee. The Group Chief Financial Officer, Group Chief Risk and Compliance Officer, senior Group Finance representatives and Group Head of Internal Audit normally attend all Committee meetings (other than certain private sessions). The Chair of the Board, Chief Executive Officer, Head of Group Compliance, and other representatives from across the Group, may be invited to attend all, or part of, any meeting as and when appropriate. The Chairs of the Audit Committees of the Group's European insurer and US subsidiary also usually attend at least one meeting each year to present on their activities. In 2025, the Chair of the Audit Committee of the Group's US business did not attend a meeting but, instead, provided a written update, whilst under the Group's ownership.

The external auditor attended all of the Committee's meetings held in 2025, except for those agenda items when its own performance, reappointment and fees were reviewed, or where any other conflict was identified.

Key matters considered during 2025

The significant matters considered by the Committee during the year are outlined below.

Financial reporting

After discussion with both management and the external auditor, the Audit Committee determined that, as in the prior year, the key risks of misstatement of the Group's financial statements, related to the valuation of insurance contract liabilities under IFRS 17. This key risk of misstatement can be separated into the best estimate of future cashflows required to fulfil insurance contracts, and the methodology and measurement of the risk adjustment for non-financial risk.

The IFRS 9 provision for ECLs in relation to the Group's lending business, Admiral Money, and the impairment testing exercise performed in relation to the Group Parent Company investments in Group subsidiaries, were also key financial reporting estimates considered by the Committee.

These important issues were discussed with management during the year and with the external auditor at the time the Committee reviewed and agreed the external auditor's Group audit plan, when the external auditor reviewed the interim financial statements in August 2025 and also at the conclusion of the external audit of these full-year financial statements.

Other important financial reporting matters that were considered by the Audit Committee included:

- The disclosures in relation to motor total loss settlements following the industry-wide review
- The accounting for the sale of the back book in Admiral Money, and new forward flow arrangements
- The impact on the financial statements and disclosures of the Group's agreement to sell its US Motor Insurance business
- Regular financial reporting updates, including on tax matters.

Valuation of insurance contract liabilities

The Committee continued to spend significant time reviewing and challenging the approach, methodology and key assumptions adopted by management in setting reserves for insurance contract liabilities in the financial statements to ensure consistency with the Group's stated accounting policies.

In this context, the Committee reviewed and challenged important judgements and assumptions used in the actuarial claims reserving process for UK car, discussing areas including: observed trends in claims frequency and inflation data; political, and economic factors such as the US tariffs; how continued growth in the business is captured in the actuarial reserving process; and the impact of continued inflationary pressures on claims reserves in relation to both damage and bodily injury claims; and weather-related events on actuarial projections and resulting best estimate insurance contract liabilities. In addition, the Committee reviewed management's assessment of the level of uncertainty inherent in the claims reserves, and changes to that assessment from previous periods as well as the results of management's reserve stress and scenario testing.

The Committee also reviewed and challenged management's papers setting out the basis for the measurement and selection of the risk adjustment for non-financial risk, considering the impact of emerging trends and analysis of uncertainties, in relation to the UK Car Insurance business.

Further information is set out in more detail in the critical accounting estimates section of note 2 to the financial statements.

Audit Committee report continued

As in previous periods, the Committee held meetings specifically focused on reserving, receiving presentations on UK Car Insurance reserves from the internal actuarial reserving and finance teams, as well as the independent external actuarial advisers. At these meetings, management provided further information on the projected best estimate claims reserves, as well as payment patterns used to estimate the resulting future claims cashflows. Management also presented to the Committee on the measurement of the risk adjustment for non-financial risk including the methods used to estimate the reserve risk probability distribution and the selection of the confidence level in line with the Group's accounting policy.

The Committee again received presentations from the external actuarial firm that performed independent validation of the best estimate claims reserves and the external Big Four firm that performed independent validation of the reserve risk distribution and the appropriateness of the risk adjustment at the target confidence level.

The Committee received reports from the Group's external auditor, Deloitte, on its work in relation to this significant audit risk. This included reviewing management's actuarial data quality assessments, best estimate reserve projections and the risk adjustment for non-financial risk, as well as assessing management's qualitative and quantitative support for gross insurance contract liabilities included in the financial statements. Based on this work, the auditor was satisfied that the financial statement reserves remain appropriate and consistent with the Group's accounting policy.

The Committee also received reports on the reserving processes for the Group's insurance businesses other than UK Car Insurance. Management presented an overview of the claims reserving processes and results of actuarial best estimate reserving processes with recommendations for UK Household, UK Van insurance, and European Motor businesses, including the results of actuarial best estimate reserving processes and justification for the risk adjustment for non-financial risk for each business.

Whilst acknowledging that the setting of reserves for claims that will settle in the future is a complex and judgmental area, having had the opportunity to challenge management's proposal in respect of both best estimate reserves and risk adjustment, the Committee is comfortable that an appropriate process has been followed, and that there has been sufficient scrutiny, challenge and debate to give confidence that the reserving levels set incorporate a risk adjustment for the uncertainty in the best estimate, which is consistent with the Group's stated IFRS 17 accounting policies.

IFRS 9 provision for expected credit losses

During the year, the Committee has continued to review and challenge the IFRS 9 provision for ECL arising through the Group's loans businesses. Areas of focus included the underlying forward-looking economic assumptions given the changing UK economic outlook as well as the judgements over any required post-model adjustments.

Further information on the provision and key assumptions are found in note 7 to the financial statements.

On the basis of the work performed, and having had the opportunity to challenge management's proposal in respect of the provision for ECLs, the Committee was comfortable that an appropriate process has been followed, and that there has been sufficient scrutiny and challenge to give confidence that the provision has been set in line with the IFRS 9 requirements and included appropriate allowance for uncertainties arising from the current macroeconomic environment.

Impairment testing for the Group's investment in subsidiaries

During the year, the Committee considered management's work in relation to the Group parent's investment in subsidiary entities. Under the relevant accounting standard, IAS 36 *Impairment of Assets* management identified entities with indicators of impairment and performed detailed impairment testing in relation to those investments, calculating recoverable amounts primarily using discounted cashflow calculations.

Management proposed the recognition of non-cash impairment losses in respect of subsidiary entities supporting the Group's newer growth businesses in the UK and in Europe. The impairment charge relating to these subsidiaries followed a similar approach to previous periods, reflecting the reduction in net assets of the business (used as a proxy for fair value less costs to sell) arising from losses incurred during 2025.

The Committee challenged management's proposal for recognition of impairment losses as well as conclusions for other subsidiary entities where indicators for impairment were present but no impairment was deemed necessary as a result of recoverable amounts being more than the carrying value of investments.

Misstatements

No material unadjusted audit differences were reported by the external auditor. The Committee confirms that it is satisfied that the auditor has fulfilled its responsibilities with diligence and appropriate professional skepticism.

Conclusion

After reviewing the presentations and reports from management and consulting, where necessary, with the auditor, the Committee is satisfied that the financial statements appropriately address the critical judgements and key sources of estimation uncertainty (both in respect to the amounts reported and the disclosures). The Committee is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust.

Audit Committee report continued

Sustainability and climate-related reporting

The Audit Committee received updates from the Group's Head of Sustainability in respect of updates to requirements, including the postponement of new sustainability and climate-related disclosures.

In addition, the Committee reviewed management's presentation setting out the work performed to support management's assessment of climate-related risks on the financial statements, and received the auditor's limited assurance report over a number of the Group's key reported sustainability metrics, which was discussed and approved.

The Committee noted the developing nature of climate metrics measurement standards and that climate measurement standards are not at the same level of maturity as financial accounting standards.

Internal controls and risk management system

Consistent with prior years, the Committee undertook its annual assessment, drawing in part on a third line of defence review of the Group's systems of internal control and risk management conducted by the Internal Audit function. In support of this process, the Group Head of Internal Controls and the Group Chief Risk and Compliance Officer presented their annual assessment of the Group's internal controls to support the Committee's own annual assessment.

Alongside these management assessments, and as in previous years, the Committee also received a report from the Group Risk Committee detailing its activities in support of the Group Audit Committee's annual review of the Group's system of internal controls and risk management framework. Further details on the Group Risk Committee's contribution to this process is outlined on page 154.

Taken together, the annual assessments from management and the Group Risk Committee's report provided the Committee with adequate assurance on the level and maturity of the Group's internal control environment and system of risk management, based on an overall improving position in relation to risk and controls across the Group.

Annual assessment key considerations:

- Internal Audit reports
- GRC reportable risk events (red and notifiable)
- Residual Risk – open GRC reportable risk events, open Category A and B internal audit recommendations
- Red Group KRIs with associated internal controls
- Whistleblowing events and coverage of training
- Group Compliance and / or Group Data Protection Privacy and Ethics Regulatory notifications
- Notable reputational events

- Entity self-attestations on adherence to the Group Control Requirements Framework
- Testing results undertaken on the entity self-attestations
- Timeliness and completeness of Regulatory reporting
- Performance of key financial crime controls.

UK Corporate Governance Code

During the year, the Committee received regular updates from management in respect of the Group's work and progress towards compliance with the forthcoming changes to the UK Corporate Governance Code (2024), particularly the changes relating to Provision 29 and the declaration regarding the effectiveness of material internal controls.

In particular, the Committee reviewed and challenged management's approach towards the identification of material controls, and was responsible for overseeing the first full dry run of the process and resulting reporting to support the required declaration under Provision 29.

Internal Audit

The Group Head of Internal Audit attended all Group Audit Committee meetings and provided a range of presentations and papers to the Committee, through which the Committee monitored the effectiveness of the Group's material internal controls, including financial, operational and compliance controls on behalf of the Board. Such papers included:

- A new Group Internal Audit Charter and Group Internal Audit Mandate (approved by the Committee), which have replaced the previous Group Internal Audit Policy, which included the Group Internal Audit Terms of Reference, setting out the role, objectives, reporting lines and accountability, authority, independence, and objectivity of the Internal Audit function. This is in line with the new Global Chartered Institute of Internal Audit standards
- The evolution and development of the Internal Audit function, and the role, competence and effectiveness of each internal audit function across the Group. The Group Head of Internal Audit continues to have responsibility to ensure the quality of the internal audit activities in the Group's overseas locations. The Chairs of the European and US Audit Committees each updated the Committee on their respective activities during the year
- All issued internal audit reports, enabling them to challenge the reports' content, including the rating, and related recommendations
- The Group internal audit plan and the subsidiaries' respective internal audit plans, which the Committee approved. The internal audit plans, effectiveness and workload of the internal audit functions, and the adequacy of available resources are monitored throughout the year.

Audit Committee report continued

The European operations have a dedicated internal audit team and the US business also has its own locally-based internal auditor. All US and UK reports are evaluated by the Group Internal Audit function and by exception, those in Europe, to ensure the quality and effectiveness of the reported findings. A summary of the key findings of each completed audit is provided to the Committee as part of the Group Head of Internal Audit's regular Committee update. The Internal Audit coverage for the Group's Italian loans business is fully outsourced locally and, although that particular function does not report directly into Group Internal Audit function, is closely reviewed on an ongoing basis.

During the year, the Group Head of Internal Audit introduced enhancements to the Group's internal audit grading methodology, which were discussed and supported by the Committee. The changes, albeit not material, intended to (i) better reflect the categorisation of risks identified through the Group Internal Audit team's assurance activities in the short and longer term; and (ii) provide more flexibility, allowing the use of professional judgement.

The Group Head of Internal Audit provided the Committee with several updates during 2024 on work to address gaps following the introduction of the new Global Internal Audit Standards, which came into effect in January 2025. The revised audit methodology to support this was put live by the Group Internal Audit on 1 January 2025.

Private meetings were also held between the Group Head of Internal Audit and the Committee during the year to ensure that there was an opportunity to raise any issues or concerns without other members of management or the external auditor present.

External Audit

Appointment

The Group last completed an audit tender during 2020/21 when, following the completion of a robust and independent audit tender process, Deloitte LLP were re-appointed in April 2021. Deloitte LLP's overall tenure up to, and including, the 2025 financial year is ten years. The Committee confirms it is in compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation Order 2014.

When considering the re-appointment of Deloitte for the 2025 audit, the most critical factors discussed related to the quality of the audit, the continuity of the team and the potential cost and efficiency benefits of retaining the incumbent auditor. On the recommendation of the Committee, the Board approved that Deloitte should be recommended to shareholders for reappointment as the Group's auditors at the 2026 AGM. A resolution to that effect will be proposed at the AGM.

Audit fee

During 2025, the Committee reviewed and approved the audit fee proposal for the 2025 year-end Group audit. The agreed fee for the audit and other assurance-related services for 2025 is £3.72 million (2024: £3.49 million). Details of non-audit fees for 2025 are in note 9 of the consolidated financial statements.

Safeguarding independence and objectivity

To ensure that the independence and objectivity of the external auditor is safeguarded, during the year, the Committee:

- Reviewed and approved the Group's policy on non-audit services and was satisfied that it continued to align with current regulatory guidance. Under the policy, the Group's external auditor will only be engaged to carry out non-audit services in prescribed circumstances or where there is a regulatory request, and where agreed by the Committee
- Monitored compliance with the FRC requirements around the rotation of the Group's lead audit partner and members of the senior audit team
- Reviewed and approved the policy governing restrictions on the employment of former employees of the external audit firm and enhanced the pre-employment procedures
- Considered submissions from the external auditor concerning their continued independence and objectivity.

Effectiveness of the external audit process

The Committee performs an annual review of the effectiveness of the external auditor, taking into consideration relevant professional and regulatory requirements, the progress achieved against the agreed audit plan, and the competence and objectivity with which the auditor handled the key accounting and audit judgements. It also considered external audit operations, dynamics and composition of the team, as well as information, reporting and risk management.

As part of its 2025 review, the Committee considered (i) the output of a questionnaire completed by all Committee members and relevant internal stakeholders, such as members of the Group's Finance and Internal Audit functions; and (ii) the findings of the FRC's Annual Review of Audit Quality, including the Deloitte LLP Audit Quality Inspection and Supervision Report 2025, published in July 2025. Following this review, the Committee concluded that the external audit process remained effective.

Private meetings were held between the external auditor and the Committee throughout the year to ensure that there was an opportunity for the external auditor to raise any issues or concerns without management present.

Audit Committee report continued

Longer-Term Viability Statement and Going Concern Assessment

The Committee challenged the support for the Longer Term Viability Statement ('LTVS'), reviewed by the Group Risk Committee, and going concern assessment prepared by management, and concluded that there was sufficient evidence to support the assessment and disclosures within the Annual Report. Further information on the LTVS and going concern assessments can be found on pages 105 and 193, respectively.

Whistleblowing

On behalf of the Board, the Committee received quarterly updates on the use and effectiveness of the Group's whistleblowing arrangements, key metrics and the instances of whistleblowing concerns that had been raised across the Group during the year. The Committee concluded that the Group's current whistleblowing arrangements continued to be an appropriate means by which employees could raise concerns in confidence and anonymously.

Committee performance review

The 2025 Committee performance review was conducted alongside the wider externally facilitated Board performance review by Bvalco Limited. As part of the review, each Committee member was interviewed and asked a series of questions designed to provide objective assessment of the Committee's performance.

The Committee discussed the results of the review at its meeting in February 2026 and concluded that the Committee continued to be well functioning and operating within its remit. There were no areas identified for further improvement; however, several key focus areas were highlighted for 2026 and 2027, including forward planning for the Group Head of Internal Audit position, noting that his seven-year tenure ends in 2027, after which his independence status would need to be subject to consideration. In addition, the succession of the Group CFO in 2026 will be an important factor that will require close monitoring.

Group Risk Committee report

Managing risk effectively

“The Group Board is of the view that the Group’s risk management and internal control systems have operated effectively during the year.”

Andy Crossley

Chair of the Group Risk Committee



Group Risk Committee at a glance

Membership

- Andy Crossley (Chair)
- Karen Green
- Fiona Muldoon (appointed April 2025)
- JP Rangaswami.

The table outlined on page 131 shows the attendance of Committee members at meetings during 2025.

Roles and responsibilities

- Assess and oversee the Group’s overall risk management framework, including risk policies and mitigation strategies
- Review Group-wide reporting on risk events, metrics and breaches, including those within the regular CRO Report
- Review and monitor the Group’s prudential risk exposure, via the Own Risk and Solvency Assessment (‘ORSA’) Report and stress and scenario testing
- Oversee and challenge the design and execution of the Group’s capital policy setting process, including liquidity projections and proposed final dividend payments.

+ [The full Terms of Reference of the Committee can be found on the Admiral website.](#)

2025 highlights

Over the year, the Committee has received updates on pertinent developments, including:

- Admiral’s risk framework and overall approach to risk management, including the suite of key risk indicators, the management of material risk events, and developments in emerging risks

- The Admiral internal model, including validation
- Further enhancing risk maturity through the ongoing implementation of a risk enhancement strategy
- The impact of economic uncertainty on capital and liquidity risks across the Group
- Ongoing work to ensure Admiral is prepared to meet the challenges of climate change
- The Group’s response to regulatory initiatives
- The impact of emerging risks including automated vehicles, quantum computing and agentic AI
- Admiral’s technology and information security posture
- Creation of an enhanced risk culture framework
- New commercial partnerships and other key strategic initiatives, including the sale of Elephant.

2026 priorities

- Continued focus on the Admiral internal model, supporting a planned regulatory application in 2026
- Continue to oversee the evolution of the risk function as management practices are reviewed, enhancing collaboration and improving efficiency, in alignment with regulatory expectations
- Further embed consideration of the increasingly challenging external environment, including its impact on areas such as cybersecurity, technological change, and geopolitical instability
- Enhanced oversight and stress testing of key reinsurance arrangements
- Continued assessment of emerging risks, including new technologies and changes in driving options.

Group Risk Committee report continued

Dear shareholder,

As Group Risk Committee ('GRC') Chair, I am pleased to present the Committee's report for 2025.

Risk framework and approach to risk management

The objective of risk management is to continue to support the effective, efficient and compliant delivery of the Group's overall strategy. The Committee has overseen the implementation of an internal risk enhancement strategy alongside recommendations from a third-party consultancy to further improve the Group's risk maturity. This included the review and challenge of various topics, including a revised Enterprise Risk Management Framework ('ERMF'), a risk mandate, a more streamlined Group Risk Management Policy, an enhanced risk culture framework and a skills and capabilities independent review of the Group Risk Management Function.

Progress of Admiral internal model ('AIM')

The Committee received regular reporting throughout the year to help drive key decisions in relation to the AIM. The model was expanded from year-end 2023 onwards to include UK Household, Van, Travel, and Pet products, such that the AIM can produce Solvency Capital Requirements for Admiral Group, AIGL, and AICL. This expanded scope partial internal model will be the basis of a regulatory full application to the PRA (Group and AICL) and GFSC (AIGL) planned for 2026. The AIM models are subject to independent validation cycles prior to regulatory submissions, which are reviewed by the Committee. The Committee has provided review and challenge on the appropriate validation approach as well as on key design decisions and expert judgements used in the model. Regular communications with the PRA and GFSC are held at senior management and project levels to align delivery for the full-application regulatory reviews.

Economic and geopolitical uncertainty

The Committee monitored business risks, investment risks and solvency and liquidity positions amid economic and geopolitical uncertainty. Regular reporting drove discussions on inflation, the financial impacts of public policy, and volatility in global trade amid a resurgence in protectionist tariffs. For example, the Committee was provided with a paper on electric vehicles, noting the potential impact of trade policy and tariffs on the supply of Chinese EVs, as well as potential opportunities surrounding working with OEMs. The Committee also reviewed economic risks more broadly, completing its annual approval and review of the results of stress testing for the annual ORSA Report. This incorporates severe adverse economic scenarios such as the EIOPA IST (geopolitical tensions stoke inflation and suppress growth).

Climate and sustainability

GRC continued to play a central role in overseeing key developments, including the introduction of a new Sustainability Risk Policy and reviewing enhanced management information of risk exposure across a broad range of environmental, social, and governance areas.

Regulatory change

Regulatory interaction and scrutiny has remained high over the last year and been robustly overseen by the Committee. Admiral engages with regulators to identify requirements, assesses internal processes in line with regulatory change, and ensures regulatory requirements are met. Notably, the GRC has discussed information and reviewed requests from the FCA, including in relation to Motor total loss settlements, premium finance, ancillary sales, and Household claims. The Consumer Duty continues to be a key focus and cornerstone of regulatory oversight, and Admiral is constantly looking to identify, understand, and utilise customer feedback and other MI to verify good outcomes for customers and use feedback to continually enhance products and services. The regulatory environment in Gibraltar has also continued to evolve this year, with both the FCA and GFSC highlighting the importance of the oversight responsibilities of the Group's insurance companies in the UK ('AICL') and Gibraltar ('AIGL'). With this in mind, Admiral has expanded its team in Gibraltar to further strengthen oversight. Admiral's Annual Consumer Duty Board Report also helps to ensure that the delivery of good customer outcomes, in alignment with the Group's purpose, remains at the forefront of the Board's agenda.

Financial crime, bribery and corruption

Admiral policies against financial crime, bribery, and corruption are reviewed and approved by the GRC. They prohibit fraud, excessive gifts, hospitality, and facilitation payments. Both employees and third parties must meet ethical standards and comply with internal procedures. The Committee also oversees that new employees undertake and pass training on policies and regulations, and that existing staff undertake and pass annual refresher training. The Group Head of Financial Crime submits a formal report to GRC at least biannually, which includes an update on any emerging threats, trends and regulatory developments. During 2025, this has included oversight of the measures needed to comply with the Failure to Prevent Fraud legislation introduced through the Economic Crime and Corporate Transparency Act ('ECCTA').

Artificial intelligence ('AI')

The Committee received regular updates regarding developments in predictive, generative, and agentic AI technologies. The GRC was also provided information about efforts to ensure AI Act compliance within European entities and engagement with UK regulators on the subject. The Committee reviewed the risk-based and trust-by-design approach rolled out across the Group, discussing topics such as fairness, openness, transparency, and ethics. These discussions reflect the Committee's ongoing role in overseeing the introduction of AI in a manner intended to be responsible and beneficial to customers.

Group Risk Committee report continued

Autonomous vehicles

The Committee has regularly discussed developments in vehicular technology, notably including the steps taken towards self-driving and fully autonomous vehicles ('AVs'). In April, the Committee reviewed a paper outlining how AVs could fundamentally change the motor insurance environment, driving reduced claims frequency but increased complexity, and new legal and regulatory challenges. The Committee discussed potential consequences for vehicle supply chains, and encouraged management to continue to monitor developing risks and opportunities.

Resilience

Operational resilience has been a priority for Admiral during a year that saw the introduction of the Digital Operational Resilience Act ('DORA') and UK Operational Resilience regulation. Line 2 has supported project delivery through independent compliance reviews, stress testing, and through in-flight monitoring. To facilitate oversight, the Committee has been provided with a large and growing suite of data, including newly introduced dashboards incorporating operational resilience metrics. Key guidance was also provided by the Committee with respect to regulatory submissions, including how risk appetite and tolerance / escalation thresholds are set and cascaded down, the criteria for remediation, independent reviews of the outsourcing register, and provision of management information ('MI') to the Board. Since the introduction of major regulations in 2025, focus has now turned to external validation processes, with the Committee continuing to play a supervisory role.

Technology and information security

The wider UK cyber landscape faced significant disruptions due to cyber incidents, particularly affecting major retail and manufacturing sectors. These attacks have typically targeted critical business functions such as e-commerce platforms and payment processing systems. The Committee was briefed on the proactive measures being implemented to enhance Admiral's cyber risk posture, in particular, initiatives to complement its multi-layered security strategy focused on prevention, detection and rapid response. The Committee was briefed on continuous monitoring, threat hunting and simulation, and real-time adaptation to threat intelligence and evolving TTPs (tactics, techniques, and procedures). Given the scale of Admiral's digital operations, maintaining strong cyber defences remains essential to safeguarding customers, data, and brand reputation. To this end, the Committee has been apprised of developments in quantum computing and potential mitigation strategies regarding the threat it poses to current encryption standards. The Group's cyber insurance limits have also been reviewed and enhanced.

Data protection and privacy

The Committee continued to oversee Admiral's commitment to processing personal data responsibly. The Committee approves Admiral's Data Protection Policy, which outlines roles and responsibilities in ensuring an effective privacy compliance programme. As part of this, statistics, trends and outcomes are monitored for privacy impact assessments, information rights and incident notifications. Admiral has also refreshed its customer-facing privacy notice and cookie banner for Admiral.com, which provides more information on how Admiral protects and processes personal data, and how customers can exercise their data protection rights. More information on Admiral's approach to privacy can be found in Admiral's Sustainability Report.

People risk

The Committee considered, and provided guidance on, recruitment challenges around specialist skills in the developing areas of data / cyber security, AI, and climate / sustainability-related risks. The Committee also helped to ensure continued vigilance and training for all staff in relation to heightened concerns around cyber-attacks, and highlighted opportunities and potential risks associated with recruiting and upskilling staff in new areas for Admiral.

Risk culture

The Committee oversees that the risk function works collaboratively across the Group, ensuring a positive risk culture is continually strengthened. In 2025, a new risk culture framework has been developed, with risk culture-specific metrics being reported to the Committee and included within non-financial metrics on remuneration and the Company's independent staff surveys. These will all be embedded further within 2026. An independent risk culture assessment, initially focusing on Admiral's customer-facing entities and Group Risk Management Function, has been completed, the results of which demonstrate Admiral's strong risk culture.

Andy Crossley

Chair of the Group Risk Committee

4 March 2026

Group Risk Committee report continued

Group Risk Committee governance

The Committee Chair reports to the Board on the Committee's proceedings after each meeting, and each year presents a summary of the Committee's activities in a formal written report that is submitted to, and discussed by, the Board.

The Committee is supported by the more granular work undertaken by subsidiary Boards and / or executive Risk Management Committees within the Group's operational entities.

To ensure that the Committee operates effectively, it periodically reviews its performance (last reviewed in January 2026) and at least annually reviews its constitution and Terms of Reference (last reviewed in December 2025). Any proposed changes are recommended to the Group Board for approval.

In 2025, the Committee's annual review of its performance was externally facilitated by Bvalco Limited. As part of the process, Bvalco observed a Committee meeting and Committee members were interviewed and asked a series of questions to support Bvalco's assessment. The Committee discussed the results of the 2025 Bvalco review in February 2026 and concluded that the Committee remained effective.

Areas of strength included the support and challenge provided by the Committee to management, notably strategic risk areas including cyber security, AI, and transformation risk. Areas of development for 2026 included increased focus on the wider economy as part of regular reporting, and further encouragement of quicker, smarter root cause analysis.

Summary of key Group Risk Committee activities in 2025

During the year, the Committee:

- Reviewed the Group's risk framework, supported by in-depth data on key risk indicators, and updates on emerging risks, risk events and developments pertaining to the individual Group entities, including Admiral Europe Compañía De Seguros ('AECS'), EUI, Admiral Money, and Pioneer
- Monitored key financial ratios, and reviewed the Group's proposed dividend level, capital plan, and capital buffer in line with the Group Capital Management Policy
- Considered stress and scenario testing of a number of the Group's most significant risk areas, and recommended the 2025 Group ORSA Report for Board approval prior to submission of the report to the regulator
- Received and challenged updates on customer outcomes metrics and management information, supported by the implementation of Consumer Duty
- Provided oversight with respect to actions taken in response to the findings of the FCA's multi-firm review of total loss settlement practices, including challenging management's approach to calculating redress to ensure good customer outcomes
- Reviewed and recommended for approval the Group Reinsurance Policy, considering the adequacy of risk mitigation measures and contingency planning
- Provided challenge and oversight to the Group's corporate insurance renewal, including on specific terms, coverage and the premium payable
- Received regular updates on, and provided challenge in relation to, key programmes of work including the Admiral internal model ('AIM'), the integration of the More Than business and new business ventures
- Monitored risk reporting on climate change, including the heightened risk of subsidence and the threat posed to homes and vehicles in the UK and Europe
- Continued to oversee Admiral's management of principal risks and uncertainties, which are discussed further on page 97.

Principal risks and uncertainties

The Board of Directors confirms that it has performed a robust assessment of the Group's principal and emerging risks. These risks, along with explanations of how they are being managed and mitigated, are included in the Strategic Report, page 97.

Risk management and internal control systems

The system of risk management and internal control over Admiral's risks is designed to manage rather than eliminate the risk of failure to achieve business objectives and of breaches of risk appetites.

Furthermore, risk management can only provide reasonable and not absolute assurance against material misstatement or loss. The Group Board is ultimately responsible for the Group's system of risk management and internal control and the Group Audit Committee ('GAC') has reviewed the effectiveness of this system (a summary of GAC roles and responsibilities, as well as key GAC activities in 2025 is available on page 147).

As reported in the 2024 financial statements, in line with the FCA's multi-firm review into UK Motor Insurance total loss claims valuations, Admiral has conducted a review of its total loss and related processes, considering current practice and customer outcomes in the recent past. Primarily as a result of certain internal processes failing to respond swiftly enough to evolving external factors, including significant volatility in used car prices in recent years, the review has concluded that some action is required in respect of total loss settlements covering the period 2019 to 2024. Remediation action and control enhancements were implemented during 2024 and were in effect throughout 2025.

The Group Board is of the view that there is an ongoing process for identifying, evaluating, and managing the Group's risks and internal controls; that it has been in place for the year ended 31 December 2025 and that it has operated effectively; and that, up to the date of approval of the Annual Report and Accounts, it has been regularly reviewed by the Group Board.

Group Risk Committee report continued

The Group Board confirms that it has performed a robust assessment of the Group's principal and emerging risks. These risks, along with explanations of how they are being managed and mitigated, are included in the Strategic Report on page 97, with key risk factors impacting Admiral being further discussed in the Group Risk Committee ('GRC') report on page 154. The Group Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. This assessment supports the Group Board in monitoring the integrity of the Group's reported financial statements.

The Group Board has delegated the development, implementation, and maintenance of the Group's overall risk management framework to the GRC. The GRC reports on its activities to the Group Board and the GAC, supporting the overall opinion provided by the GAC that the Group's internal control, risk management, and compliance systems continue to operate effectively. Further details on the GAC's activities to support the process is outlined on page 151.

The Group Board has delegated to the GAC the review of the adequacy and effectiveness of the Company's internal financial controls, and internal control and risk management systems.

The Group operates a three lines of defence approach to risk and internal control.

The first line of defence is the senior management teams who have the day-to-day responsibility for implementing policies for risk identification, assessment, and management, and whose operational decisions must take into account risk and how it can be controlled effectively.

The second line of defence is led by the Group Chief Risk and Compliance Officer and comprises the Corporate Governance functions and committees that are in place to provide oversight of the effective operation of the internal control framework across the Group. The Corporate Governance functions facilitate the oversight and operation of the policies and frameworks, covering risk management and controls for the main risks to the Group. The Corporate Governance functions perform second line reviews, including reviews of the capital modelling and business planning processes to support the Group Board's assessment of the Group's ongoing viability. Regular reviews of risks are undertaken in conjunction with senior management, with the results of these reviews reported to the appropriate governance forums and boards.

The third line of defence comprises the independent assurance provided by the Group Internal Audit function, overseen by the GAC. Internal Audit undertakes a programme of risk-based audits covering aspects of both the first and second lines of defence. The findings from these audits are reported to the three lines of defence, i.e., management, the executive and oversight committees, and the GAC.

The subsidiary boards, GRC, and entity risk and audit committees receive reports setting out key performance and risk indicators, reviews of crystallised risk events and also consider possible control issues brought to their attention by early warning mechanisms that are embedded within the operational units. They, together with the GAC, also receive relevant reports from the Internal Audit function, which include recommendations for improvement of the control and operational environments.

A project is ongoing within the business to continue to mature the risk management and internal control frameworks, which has included streamlining Group minimum control standards and policy requirements into a single holistic structure. Other benefits in scope include strengthening the evidence over control effectiveness and increasing the volumes tested, with the overall aim to build on the existing strong frameworks and provide further comfort that the risk management and internal control systems continue to remain effective.

The Chair of the GRC provides a written report to the Group Board of the activities carried out by the Committee on an annual basis (a summary of GRC roles and responsibilities, as well as key GRC activities in 2025 is available on page 154). In addition, the Group Board receives regular reports throughout the year from the Chairs of the GRC and GAC as to their activities, together with copies of the minutes from subsidiary board meetings, the GRC, and the GAC.

In addition to the above reviews and processes, the GAC's ability to provide an opinion to the Group Board is supported by the provision of periodic and independent confirmation, primarily by Group Internal Audit, that the controls established by management are operating effectively and where necessary provides a high-level challenge to the steps being taken by the GRC to implement the risk management framework.

Remuneration Committee report

Ensuring strong alignment between remuneration arrangements and our strategy and purpose.

“The remuneration outcomes for 2025 are reflective of a very successful year for Admiral. Alignment between remuneration arrangements and our strategy and purpose remains a key focus for the Remuneration Committee.”

Karen Green
Chair of the Remuneration Committee



Remuneration Committee at a glance

Membership

- Karen Green (Chair)
- Michael Brierley
- Justine Roberts (left 18 June 2025)
- Paola Bonomo (joined 12 May 2025).

Roles and responsibilities

The Committee sets the Group's Remuneration Policy and, through the authority delegated to it by the Board, the Committee is responsible for making recommendations to the Board on the implementation of the Remuneration Policy. Its remit includes recommending the remuneration of the Group Board Chair and the Executive Directors; approving the remuneration of senior management; and determining the composition of, and awards made under, the performance-related incentive schemes.

+ Full Terms of Reference of the Committee can be found on our website: [Board governance | Admiral Group Plc](#)

2025 highlights

- Group CFO and other senior management appointment arrangements
- The implementation of a major reward transformation project in the UK
- Senior management pay oversight, including setting pay and determining incentive outcomes, and incentive target setting
- Ensuring regulatory compliance and maintaining good governance and oversight
- A full account of the Committee's 2025 activities can be found on page 174.

2026 priorities

- 2027 Directors' Remuneration Policy
- Preparation for EU Pay Transparency ahead of directive implementation in June 2026
- Ensuring the broader reward proposition for all colleagues remains fair and appropriate.

Remuneration Committee report continued

Dear shareholder,

On behalf of the Remuneration Committee, I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2025.

I would like to thank shareholders for supporting Admiral's Annual Report on Remuneration at the April 2025 AGM with a vote of 91.25%.

2025 business context

2025 has been another year of strong performance, demonstrated by a record profit of £957.9 million. This record profit – delivered in a softer than expected UK motor market – is underpinned by active cost management, maintained discipline and a focus on delivering good customer service. Other highlights include UK Motor business increasing profit by 7% and pleasing growth in UK Household and Travel. UK lending profit doubled and progress in Europe continues, highlighted by a 15% growth in France's Motor book and a £25 million swing to profit in Italy.

Remuneration for 2025

Taking into account the approved remuneration structure, and Admiral's business performance, the Committee made the following decisions during 2025.

2023–2025 Discretionary Free Shares Scheme ('DFSS')

Based on our performance for the period 2023–2025, 94.44% of the DFSS award granted in 2023 will vest to Milena Mondini de Focatiis and Geraint Jones.

The full details of the vesting outcomes are on page 176.

2025 Annual Bonus Plan ('ABP')

The formulaic outcome for the 2025 Annual Bonus Plan scorecard was 85.76% of maximum, which reflects strong profit outcomes and high CRMI from across the Group. In line with the plan design, the Committee undertook a holistic review, and reflecting on key data, determined that an outcome of 85.76% of maximum was commensurate with performance and no discretion was applied to adjust the outcome. Milena Mondini de Focatiis and Geraint Jones will receive an Annual Bonus Plan award of £1,367,392 and £849,024 respectively, of which 40% will be subject to deferral into Admiral Group shares for three years. The full details of the Annual Bonus Plan calculations and considerations are set out on page 163.

2025 DFSS award

On 23 September 2025, Milena Mondini de Focatiis was granted an award of 100,000 shares and Geraint Jones was granted an award of 57,500 shares under the DFSS. Using the closing share price on the date of the grant of £32.90, this is the equivalent to £3,290,000 or 413% of Milena's base salary and £1,891,750 or 382% of Geraint's base salary respectively.

The awards will vest based on:

- EPS – 25% weighting
- TSR vs. FTSE 100 and insurance peer comparator groups – 25% weighting
- RoE – 25% weighting
- Non-financial performance measures including Strategy, Customer and ESG – 25% weighting.

There will also be the potential for downwards adjustment subject to an assessment, which will take account of risk events considered to have a material customer, regulatory or financial impact over the course of the performance period. Further details can be found on page 176.

Remuneration Committee report continued

2026 remuneration arrangements

Executive Director remuneration arrangements for 2026 will operate in line with the 2024 Remuneration Policy, subject to shareholder vote at the AGM.

We propose to increase Milena Mondini de Focatiis' salary by 12.27% to £895,000 and Geraint Jones's salary by 3.03% to £510,000, effective from 1 January 2026. For Milena, the Committee intends that this increase is a one-off salary adjustment to align her base pay with the lower quartile of comparator peers groups. It is expected that future increases will be broadly aligned with the wider workforce. For Geraint, the increase is in line with the average increase for UK staff generally, which is anticipated to be around 3.7%.

We propose that Milena Mondini de Focatiis be granted an award of 105,000 shares and Geraint Jones be granted an award of 57,500 shares under the DFSS for 2026. The Committee will review these awards prior to the September grant date to ensure the quantum remains appropriate.

Rachel Lewis has been announced as the Group Chief Financial Officer, effective from 1 July 2026. Her salary on appointment will be £475,000. She will be awarded a 2026 DFSS award of 45,000 shares, and she will be eligible to participate in the ED ABP with an opportunity of 0-200% of base pay from the date of appointment.

Full detail of the setting of 2026 remuneration for Executive Directors can be found on page 181.

The Committee reviewed the metrics that will apply to DFSS and Annual Bonus Plan awards for 2026. Further details are shown on page 182.

Review of Remuneration Policy

A refreshed Remuneration Policy is due to be put to a shareholder vote at the AGM in 2027. Over the coming year, the Committee intends to review the current Policy in detail to ensure that it continues to meet the needs of the business and enables us to attract, retain and motivate talented executives and align remuneration with performance and the experience of our shareholders. I look forward to engaging with shareholders as we develop any proposals in more detail.

In summary

The Annual Report on Remuneration will be put to an advisory shareholder vote at the 2026 AGM. The Committee and I hope that you vote in favour of the report. I am happy to discuss any aspect of our Annual Report on Remuneration with shareholders.

Karen Green

Chair of the Remuneration Committee

4 March 2026

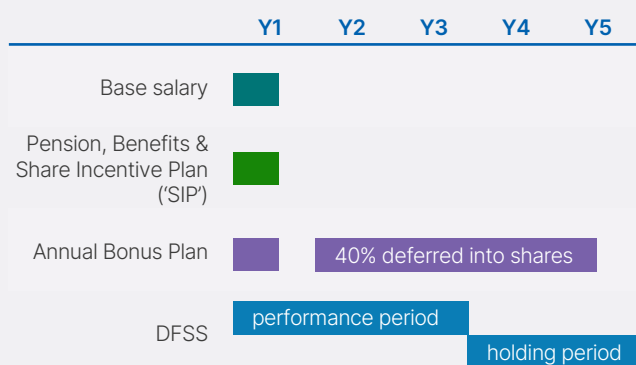
Remuneration at a glance

“I would like to thank shareholders for supporting the Annual Report on Remuneration at the April 2025 AGM with a vote of 91.25%.”

Karen Green
Chair of the Remuneration Committee

Overview of the Directors’ Remuneration Policy

The following chart shows the operation of the key elements of the Directors’ Remuneration Policy for the 2025 performance year:



How did we perform during 2025?¹

Profit:
£957.9m
(2024: £826.5m)

Earnings per share (pence):
247.4p
(2024: 212.8p)

Return on equity (%):
53%
(2024: 56%)

Full-year dividend per share (pence):
205p
(2024: 192.0p)

One-year TSR:
31.67%
(2024: 6.36%)

¹ Continued operations only, all prior-year comparatives restated to exclude discontinued operations relating to the sale of Elephant.

How are remuneration outcomes linked to Group purpose and strategy?

The table below details how each of the performance measures link to our Group purpose and strategy.

Performance measures	Group purpose				Strategy		
	Great customer experience	Successful business	Positive impact on society	Great place to work	Accelerating to Admiral 2.0	Diversification	Evolution of Motor
Financial performance	EPS		●				
	ROE		●				
	TSR		●				
Non-financial performance	Strategic assessment		●		●	●	●
	Customer feedback	●					
	Customer outcomes	●					
	Trust Index			●			
	Diversity		●	●			
	Inclusion		●	●			
	Carbon emissions		●				

The Committee is dedicated to ensuring remuneration outcomes for the Executive Directors are strongly linked with performance and are aligned to the Group purpose, strategic priorities, and shareholders’ interests. Variable pay is subject to stretching performance outcomes and is delivered primarily through shares to ensure a long-term focus and alignment with shareholders.

Remuneration at a glance continued

How was performance determined in 2025?

DFSS awards vesting on performance to 31 December 2025

A summary of the outcomes for the Executive Directors in respect of the 2023 DFSS award:

Performance measure	Weighting	Performance range			Outcome	Outcome as % maximum	Weighted outcome
		Threshold	Stretch	Maximum			
EPS	26.67%	Growth of 0%	Growth of 10%	Growth of 30%	98.00%	100.00%	26.67%
TSR vs. FTSE350	26.67%	Median		Upper Quartile	73 rd percentile	94.00%	25.07%
Return on Equity	26.67%	25.00%	35.00%	45.00%	48.39%	100.00%	26.67%
Financial	80.00%					98.00%	78.40%
Non-financial performance	20.00%	Strategy, Customer and ESG measures, measured over three years			80.20%	80.20%	16.04%
Overall vesting							94.44%

2025 Annual Bonus Plan

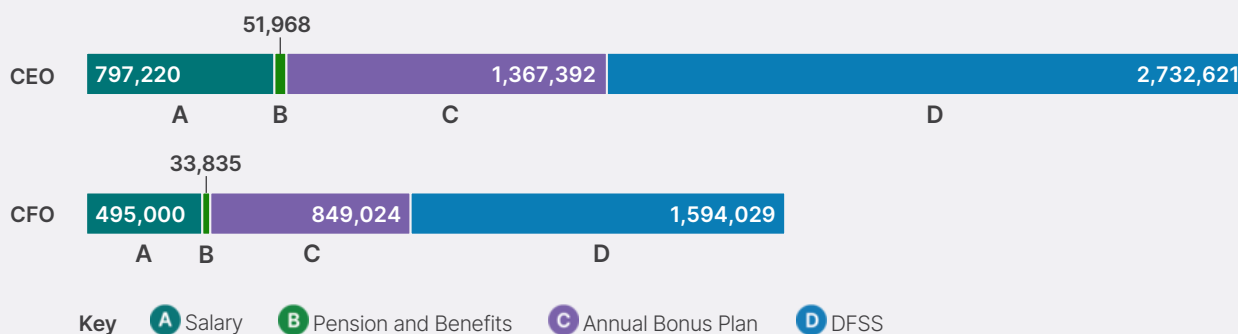
A summary of the 2025 ABP outcomes for the Executive Directors:

Measure	Weighting	Threshold	Target	Maximum	2025 outcome	Outcome (% max)	Weighted outcome	
Profit	67.50%	£737m	£819m	£901m	957.9m	100.00%	67.50%	
Turnover growth	7.50%	—%	2.00%	4.00%	(0.90)%	—%	—%	
NPS	8.33%	Weighted customer outcome scores from across the Group entities					95.48%	7.95%
CRMI	8.33%						73.70%	6.14%
Trust Index	8.34%	5% under benchmark	2% under benchmark	At benchmark	(2.00)%	50.00%	4.17%	
Formulaic total							85.76%	
Committee adjustment			—%			Final outcome	85.76%	

The Committee did not apply discretion to the outcome of the performance measures.

What did our Executive Directors earn in 2025?

- Pension, benefits and SIP include the 2025 pension contribution of £51,986 and £33,835 for the CEO and CFO, respectively
- ABP of £1,367,392 and £849,024 for the CEO and CFO
- DFSS value for the CEO and CFO relates to 94.44% of their 2023 DFSS awards vesting.



Directors' Remuneration Policy

Compliance Statement

This Remuneration Report has been prepared according to the requirements of the Companies Act 2006 (the 'Act'), Regulation 11 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2018, the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and other relevant requirements of the FCA Listing Rules. In addition, the Board has adopted the principles of good corporate governance set out in the UK Corporate Governance Code (the 'Code') and the guidelines issued by its leading shareholders and bodies such as ISS, the Investment Association, and the Pensions and Lifetime Savings Association.

Unless otherwise stated, information contained within this Remuneration Report is unaudited.

The following Remuneration Policy (the '2024 Policy') was supported by a shareholder vote of 90.38% and came into effect from the April 2024 AGM.

Key principles of Admiral remuneration arrangements

The Group is committed to maximising shareholder value over time in a way that also promotes effective risk management and excellent customer outcomes while ensuring that there is a strong link between performance and reward. This is reflected in the Group's stated Remuneration Policy of paying competitive, performance-linked and shareholder-aligned total remuneration packages. These comprise basic salaries coupled with participation in performance-based share schemes to generate competitive total reward packages for superior performance.

This policy was reviewed in 2023 as part of the usual three-year cycle and was approved at the 2024 AGM.

The Board is satisfied that the 2024 Policy continues to meet the objectives of attracting and retaining high-quality executives across the Group.

The Committee reviews the remuneration framework and packages of the Executive Directors and senior managers and recognises the need to ensure that the Remuneration Policy is firmly linked to the Group's strategy, including its risk management approach. In setting the Policy and making remuneration decisions, the Committee takes into account pay and conditions elsewhere in the Group. The main principles underlying the Remuneration Policy are:

- **Competitive total package** – the Group aims to deliver total remuneration packages that are market-competitive, taking into account the role, job size, responsibility, and the individual's performance and effectiveness. Prevailing market and economic conditions and developments in governance are also considered, as are general salary levels throughout the organisation. There is sufficient opportunity within the variable pay of Executive Directors to reward outstanding levels of performance, taking into account the market context, with upper-quartile remuneration outcomes (see page 181 for 2026 remuneration positioning)
- **Significantly share-based** – our base salaries are typically targeted towards the lower end of the market but are combined with meaningful annual share awards that vest on long-term performance to ensure strong alignment with shareholders and the long-term interests of the Group. Executives are also encouraged to build up significant shareholdings in the Group to maximise shareholder alignment
- **Long-term perspective** – a significant part of senior executives' remuneration is based on the achievement of appropriate but stretching performance targets that support the delivery of the Group's strategy and shareholder value. The extended performance and vesting horizons promote a long-term perspective that is appropriate to the insurance sector
- **Effective risk management** – incentives are designed to ensure they do not encourage excessive risk-taking. They are aligned with the delivery of positive customer outcomes, and reinforce the Group's risk policy
- **Open and honest culture** – the Group has a strong culture of focusing on collective success, whilst recognising individual contribution to the Group's performance, and this is reflected in our remuneration structure across the business
- **Transparency for stakeholders** – the remuneration structure is designed to be easy to understand, and all aspects are openly communicated to employees, shareholders, and regulators.

Directors' Remuneration Policy continued

Remuneration Policy table

This table describes the key components of the remuneration arrangements for Executive Directors.

Purpose and link to strategy	Operation	Opportunity and performance metrics
<p>Base salary</p> <p>To attract and retain talent by setting base salaries at levels appropriate for the business.</p>	<p>Salaries are reviewed annually or following a significant change in responsibilities.</p> <p>Salary levels / increases take account of:</p> <ul style="list-style-type: none"> • Scope and responsibility of the position • Individual performance and effectiveness, and experience of the individual in the role • Average increase awarded across the Group. 	<p>Any salary increases are applied in line with the outcome of the review.</p> <p>For current Executive Directors, increases in cash salary will not normally exceed the increase for the general employee population over the term of this Policy. More significant increases may be awarded in certain circumstances including, but not limited to: where there has been a significant increase in role size or complexity, to apply salary progression for a newly appointed Executive Director, or where the Executive Director's salary has fallen significantly behind market.</p> <p>Where increases are awarded in excess of that for the general employee population, the Committee will provide the rationale in the relevant year's Annual Report on Remuneration.</p>
<p>Pension</p> <p>To provide retirement benefits.</p>	<p>The Group operates a Personal Pension Plan, a Defined Contribution Scheme. This is available to all employees following completion of their probationary period.</p>	<p>Executive Directors receive an employer contribution consistent with that received by UK employees (currently matched contribution up to 6% of base salary) or the equivalent value in cash where appropriate. Base salary is the only element of remuneration that is pensionable.</p> <p>The pension provision and rules are the same for Executive Directors and the main body of UK staff.</p>
<p>Other benefits</p> <p>To provide competitive benefits.</p>	<p>Includes (but not limited to):</p> <ul style="list-style-type: none"> • Death in service scheme • Private medical cover • Permanent health insurance • Relocation, at the Committee's discretion. <p>All benefits are non-pensionable.</p>	<p>Benefits may vary by role.</p> <p>None of the existing Executive Directors received total taxable benefits exceeding 5% of base salary during the most recent financial year, and it is not anticipated that the cost of benefits provided will exceed this level over the term of this Policy.</p> <p>The Committee retains the discretion to approve a higher cost in exceptional circumstances (e.g. relocation), or in circumstances driven by factors outside the Company's control (e.g. material increases in healthcare insurance premiums).</p>

Directors' Remuneration Policy continued

Purpose and link to strategy	Operation	Opportunity and performance metrics
<p>Annual bonus</p> <p>To motivate and reward the delivery of stretching near-term financial and non-financial targets based on the business strategy.</p>	<p>Bonus payments are determined after the year-end and will be based on performance achieved against targets over the financial year.</p> <p>Forty percent of any bonus will be deferred into shares for a period of three years, with the remaining portion paid in cash. Any bonus earned is non-pensionable. Where any bonus is deferred, dividend equivalent shares may be accrued on awards during the deferral period, only receivable on shares that vest at the end of the period.</p> <p>Bonus payouts are subject to a potential downwards adjustment based on an assessment of risk events considered to have a significant customer, regulatory or financial impact over the course of the performance period.</p> <p>Bonus payouts are subject to malus and clawback provisions, i.e. forfeiture or reduction of unvested awards and recovery of vested awards. Events which may lead to the application of malus and clawback are set out in the Group's Malus and Clawback Framework and include material financial misstatement, responsibility for conduct which results in significant losses, material failure of risk management, misconduct, reputational damage and corporate failure.</p> <p>The Remuneration Committee has discretion – within the constraints of local legislation – to adjust the formulaic vesting outcome to ensure the final outcome is a fair and true reflection of underlying business performance, both financial and non-financial.</p>	<p>Maximum annual bonus potential for Executive Directors is 200% of base salary.</p> <p>For a Threshold level of performance, a bonus of 25% of the maximum potential award is payable and for Target performance 50% of Maximum is payable.</p> <p>Bonuses will be based on a combination of financial and non-financial performance targets. The Committee has the ability to determine the relevant metrics, weightings and targets each year based on evolving business priorities.</p>

Directors' Remuneration Policy continued

Plan	Operation	Opportunity and performance metrics
<p>Discretionary Free Share Scheme ('DFSS')</p> <p>To motivate and reward longer term performance, aid long-term retention of key executive talent, use capital efficiently, grow profits sustainably and further strengthen the alignment of the interests of shareholders and staff.</p>	<p>Executive Directors may be granted awards annually at the discretion of the Committee.</p> <p>Awards may be in the form of nil or nominal priced options or conditional shares.</p> <p>Awards are normally granted on an annual basis and vest after a minimum of three years subject to Group performance and continued employment.</p> <p>A two-year holding period applies to vested awards, during which time Executive Directors may not sell the vested awards except to cover tax liabilities.</p> <p>Awards are subject to a potential downwards adjustment based on an assessment of risk events considered to have a material customer, regulatory or financial impact over the course of the performance period.</p> <p>Awards are subject to malus and clawback provisions, i.e. forfeiture or reduction of unvested awards and recovery of vested awards. Events, that may lead to the application of malus and clawback, are set out in the Group's Malus and Clawback Framework and include material financial misstatement, responsibility for conduct which results in significant losses, material failure of risk management, misconduct, reputational damage, and corporate failure.</p> <p>The Remuneration Committee has discretion – within the constraints of local legislation – to adjust the formulaic vesting outcome to ensure the final outcome is a fair and true reflection of underlying business performance, both financial and non-financial.</p> <p>Dividend equivalent shares may be accrued on awards during the vesting period, only receivable on shares that vest at the end of the period.</p>	<p>Maximum opportunity: A maximum face value on award of 500% of base salary applies. Threshold performance will result in vesting of up to 25% of the maximum award.</p> <p>DFSS shares are granted as a fixed number of shares (subject to the quantum limits of the plan, as described above). The number granted is reviewed and may be adjusted by the Committee, for example, if there has been a significant change in share price.</p> <p>Vesting of DFSS awards is subject to the Group's performance over a three-year performance period. The performance measures may include EPS growth, ROE, relative TSR and a scorecard of Non-Financial metrics selected by the Committee. Details of the measures, weightings and performance targets used for specific DFSS grants are included in the relevant year's Annual Report on Remuneration.</p>

Directors' Remuneration Policy continued

Purpose and link to strategy	Operation	Opportunity and performance metrics
<p>Approved Free Share Incentive Plan ('SIP')</p> <p>To encourage share ownership across all employees, using HMRC-approved schemes for eligible UK employees.</p>	All eligible UK employees participate in the SIP after completing a minimum of 12-months' service. Grants are made twice a year based on the results of each half-year and vest after three years subject to continued employment.	<p>The SIP is an all-employee scheme and Executive Directors participate on the same terms as other employees. The acquisition of shares is, therefore, not subject to the satisfaction of a performance target.</p> <p>Maximum opportunity is in line with HMRC limits.</p>
<p>In-employment shareholding requirement</p> <p>To align interests of Executive Directors with shareholders.</p>	Guideline to be met within five years of an Executive Director's appointment.	400% of base salary.
<p>Post-termination shareholding requirement</p> <p>To further align the interests of Executive Directors with shareholders and encourage a focus on long-term sustainable performance.</p>	Shareholding required to be maintained at the in-employment requirement (or number of shares held at time of termination, if lower) for a period of two years post termination.	400% of base salary (or number of shares held at time of termination, if lower).

The Committee is satisfied that the Remuneration Policy is in the best interests of shareholders and does not promote excessive risk-taking. The Committee retains discretion to make changes required to satisfy legal or regulatory requirements and other non-significant changes to the Remuneration Policy without reverting to shareholders.

Notes to the Remuneration Policy table

Payments from existing awards

Executive Directors are eligible to receive payment from any award made prior to the approval and implementation of the 2024 Remuneration Policy. This includes all outstanding awards under the previous 2018 and 2021 Remuneration Policies, or any awards made prior to appointment to the Board. Details of any such payments will be set out in the Annual Report on Remuneration as they arise.

Selection of performance measures

Vesting under the DFSS is linked to the following financial measures: EPS growth, ROE, and relative TSR.

EPS growth has been selected as a performance measure as the Committee feels it is a strong indicator of both long-term shareholder return and the underlying financial performance of the business. It is transparent and highly visible to executives.

ROE has been selected as the Committee believes that a returns metric reinforces the focus on capital efficiency and delivery of strong returns for our shareholders, thereby further strengthening the alignment of incentives with Admiral's strategy.

Relative TSR has been selected to reflect value creation for Admiral's shareholders as compared to comparative equity investments.

Vesting of DFSS awards is also linked to non-financial measures, which may include strategic, customer and other measures. The Committee believes that the additional emphasis on these measures reinforces Admiral's focus on our customers and on other non-financial Group priorities, whilst also more clearly demonstrating alignment of Group remuneration practices with the requirements of Solvency II.

Directors' Remuneration Policy continued

The specific performance measures and their respective weightings for each DFSS award may vary to reflect the strategic priorities at the time of the award.

For the annual bonus, forward-looking performance measures, weightings and targets are selected near the start of the year covering financial and non-financial measures to align with the Group's strategic objectives.

Performance targets are set taking into account the Company's strategic priorities and the economic environment in which the Company operates. The Committee believes the performance targets are stretching and motivational, and that maximum outcomes are available only for outstanding performance.

Remuneration Policy for other employees

The Company's approach to annual salary reviews is consistent across the Group, with consideration given to the role size, complexity, experience required, individual performance and pay levels in comparable companies.

In general, the Remuneration Policy, which applies to other senior executives is consistent with that for Executive Directors. Remuneration is typically linked to Company and individual performance in a way that reinforces shareholder value creation.

Around 4,600 employees from across the Group, including the Executive Directors, participate in the DFSS. The Committee determines DFSS awards for those executives within its remit and on an aggregate basis for all other participants in the DFSS. For the Executive Directors, all DFSS share awards are subject to performance conditions. For other senior managers and employees, a proportion of awards (ranging from half to two-thirds) are subject to performance, with performance conditions either in line with those described above, and the remainder has no performance conditions attached other than the requirement that the recipient remains an employee of the Group at the date of vesting. Award sizes vary by organisational level and an assessment of both financial and non-financial performance.

Most holders of DFSS awards receive a DFSS cash bonus, which is equivalent to the dividend on unvested DFSS share awards. The bonus for a number of senior managers is adjusted for performance against a scorecard of customer and other non-financial metrics.

The Company operates a personal pension scheme, which is available to all employees once they have completed their probationary period. For all employees, including the Executive Directors, the Company matches the employee contribution up to a maximum of 6% of salary or provides the equivalent value in cash.

All UK employees who have served a minimum tenure at Admiral are eligible to participate in the SIP on the same terms. Most overseas employees receive an equivalent award to the UK SIP awards and these awards have no performance measures attached.

Service contracts and leaver / change of control provisions

The Company's Policy is to limit payments upon termination of employment to pre-established contractual arrangements.

In the event that the employment of an Executive Director is terminated, any compensation payable will be determined in accordance with the terms of the service contract between the Company and the employee, as well as the rules of any incentive plans. Under normal circumstances, Executive Directors are entitled to receive termination payments in lieu of notice based on base salary and compensation for loss of benefits. The Company has the ability to pay such sums in instalments. The notice period for all Executive Directors is one year.

Executive Director	Date of appointment	Contract duration
Geraint Jones	13 August 2014	Rolling contract, 12-month notice period
Milena Mondini de Focatiis	11 August 2020	Rolling contract, 12-month notice period

There is no provision in the Executive Directors' contracts for compensation to be payable on early termination of their contract over and above the notice period element. The Executive Directors' service contracts are available to view at the Company's registered office.

When considering termination payments, the Committee reviews all potential incentive outcomes to ensure they are fair to both shareholders and participants. The following table summarises how the awards under the DFSS and Annual Bonus scheme are typically treated in specific circumstances, with the final treatment remaining subject to the Committee's discretion.

Directors' Remuneration Policy continued

Plan	Scenario	Treatment of awards	Timing of vesting
DFSS	Resignation	Awards lapse under most circumstances e.g. dismissal for cause or resignation.	n/a
	Death, injury or disability, redundancy, retirement, or any other reasons the Committee may determine	Any unvested award will be pro-rated for time with reference to the proportion of the vesting period remaining at termination (2024 and prior), performance period (2025 onwards), and performance, unless the Committee determines otherwise.	Normal vesting date
	Change of control	Any unvested award will be pro-rated for time with reference to the proportion of the vesting period remaining at termination (2024 and prior), performance period (2025 onwards), and performance, unless the Committee determines otherwise.	Immediately
Annual Bonus Plan	Resignation	Eligibility forfeited under most circumstances, e.g. dismissal for cause or resignation.	n/a
	Death, injury or disability, redundancy, retirement, or any other reasons the Committee may determine	Any bonus payable will be pro-rated for time with reference to the portion of the performance period remaining at termination, and performance, unless otherwise determined at the discretion of the Committee.	Normal payment date
	Change of control	Unless the Committee determines otherwise, any bonus eligibility will be pro-rated for time with reference to the proportion of the performance period remaining at change of control, and extent to which the Committee determines that the performance conditions have been met or are likely to be met at the point of change of control.	Immediately

For all leavers (with the exception of termination for cause), vested DFSS awards that are still subject to a holding period will normally be released in full at the end of the holding period, though the Committee has discretion to determine otherwise, taking into account relevant circumstances.

Malus and clawback

The circumstances when malus (the reduction or forfeiture of unvested shares awarded under the DFSS or ABP) and clawback (the recovery of cash and share awards after release) may apply include – but are not limited to – where the Committee considers the employee concerned has been involved in, or is either wholly or partially responsible for:

- Circumstances such as dishonesty, fraud, misrepresentation or breach of trust which lead to summary dismissal;
- Breach of conduct or disciplinary action relating to conduct, including participation in, or being responsible for, conduct resulting in significant losses to part of the Group or damage to the Group's brand or other employees or other conduct which is considered to be misconduct;
- The Group has become aware of any material wrongdoing on the part of an employee;
- An employee has acted in a manner which has brought or is likely to bring any member of the Group into material dispute (e.g., supplier dispute), results in reputational damage or is materially adverse to the interests of any member of the Group;
- An employee's terms and conditions of employment are materially breached, or material breach of a fiduciary duty owed to any member of the Group;
- Material violation of relevant Group / entity policy, rules or regulation, or a failure to meet appropriate standards of fitness and propriety;
- Material failure of risk management resulting in adverse customer / business / shareholder outcomes;
- The failure of all, or a substantial part, of the business of Admiral Group;

Directors' Remuneration Policy continued

- Inaccurate reporting of accounts, financial data or other information, which in the RemCo's opinion results in either material misstatement and / or requires any future accounts, financial data or information to be subject to write-downs, adjustments or other corrective items addressing the inaccuracy; and
- A trend / cluster where the individual triggers may, in isolation, not warrant adjustment, however, when viewed cumulatively evidence an applicable customer or business impact.

The application of malus will be possible over the relevant performance period and deferral / holding period. The application of clawback will be possible for a period of two years from the end of the relevant performance period. The Committee considers this to be fair and proportionate, and aligned to the long-term focus of remuneration outcomes.

The malus and clawback provisions were not used in respect of the Executive Directors' 2025 remuneration outcomes.

Non-Executive Directors

The Company has entered into letters of appointment with its Non-Executive Directors ('NEDs'). Summary details of terms and notice periods are included below.

NED	Term	Initial date of appointment	Commencement of current contract	Notice period
Mike Rogers	3 years	01/02/2023	01/02/2023	Three months
Justine Roberts (left 18 June 2025)	3 years	17/06/2016	17/06/2023	One month
Andrew Crossley	3 years	27/02/2018	27/02/2024	One month
Michael Brierley	3 years	05/10/2018	05/10/2024	One month
Karen Green	3 years	14/12/2018	14/12/2024	One month
Jayaprakasa Rangaswami	3 years	29/04/2020	29/04/2023	One month
Evelyn Bourke	3 years	30/04/2021	30/04/2024	One month
Bill Roberts	3 years	11/06/2021	11/06/2024	One month
Fiona Muldoon	3 years	02/10/2023	02/10/2023	One month
Paola Bonomo	3 years	12/05/2025	12/05/2025	One month
Carlos Selonke De Souza	3 years	10/12/2025	10/12/2025	One month

The NEDs are not eligible to participate in the SIP, DFSS or Annual Bonus scheme and do not receive any pension contributions.

Details of the 2024 Policy on NED fees are set out in the table below:

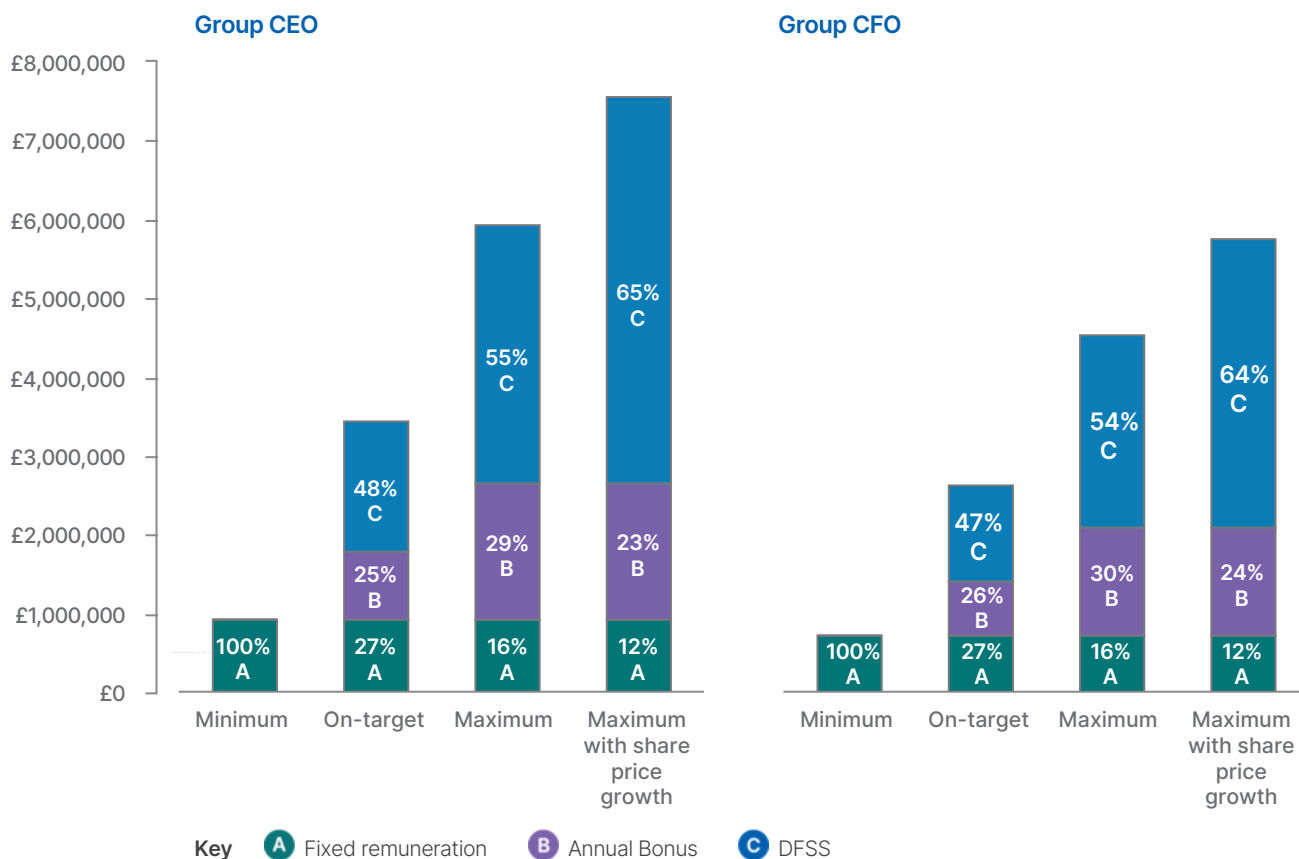
Purpose and link to strategy	Operation	Opportunity and performance metrics
To attract and retain NEDs of the highest calibre with experience relevant to the Company	<p>Fees are reviewed annually.</p> <p>The Group Chair fee is determined by the Committee after consultation with the Executive Directors. The NED fees are determined by the Group Chair together with the Executive Directors.</p> <p>Additional fees are payable for acting as Senior Independent Director or as Chair or member of a Board Committee and may be payable as appropriate in relation to other additional responsibilities (e.g. attending meetings overseas).</p> <p>Fees are paid in cash for all Non-Executive Directors¹. The Board retains discretion to vary the mix or determine that fees are paid entirely in cash or Company shares.</p>	<p>Fee levels are set by reference to NED fees at companies of a similar size and complexity.</p> <p>In the event that there is a material misalignment with the market or a change in the complexity, responsibility or time commitment required to fulfil a NED role, the Board has discretion to make an appropriate adjustment to the fee level.</p> <p>The maximum aggregate annual fee for NEDs is capped at the limit provided for in the Company's Articles of Association.</p>

¹ In prior versions of this table, it was detailed that the Chair's fee was paid in a mix of cash and shares. This has been updated to reflect the correct positioning that all fees are paid in cash. In 2023, the Chair entered into a Share Acquisition Agreement with the Group, and buys shares on an annual basis equal to 30% of the gross fee until a shareholding of 150% of the fee is achieved. The Chair's shareholding for the year ended 31 December 2025 is outlined on page 190.

Directors' Remuneration Policy continued

Pay-for-performance: scenario analysis

The following charts provide an estimate of the potential future reward opportunities for the Executive Directors, and the potential split between the different elements of pay under different performance scenarios in a given year.



The value of DFSS awards is calculated based on the average share price in the last three months of 2025 of £32.15 and the number of DFSS shares to be awarded in 2026 (105,000 and 57,500 shares respectively).

The performance scenarios are based on the following assumptions:

Fixed remuneration	Comprising the 2026 base salary, benefits (based on the annualised 2025 single figure for the Group CEO and CFO) and a 6% pension contribution (uncapped).
Target remuneration	Fixed remuneration plus the value of the Annual Bonus and DFSS achieving on-target performance of 50% of maximum.
Maximum remuneration	Fixed remuneration plus the value of the Annual Bonus and DFSS achieving maximum performance.
Maximum remuneration with 50% share price appreciation	Maximum remuneration increased to assume a 50% increase to the value of the shares granted under the DFSS since the point of grant.

Directors' Remuneration Policy continued

Approach to remuneration relating to new Executive Director appointments

External appointments

When appointing a new Executive Director, the Committee's policy is to set the remuneration package for a new Executive Director in accordance with the approved Remuneration Policy at the time of the appointment.

In determining the appropriate remuneration for a new Executive Director, the Committee will consider all relevant factors to ensure that arrangements are in the best interests of the Company and its shareholders. Where an individual is appointed on an initial base salary that is below market, any shortfall may be managed with phased increases over a period of time, subject to the individual's performance and development in the role. This may result in above-average salary increases during this period.

The Committee may also make an award to 'buy out' incentive arrangements forfeited on leaving a previous employer. In doing so, the Committee will consider relevant factors including any performance conditions attached to the forfeited awards and the likelihood of those conditions being met to ensure that the value of the buy-out award is no greater than estimated fair value of the awards it replaces. The Committee may also avail itself of Listing Rule 9.4.2 R if appropriate for the buy-out of incentive arrangements (i.e. if the terms of participation for the prospective Executive Director are similar to all, or substantially all employees who participate in the plan, then approval by ordinary resolution of the shareholders of the listed company in general meeting is not required).

Internal appointments

Remuneration for new Executive Directors appointed by way of internal promotion will similarly be determined in line with the Policy for external appointees, as detailed above. Where an individual has contractual commitments made prior to their promotion to the Board, the Company will continue to honour these arrangements. Incentive opportunities for below-Board employees are typically no higher than for Executive Directors, but measures may vary if necessary.

Other directorships

Executive Directors are permitted to accept appointments as Non-Executive Directors of companies with the prior approval of the Group Board. Approval will be given only where the appointment does not present a conflict of interest with the Group's activities, and where the wider exposure gained will be beneficial to the development of the individual.

Considerations of conditions elsewhere in the Group

The Committee considers the pay and employment conditions elsewhere in the Group when determining remuneration for Executive Directors.

Considerations of shareholder views

When determining remuneration, the Committee takes into account best practice guidelines issued by institutional shareholder bodies. The Committee is open to feedback from shareholders on the Remuneration Policy. It will continue to monitor trends and developments in corporate governance and market practice to ensure the remuneration structure for our Executive Directors remains appropriate.

Considerations of regulatory requirements

The Committee regularly reviews the Remuneration Policy and structure in the context of Solvency II remuneration guidance, and EBA, PRA, and FCA expectations regarding the supervision of insurance firms. The Group Chief Risk Officer periodically attends Committee meetings as part of this process and provides support to the Committee in understanding any risk-related implications of remuneration decisions. Whilst the Remuneration Policy includes several features, which help ensure compliance with current regulatory guidance, the Committee reserves the discretion to adjust the Remuneration Policy, and its execution, to take into account any developments in such regulatory guidance.

Annual report on remuneration

This section of the report provides details of how Admiral's Directors' Remuneration Policy was implemented in 2025 and how the Remuneration Committee intends to implement the Policy in 2026.

Remuneration Committee membership in 2025

The Board sets the Group's Remuneration Policy and, through the authority delegated to it by the Board, the Committee is responsible for making recommendations to the Board on the implementation of the Remuneration Policy. Its remit includes recommending the remuneration of the Group Board Chair and the Executive Directors; approving the remuneration of senior management; and determining the composition of, and awards made under, the performance-related incentive schemes.

At the end of 2025, the Committee comprised Karen Green, Michael Brierley and Paola Bonomo. The Committee had six scheduled meetings, and it also held a number of ad hoc / late notice meetings to deal with specific issues in a timely manner.

The Group Chair, CEO, CFO and CRO are invited to meetings where the Committee considers it appropriate to obtain their advice on Group strategy and performance and senior executive pay strategy. The Group CEO typically attends all meetings. No Director is involved in deciding their own remuneration outcome. The members of the Committee do not have any personal financial interests (other than shareholdings), or any conflicts, that relate to the business of the Committee. The Committee members do not have any day-to-day involvement in the running of the Group.

Committee activities

During the year ended 31 December 2025, in addition to its regular activities, the Committee also:

- Reviewed the package for the incoming Group CFO (see page 182 for detail)
- Monitored the reward transformation activity in the UK
- Reviewed preparation for EU Pay Transparency ahead of the directive implementation in June 2026
- Approved Senior Management appointment arrangements.

As mentioned in the Governance Report, during the year ended 31 December 2025, the Committee also performed its regular activities:

- Reviewed the DFSS vesting and bonus arrangements for Executive Directors, senior management and relevant staff (Material Risk Takers) covered under Solvency II
- Reviewed Admiral's Gender Pay Gap reporting statistics
- Reviewed risk events and considered their impact on variable pay outcomes in line with the Group's Malus and Clawback Framework
- Undertook an evaluation of the Committee's performance during the year
- Reviewed the Committee's Terms of Reference
- Reviewed the Group's Malus and Clawback Framework
- Reviewed external remuneration trends and market conditions.

One of the key pieces of work undertaken this year was in relation to reward transformation in the UK, which centered around putting in place a grading structure, associated pay ranges and ensuring colleagues were aligned with their respective positioning. A feedback loop was put in place, and this work contributed to defining a talent-focused strategy for 2026.

Remuneration topics were discussed with employees at the Employee Consultation Group ('ECG'), which met four times during the year. Key themes raised included the implementation of a new reward framework, colleague pay and progression, pensions awareness and elements of the wider benefits review. Throughout the year, ECG representatives provided feedback on communication around the reward changes, the impact on pay structures and colleagues' understanding of the new framework.

The Chair of the Remuneration Committee wrote to investors outlining the 2026 implementation of the Remuneration Policy, focusing on the rationale for the 2026 increase for the Group CEO. The letter outlined the remuneration principles, market positioning and philosophy, and 2026 arrangements. Further, investors were invited to feed back their views and offered meetings to discuss the approach. At the point of publication, several acknowledgements were received, but no meetings were requested by shareholders. Details of the increase for the Group CEO are outlined on page 181.

Annual report on remuneration continued

Committee effectiveness review

For 2025, the Committee's effectiveness review was undertaken externally by Bvalco. The report observed strong feedback for the Chair, noting strong improving trends to the support provided to the Committee.

The Committee noted the review's observations and was satisfied it continues to operate effectively. To help improve its performance over the coming year, the Committee highlighted the importance of continuing improvements to timeliness and sequencing of papers, and management alignment.

Advisers to the Committee

During the year, to enable the Committee to reach informed decisions, we obtained advice on market data and trends from independent consultants Willis Towers Watson ("WTW"). WTW reported directly to the Committee Chair and are signatories to, and abide by, the Code of Conduct for Remuneration Consultants (which can be found at remunerationconsultantsgroup.com). WTW also provided advice to the Company in relation to capital management and claims benchmarking.

The fees paid to WTW for work supporting the Committee in 2025 (based on time and materials) totalled £117,000.

The Committee reviews and satisfies itself that the advice provided by WTW is impartial and objective.

The table below shows the results of the advisory vote on the 2024 Annual Report on Remuneration.

	For	Against	Total votes cast	Abstentions
2024 Directors' Remuneration Report – total number of votes	232,915,412	22,348,329	255,263,741	29,690
% of votes cast	91.25%	8.75%		

Total single figure of remuneration for Executive Directors (audited)

The table below sets out the total single figure remuneration received by each Executive Director for the years ended 31 December 2025 and 31 December 2024:

Executive Director		1. Base salary	2. Benefits	3. Pension	Total fixed pay	4. SIP	5. DFSS	6. ABP / DFSS bonus	Total variable pay	Total remuneration
Milena Mondini de Focatiis	2025	797,220	534	47,833	845,587	3,601	2,732,621	1,367,392	4,103,614	4,949,201
	2024	774,000	470	38,580	813,050	3,594	1,807,222	1,495,058	3,305,874	4,118,924
Geraint Jones	2025	495,000	534	29,700	525,234	3,601	1,594,029	849,024	2,446,654	2,971,888
	2024	465,000	470	24,675	490,145	3,594	1,054,206	898,194	1,955,994	2,446,139

The figures have been calculated as follows:

1 Base salary: amount earned for the year

2 Benefits: the taxable value of annual benefits received in the year, specifically this relates to private medical insurance.

3 Pension: the value of the Company's contribution during the year

4 SIP: the face value at grant

5 DFSS: the value at vesting of shares vesting on performance over the three-year periods ending 31 December 2025 and 31 December 2024. For the 2025 figures, given that vesting occurs after the 2025 Directors' Remuneration Report is finalised, the figures are based on the average share price in the last three months of 2025 of £32.15. The 2024 figures have been trued up based on the actual share price on vesting of £32.65. For 2025, favourable movements of £710,567 and £414,497 are included in the DFSS value, attributable to an increase in the share price over the vesting period for Milena Mondini de Focatiis and Geraint Jones, respectively. For 2024, favourable movements of £763,770 and £445,530 are included in the DFSS value, attributable to a increase in the share price over the vesting period for Milena Mondini de Focatiis and Geraint Jones, respectively

6 The 2025 Annual Bonus performance outcome was 85.76% of maximum, or equivalent to 171.52% of base pay. The 2024 Annual Bonus performance outcome was 96.58% of maximum, or equivalent to 193.16% of base pay.

Annual report on remuneration continued

Total single figure of remuneration for Non-Executive Directors (audited)

The table below sets out the total single figure remuneration received by each NED for the years ended 31 December 2025 and 31 December 2024.

Director	Total fees					
	2025			2024		
	Fees	Taxable benefits ¹¹	Total	Fees	Taxable benefits ¹¹	Total
Mike Rogers ¹	397,900	1,406	399,306	386,350	2,051	388,401
Evelyn Bourke ²	92,500	815	93,315	92,591	1,632	94,223
Karen Green ³	114,250	1,241	115,491	130,248	1,252	131,500
Jayaprakasa Rangaswami	92,500	1,000	93,500	89,250	1,944	91,194
Justine Roberts ⁴	54,552	684	55,236	112,350	778	113,128
Andrew Crossley ^{5, 6}	202,232	5,141	207,373	184,525	4,957	189,482
Michael Brierley ⁵	165,500	4,765	170,265	159,850	3,723	163,573
Bill Roberts ⁷	110,502	6,169	116,671	109,865	26,369	136,234
Fiona Muldoon ⁸	114,187	–	114,187	96,409	1,398	97,807
Paola Bonomo ⁹	56,974	9,552	66,526			–
Carlos Selonke De Souza ¹⁰	4,406	–	4,406			–

1 There was an overpayment of Mike's fees in 2024, which were corrected and paid back in 2025, and are reflected in Mike's 2025 fees.

2 Evelyn Bourke stepped down as Chair and as a member of the Group Remuneration Committee effective from April 2024. She subsequently joined the Group Audit Committee as a member.

3 Karen Green was appointed Chair of the Group Remuneration Committee effective from 25 April 2024. Karen stepped down as Chair of the Audit Committee in April 2024, and remained as a member of the Audit Committee until 1 September 2024. There was an overpayment of fees in 2024, which have been corrected and paid back in 2025, and is reflected in Karen's 2025 fees.

4 Justine Roberts resigned on 18 June 2025 from all positions.

5 The fees for Andrew Crossley and Michael Brierley include additional fees in relation to their positions as Chair of the EUI Limited Board of Directors and Admiral Financial Services Limited Board of Directors, respectively.

6 Andrew Crossley left the Group Audit Committee on 7 March 2024. He was appointed as the Senior Independent Director and member of the Group Nomination and Governance Committee on 18 June 2025.

7 The fee for Bill Roberts includes an additional fee in relation to his position as a NED of the Elephant Insurance Board of Directors, which he was appointed to on 1 February 2023.

8 Fiona Muldoon was appointed Chair of the Group Audit Committee effective from 25 April 2024. She was appointed as a member of the Group Risk Committee on 28 April 2025.

9 Paola Bonomo was appointed to the Group Board and as a member of the Group Remuneration Committee on 12 May 2025.

10 Carlos Selonke De Souza was appointed to the Group Board on 10 December 2025.

11 Taxable benefits represent those expense reimbursements relating to travel, accommodation and subsistence in connection with the attendance at Board, Subsidiary and Committee meetings during the year, which are deemed by HMRC to be taxable. The amounts in the table are 'grossed-up' to include the UK tax paid by the Company on behalf of the Non-Executive Directors. Non-taxable expense reimbursements have not been included in the table.

Incentive outcomes for financial year to 31 December 2025 (audited)

DFSS awards vesting on performance to 31 December 2025

On 28 September 2023, Milena Mondini de Focatiis was granted an award under the DFSS of 90,000 shares with a value at the date of award of £2,141,100 (based on a grant date share price of £23.79).

On 28 September 2023, Geraint Jones was granted an award under the DFSS of 52,500 shares with a value at the date of award of £1,248,975 (based on a grant date share price of £23.79).

Vesting of the award was based 80% on the achievement of financial performance measures and 20% on a scorecard of non-financial measures.

Annual report on remuneration continued

Financial performance outcomes

The performance measures applicable to these awards are: EPS growth, TSR vs. FTSE 350 (excluding investment companies), and ROE, weighted equally and all measured over the three-year period 1 January 2023 to 31 December 2025.

Both EPS and ROE performed beyond the respective maximum amount, leading to a 100% vesting for the respective measures. The Group ranked at the 73rd percentile in the TSR ranking, leading to a 94% vesting for the measure.

The combination of these elements contributes to a vesting of 98.00% for the financial measures. The Committee reviewed this vesting outcome and concluded that it was appropriate.

The table below details the Company's performance against the performance range.

Performance measure	Performance range					Performance outcome	Vesting contribution (% of maximum)
	Weighting	Threshold	Stretch	Maximum	Vesting schedule		
EPS	33.33%	Growth of 0%	Growth of 10%	Growth of 30%	25% for reaching threshold, rising to 75% for reaching stretch, rising to 100% at maximum	98.00%	100.00%
TSR vs. FTSE 350 (excluding investment companies)	33.33%	Median		Upper quartile	25% for median, with straight-line relationship to 100% for upper quartile	73rd percentile	94.00%
Return on Equity ('ROE')	33.33%	25%	35%	45%	25% for reaching threshold, rising to 75% for reaching stretch, rising to 100% at maximum	48.39%	100.00%
Total							98.00%

Non-financial performance outcomes

The individual vesting contribution of the non-financial measures for Milena Mondini de Focatiis and Geraint Jones are set out below, and have a weighted outcome of 80.20% of maximum. Details of the measures used in the scorecard and outcomes are summarised in the table below:

Performance measure	Description	Weighting	Threshold	Stretch	Maximum	Outcome	Outcome % of maximum	Weighted outcome % of maximum
Strategic assessment	The Board's assessment of progress towards strategic aims.	33.00%				73.94%	73.94%	24.40%
Group NPS	The outcome of the Group NPS, weighted by entity customer headcount.	34.00%	35	48	55	49.67	80.98%	27.53%
Diversity	The proportion of women in senior management roles.	16.50%	30%	36%	40%	35.56%	71.33%	11.77%
Inclusion	The Group's Inclusion scores from the GPTW Survey, scored on a basis relative to the benchmark.	16.50%	>10% below benchmark		At benchmark	At benchmark for all scores	100.00%	16.50%
Total								80.20%

Annual report on remuneration continued

The Board recommended an outcome of 77.14% of maximum for 2025, on the basis of strong progress towards strategic aims in the year. Averaging this with the 2023 outcome of 76.67% and the 2024 outcome of 68.00% gives an average of 73.94% over the performance period for the strategic assessment.

The monthly average Group NPS score over the performance period – weighted by entity customer headcount – was 49.67, which was beyond the stretch target of 48, leading to a vesting outcome of 80.98% for the measure.

The proportion of women in senior manager roles at the end of the performance period was 35.56%, which was slightly below the stretch target of 36%, leading to a vesting outcome of 71.33% for the measure.

The Group's inclusion scores from the GPTW surveys across the performance period were at, or above, the benchmark, leading to a 100% outcome for the measure.

Overall vesting

The vesting outcomes for Milena Mondini de Focatiis and Geraint Jones can be seen in the below table.

DFSS vesting component	Award weighting	Performance outcomes	Vesting (% of maximum)
Financial performance measures: EPS growth, TSR vs. FTSE 350 (excluding investment companies) and Return on Equity ('ROE')	80.00%	98.00%	78.40%
Non-financial performance measures	20.00%	80.20%	16.04%
Total	100.00%		94.44%

The Committee reviewed the vesting outcomes and concluded that they were appropriate, and that no adjustments were required.

Based on performance and scorecard outcomes, the total amount that will vest in September 2026 to Milena Mondini de Focatiis will, therefore, be 84,996 shares, and the total amount that will vest to Geraint Jones will be 49,581 shares, subject to their continued employment on the vesting date.

Vested DFSS awards are subject to clawback provisions. Events, which may lead to the application of clawback are set out in the Group's Malus and Clawback Framework and include material financial misstatement, responsibility for conduct that results in significant losses, material failure of risk management, misconduct, reputational damage or corporate failure.

2025 Annual Bonus Plan

As outlined in the 2024 Policy, the Executive Directors were eligible to participate in an annual incentive scheme, which is worth up to a maximum of 200% of base pay, dependent on performance outcomes relative to the measures set out in the Policy review.

Step 1 – Formulaic review

The table below sets out performance outcomes against financial and non-financial measures to form a formulaic scorecard outcome. The scorecard applies to both Executive Directors:

	Measure	Weighting	Threshold	Target	Maximum	2025 outcome	Outcome (% max)	Weighted outcome
Financial measures (75% of total)	Profit	67.50%	£737m	£819m	£901m	957.9m	100.00%	67.50%
	Turnover growth	7.50%	–%	2%	4%	(0.9%)	–%	–%
Non-financial measures (25% of total)	NPS	8.33%	Weighted customer outcome scores from across the Group entities				95.48%	7.95%
	Customer Outcomes	8.33%					73.70%	6.14%
	Trust Index	8.34%	5% under benchmark	2% under benchmark	At benchmark	(2.0%)	50.00%	4.17%
Total								85.76%

Step 2 – Holistic review

The Committee considered the following key data, while reviewing the appropriateness of the formulaic outcomes:

Annual report on remuneration continued

From a strategic perspective, good progress was made. As outlined on page 178, the Board awarded the Executive Directors a 77.14% of maximum outcome for progress against strategic aims for the year.

In 2025, the Group combined ratio increased slightly to 80.1% from 76.9%. On a similar basis, the UK Motor combined ratio also increased to 75.0% from 70.0%.

Solvency Capital Ratio was 193% at year-end 2025, which remains significantly beyond the Group's long-term aim of 150%.

Strong progress was made throughout the year in refining the Group's approach sustainability, with highlights including being included in the Top 25 Global Companies for Sustainable Growth by TIME Magazine, maintaining AAA rating from MSCI, recognition at the PICCASO awards and more. Further information on sustainability can be found on page 56

For DEI, the Group Board composition is at 42% female representation (2024: 45%), while women represented 31% of all of the subsidiary board appointments (2024: 29%), which is a small change on the position from 2024. Female representation in senior management positions has improved to 35.1% at year-end (2024: 33.5%), however, this remains shy of the Group's 40% aspiration.

Inclusion, measured through the Great Place to Work® survey is at a very high level, at the benchmark of the best workplaces in the world.

The Committee considered the Holistic review data and concluded that the Executive Directors are high performing, with an excellent track record in delivering strong and resilient Company performance and growth. The Committee believes that the Executive Directors' remuneration earned this year is proportionate and aligned to business performance and, therefore, determined that an overall outcome of 85.76% of maximum, with no adjustment, was appropriate for the year. The final outcomes are outlined in the table below:

	Milena Mondini	Geraint Jones
Formulaic outcome (% maximum)	85.76%	85.76%
Holistic review outcome (adjustment)	–%	–%
Final outcome (% maximum)	85.76%	85.76%
Maximum opportunity for 2025 (% salary)	200.00%	200.00%
% salary	171.52%	171.52%
£ amount	£1,367,392	£849,024

In addition, the Executive Directors' Annual Bonus Plan is subject to a further risk adjustment (downwards only) to take account of risk events considered to have a material customer, regulatory or financial impact.

During the year, and in addition to the above, the Committee took into account relevant trigger events as part of the established risk adjustment process, and determined it was not appropriate to apply a downwards adjustment on that basis.

The Annual Bonus for the Executive Directors is subject to a 40% deferral into Admiral Group plc shares for a period of three years. This means that the £546,957 of Milena's bonus and £339,610 of Geraint's bonus will be deferred into an equivalent value of Admiral Group plc shares, which will vest three years after the award date.

Scheme interests granted in 2025 (audited)

DFSS

On 23 September 2025, Milena Mondini de Focatiis was granted an award of 100,000 shares and Geraint Jones was granted an award of 57,500 shares under the DFSS. Using the closing share price on the day preceding the grant date of £32.90, this is the equivalent to £3,290,000 or 413% of Milena's base salary and £1,891,750 or 382% of Geraint's base salary, respectively.

The three-year period over which performance will be measured is 1 January 2025 to 31 December 2027. The award is eligible to vest on the third anniversary of the date of grant, i.e., September 2028, subject to performance and to continued employment. Vested awards will be subject to an additional two-year post-vest holding period.

The award will vest on EPS growth, TSR vs. FTSE 100 and insurance peer comparator group, ROE and a scorecard of strategic, customer and other non-financial measures, inclusive of customer outcomes, ESG and strategic measures. There will also be the potential for downwards adjustment subject to an assessment of risk events considered to have a material customer, regulatory or financial impact over the course of the performance period. The performance conditions are summarised in the following table:

Annual report on remuneration continued

Award	Performance measure	Description	Weighting	Performance range			Vesting	
				Threshold	Stretch	Maximum		
Financial performance	Earnings per share ('EPS')	EPS growth over the performance period.	25.00%	–%	35.00%	45.00%	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance. ¹	
	Return on Equity ('ROE')	ROE over the performance period.	25.00%	30.00%	n/a	45.00%	25% for reaching Threshold, and 100% for Maximum performance.	
	Total Shareholder Return ('TSR')	TSR ranked on a relative basis vs. FTSE 100 and insurance peer comparator group.	25.00%	Median	n/a	Top Quartile	25% for reaching Threshold and 100% for Maximum performance.	
Non-financial performance	Strategy	Strategic assessment	8.25%	n/a	n/a	n/a	Vesting of between 0% and 100% based on the outcome of the Board's assessment.	
	Customer	Group NPS	8.50%	35	48	55	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.	
	ESG	Diversity	The proportion of women in senior management roles.	2.06%	30.00%	36.00%	40.00%	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.
		Inclusion	The Group's Inclusion scores from the GPTW Survey, scored on a basis relative to the benchmark.	2.06%	>10% below benchmark	n/a	At benchmark	25% for reaching Threshold, 40% for >6% below benchmark and 100% for Maximum performance.
	Carbon emissions	Alignment to the SBTi 2030 and 2040 Scope 1 and 2 targets for pathway to net zero, halving our GHG impact in the next five years.	4.13%	3,280 tCO ₂ e	3,051 tCO ₂ e	2,746 tCO ₂ e	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.	

¹ The stretch vesting profile for EPS in the 2025 DFSS was incorrectly disclosed as 70% of maximum in the 2024 report, this has been corrected in the table above to the intended value of 75% of maximum in alignment with all other stretch outcomes.

Annual report on remuneration continued

DFSS awards are subject to malus and clawback provisions, which are set out in the Group's Malus and Clawback Framework, as outlined on page 170.

SIP

In March 2025, Milena Mondini de Focatiis and Geraint Jones were granted awards under the SIP of 59 shares with a face value of £1,770.00, which will mature on 13 March 2028, subject to continued employment.

In August 2025, Milena Mondini de Focatiis and Geraint Jones were granted awards under the SIP of 50 shares with a face value of £1,831.00, which will mature on 21 August 2028, subject to continued employment.

Exit payments (audited)

No exit payments were made to an Executive Director during the year.

Payments to Past Directors (audited)

Following stepping down from the role of CEO on 31 December 2020, David Stevens has continued as an adviser to the Group in a part-time capacity. During 2025, he earned a salary of £53,252.

Implementation of Remuneration Policy for 2026

Executive Directors

Salary, pension and benefits

Salaries for the Executive Directors in 2026 have been determined in line with the Remuneration Policy. Milena Mondini de Focatiis' salary was increased by 12.27% to £895,000 and Geraint Jones' salary was increased by 3.03% to £510,000, both effective 1 January 2026.

Consideration was given to ensure these increases were fair relative to the proposed increases for employees across the Group for 2026. The average pay review in 2026 is expected to be in the region of 3.70%.

In determining the proposals for 2026 compensation for Milena, the Committee has considered market data for three relevant peer groups:

- FTSE 350 Insurers: Listed insurance companies in the FTSE 350
- European Insurers: Listed insurance companies in European markets
- FTSE Size Comparators: Companies which rank 25 above and 25 below Admiral by market capitalisation.

The table below summarises the current positioning of Milena's remuneration arrangements compared to these three peer groups. It can be seen that her base salary is positioned below the lower quartile of each of the peer groups (£830,000, £880,000 and £880,000, respectively). Given our emphasis on the long-term incentive element of the package, the Total Direct Compensation Opportunity is positioned more competitively but also does not align with the Committee's principle that it should be possible to reward outstanding levels of performance with upper-quartile remuneration outcomes (see page 164).

Peer Group	Base salary	Target total cash	Max total cash	Target total direct compensation	Max total direct compensation
FTSE 350 Insurers	< LQ	< LQ	< LQ	LQ - MM	< LQ
European Insurers	< LQ	< LQ	< LQ	LQ - MM	LQ
FTSE size comparators	< LQ	< LQ	< LQ	LQ - MM	LQ - MM

Admiral has performed strongly in recent years (for example, see the table below which summarises recent TSR performance compared to the FTSE 100 and insurance sector peers). Milena is a seasoned CEO with an excellent track record. The Committee believes that she will continue to make a critical contribution to the ongoing success of the business in the coming years and that it is therefore important to retain her and provide an appropriate reward package which recognises this contribution and provides sufficient upside opportunity if outstanding performance is achieved.

	Admiral	FTSE 100	Aviva	Beazley	Hiscox	Just Group	Lancashire Holdings	LGIM	Standard Life	Prudential
1-year TSR	32%	22%	50%	14%	29%	49%	13%	19%	46%	67%
3-year TSR	86%	48%	93%	48%	52%	231%	63%	30%	60%	18%
5-year TSR	58%	87%	211%	177%	60%	338%	37%	57%	48%	-%

Annual report on remuneration continued

The Committee recommended an increase in Milena Mondini de Focatiis' base salary level to £895,000 (an increase of 12.3%) with effect from 1 January 2026 and to increase her 2026 DFSS award modestly (by 5%) to 105,000 shares. The Committee intends that this will be a one-off salary adjustment, with future increases likely to be aligned broadly with those for the wider workforce.

Following our recent announcement regarding Geraint Jones' decision to retire from his role as Group CFO in July 2026, his base salary was increased to £510,000 (an increase of 3%, in line with the expected average increase for employees) effective 1 January 2026, and his 2026 DFSS award to remain at 57,500 shares. It is Geraint's intention to take up a consultant position within the Group following his retirement from the Group CFO role. Geraint will be eligible to participate in the Executive Director ABP for the period 1 January to 30 June 2026. His 2026 DFSS award will be his final grant, with no further awards being made after this point. The Committee intends that his in-flight DFSS awards continue to vest in line with the original schedule and will remain subject to the two-year holding period in line with the Directors' Remuneration Policy.

Rachel Lewis has been appointed as the Group Chief Financial Officer, effective from 1 July 2026, following Geraint Jones' retirement as Group CFO at that date. Her salary on appointment will be £475,000. She will be awarded a 2026 DFSS award of 45,000 shares, and she will be eligible to participate in the ED ABP with an opportunity of 0-200% of base pay from the date of appointment.

The Committee has outlined a flight path through to 2028, with 2027 pay increase likely to be aligned with the broader workforce and a more significant increase in 2028 reflecting her development in the role. DFSS shares are likely to increase across that period, with ABP participation continuing to align to the Director's Remuneration Policy.

The Executive Directors will continue to participate in the Group Personal Pension Plan on a consistent basis with other employees, where employee contributions are matched up to a maximum 6% of base salary. The Company will offer individuals a choice between pension contributions and cash in lieu. Both Executive Directors will continue to receive benefits in line with the Policy.

DFSS

The Committee intends to make awards under the DFSS to Milena Mondini de Focatiis and Geraint Jones in September 2026 of 105,000 and 57,500 shares, respectively. The Committee will confirm the size for each of the 2026 DFSS awards closer to the award date. In determining whether the award size should differ from the above number of shares, the Committee will consider any large share price change over the prior year, and in particular whether this is due to external factors out of management control. The actual 2026 DFSS awards will be disclosed in the 2026 Annual Report on Remuneration.

It is currently anticipated that the vesting of 2026 DFSS awards for Milena Mondini de Focatiis and Geraint Jones will continue to be assessed across the three-year performance period using a 75% performance weighting on EPS, TSR (measured on a relative basis, equally split between the FTSE 100 and a subset of insurance peers with substantial general insurance segments) and ROE, and a 25% weighting on a scorecard of strategic, customer and other non-financial metrics. The measures and performance ranges for the 2026 DFSS are set out in the following table.

Annual report on remuneration continued

Award	Performance measure	Description	Weighting	Performance range			Vesting	
				Threshold	Stretch	Maximum		
Financial Performance	Earnings per share ('EPS')	EPS growth over the performance period.	25.00%	–%	17.50%	25.00%	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.	
	Return on Equity ('ROE')	ROE over the performance period.	25.00%	30.00%	n/a	45.00%	25% for reaching Threshold, and 100% for Maximum performance.	
	Total Shareholder Return ('TSR')	TSR ranked on a relative basis vs. FTSE 100 and insurance peer comparator group.	25.00%	Median	n/a	Top Quartile	25% for reaching Threshold and 100% for Maximum performance.	
Non-financial Performance	Strategy	Strategic Assessment	8.25%	n/a	n/a	n/a	Vesting of between 0% and 100% based on the outcome of the Board's assessment.	
	Customer	Group NPS	8.50%	35	48	55	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.	
	ESG	Diversity	The proportion of women in senior management roles.	2.06%	34%	n/a	40%	25% for reaching Threshold, and 100% for Maximum performance.
		Inclusion	The Group's Inclusion scores from the GPTW Survey, scored on a basis relative to the benchmark.	2.06%	>10% below benchmark	n/a	At benchmark	25% for reaching Threshold, 40% for >6% below benchmark and 100% for Maximum performance.
	Carbon emissions	Alignment to the SBTi 2030 and 2040 scope 1 and 2 targets for pathway to net zero, halving our GHG impact in the next five years.	4.13%	2,784 tCO ₂ e	2,531 tCO ₂ e	2,278 tCO ₂ e	25% for reaching Threshold, 75% for achieving Stretch and 100% for Maximum performance.	

The EPS targets for the 2026 scheme are set lower than the 2025 targets. This is due to 2025 EPS being at a historically high levels, meaning significant EPS growth beyond this point is challenging particularly given the current point in the insurance pricing cycle. The Committee therefore believes using the same EPS targets as 2025 would potentially mean that such targets were unachievable and this is inconsistent with the purpose of the targets which are intended to motivate

Annual report on remuneration continued

Management to deliver exceptional performance. The Committee believes that the 2026 scheme targets are set at appropriately stretching but achievable levels.

It has been an aim of the Committee to include carbon emissions targets as part of the NFM scorecard to support the delivery of the Group's net zero targets. For the 2026 scheme, the non-financial measures will continue to comprise Group NPS, Diversity, Inclusion and carbon emissions reduction targets.

There will be the potential for downwards adjustment subject to an assessment of risk events considered to have a material customer, regulatory or financial impact over the course of the performance period.

Annual Bonus Plan

Under the 2024 Policy, Milena Mondini de Focatiis and Geraint Jones will be eligible to participate in an Annual Bonus in 2026. The bonus opportunity will be 0–200% of base pay for the Executive Directors, with an on-target award of 100%. Performance will be based on the following measures and weightings:

Measure	Weighting
Financial measures (75% of total)	
Profit	67.50%
Turnover	7.50%
Non-financial measures (25% of total)	
Trust Index (people)	8.34%
Customer feedback (NPS)	8.33%
Customer outcomes (CRMI)	8.33%
Total	100.00%

The profit measure will be profit before tax. Turnover is the total value of the revenue generated by the Group. Both Profit and Turnover values are reported in the Annual Report, and the values used to determine Annual Bonus outcomes will be consistent with the reported figures.

Customer outcomes and customer feedback comprise customer measures and associated outcomes from the Group entities for the performance year, in which outcomes are scored relative to entity-set performance ranges, with mechanical outcomes based on performance for each month. The Trust Index is the average of employee responses to the core survey questions in the Great Place To Work® ('GPTW') survey. This is scored relative to the benchmark of the world's 25 best workplaces provided by GPTW.

The Remuneration Committee will follow a two-phase methodology for determining Executive Director Annual Bonus outcomes; the formulaic outcome against the measures detailed above followed by a holistic review of the extent to which that formulaic outcome is reflective of the overall performance of the Group.

Phase 1: Formulaic review. At the end of the performance period, the final performance against each measure is assessed on a standalone basis. Data for the measures is taken from the Group's financial reports, which are reviewed by the Audit Committee and approved by the Board.

Phase 2: Holistic review. The Committee will then consider the overall fairness of the formulaic Group scorecard outcome in the context of the business performance in the prevailing market conditions, which can be assessed against a non-exhaustive basket of measures such as:

- Executive Director personal performance
- Dividend and / or share price performance
- Impact on strategic delivery
- Risk appetite adherence
- Loss and / or combined ratio outcomes
- Financial stability of the Group
- Wider ESG performance
- Inclusion and diversity measures
- Delivery of technology milestones.

Annual report on remuneration continued

The Committee will carefully determine a final bonus outcome for each Executive Director that is fair and appropriate for the year's performance and is in the best interests of shareholders.

A detailed summary of the factors used to determine bonus outcomes for the Executive Directors will be disclosed in the Director's Remuneration Report ('DRR') following the performance period.

In line with the position set out in the Policy, 40% of any bonus earned will be subject to deferral into Admiral Group Shares for a period of three years.

There will be the potential for downwards adjustment subject to an assessment of risk events considered to have a material customer, regulatory or financial impact over the course of the performance period.

Chair and Non-Executive Directors

Fees for the Board Chair and other Non-Executive Directors were reviewed in January 2026 having previously been last reviewed in 2025. Increases were made, effective 1 January 2026.

	2026 fee (p.a.)	2025 fee (p.a.)
Chair ¹	£430,000	£398,000
NED base fee	£79,000	£76,000
Additional fee for chairing: ²		
– Audit Committee	£28,000	£27,000
– Group Risk Committee	£48,000	£46,500
– Remuneration Committee	£28,000	£27,000
– Nomination and Governance Committee	£12,000	£11,000
Additional fee for membership of:		
– Audit Committee	£17,000	£16,500
– Group Risk Committee	£17,000	£16,500
– Remuneration Committee	£14,000	£13,000
– Nomination and Governance Committee	£10,000	£9,000
Additional fee for being Senior Independent Director	£20,000	£18,500

1 The Board Chair does not receive any additional fees (e.g. for Committee membership) as these are included in the overall Chair fee. The 8% increase for 2026 fees was considered appropriate to ensure the fee remained competitive and aligned to market. When considering the benchmarking for the role, peer groups comprised FTSE size comparators and Insurance peers.

2 The fee payable for 2025 for Chairing the Group Risk Committee continues to include an additional fee in recognition of the increased time commitment required due to the Admiral Internal Model process. It comprises a base fee of £28,000 and an additional fee of £20,000.

CEO pay ratio

The table below sets out the pay ratios for the CEO for the periods ended 31 December 2021 through 31 December 2025.

Year	Method	Lower quartile	Median	Upper quartile
2025		155:1	130:1	82:1
2024		138:1	121:1	82:1
2023	Option A	75:1	64:1	43:1
2022		80:1	69:1	45:1
2021		95:1	81:1	50:1

The lower quartile, median and upper quartile employees were determined using calculation methodology A, which involved calculating the actual full-time equivalent remuneration for all UK employees for 2025. From this analysis, three employees were then identified as representing the 25th, 50th and 75th percentile of the UK employee population. Admiral chose this method as it is the preferred approach of the UK Government and investor bodies and Admiral had the systems in place to apply this method. It is also consistent with the approach used to calculate the ratios for 2018 to 2024.

The Committee has considered the pay data for the three employees identified and believes that it fairly reflects pay at the relevant quartiles amongst our UK workforce. The three individuals identified were full-time employees during the year. None received an exceptional incentive award that would otherwise inflate their pay figures. No adjustments or assumptions were made by the Committee with the total remuneration of these employees calculated in accordance with the methodology used to calculate the single figure of the CEO. It should be noted that the lower quartile employee was in receipt of DFSS bonus and / or DFSS vesting in the year.

Annual report on remuneration continued

The employee pay levels for 2025 (as at 31 December 2025) are detailed below:

	CEO	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
Salary	£797,220	£26,593	£32,521	£49,999
Total remuneration¹	£4,949,201	£32,191	£38,249	£60,410

¹ The single figure of remuneration for the CEO includes actual salary and pension costs paid during 2025, in line with The Companies (Miscellaneous Reporting) regulations 2018. For other employees, salary and pension costs are included on an FTE basis, in line with the legislation. While the basis of calculation differs between CEO and other employees, management considers this a fair comparison of remuneration.

The 2025 CEO pay ratio has increased at the lower quartile and median, with the key drivers being an increased share price, strong ABP outcomes and a high vesting outcome in the 2023 DFSS.

A significant proportion of Milena Mondini de Focatiis' remuneration is dependent on the Company's performance and, therefore, it may vary more materially, resulting in movements in the CEO pay ratio from year to year.

Relative importance of spend on pay

The table below shows the percentage change in dividends and total employee remuneration spend from the financial year ended 31 December 2024 to the financial year ended 31 December 2025.

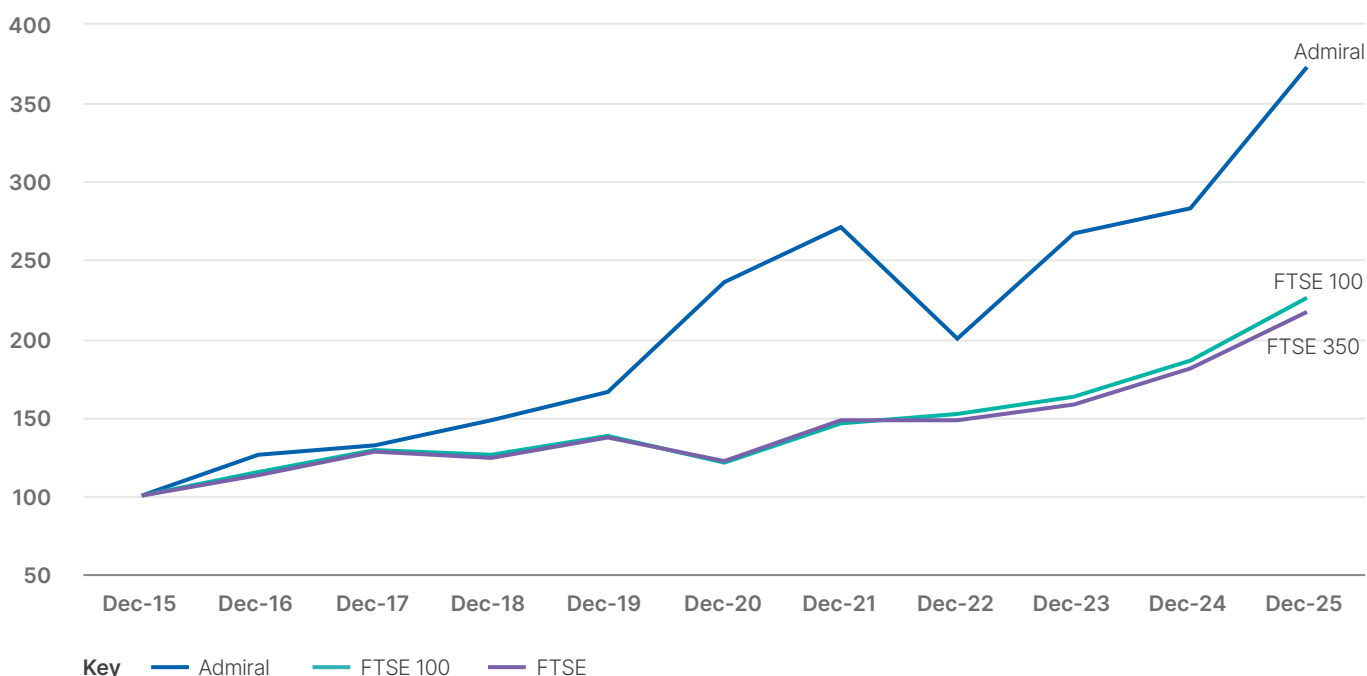
	2025 £m	2024 £m	% change
Distribution to shareholders	623	580	7%
Employee remuneration	594	537	10%

The Directors are proposing a final dividend for the year ended 31 December 2025 of 90 pence per share bringing the total dividend for 2025 to 205 pence per share (2024: 192 pence per share).

Pay for performance

The following graph sets out a comparison of Total Shareholder Return ('TSR') for Admiral Group plc shares with that of the FTSE 100 and FTSE 350 indices, of which the Company is a constituent, over the ten-year period to 31 December 2025. The Directors consider these to be the most appropriate indices against which the Company should be compared. TSR is defined as the percentage change over the period, assuming reinvestment of income.

Ten-year TSR performance vs. FTSE 100 and FTSE 350 indices



Annual report on remuneration continued

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Henry Engelhardt ¹	David Stevens ²	David Stevens ²	David Stevens	David Stevens	David Stevens	Milena Mondini de Focatiis ³	Milena Mondini de Focatiis	Milena Mondini de Focatiis	Milena Mondini de Focatiis	Milena Mondini de Focatiis
CEO single figure of remuneration										
£148,776	£246,023	£395,019	£403,662	£413,724	£421,285	£2,082,191 ³	£2,275,511	£2,159,093	£4,118,924 ⁴	£ 4,949,201
DFSS vesting outcome (% of maximum)										
n/a	n/a	n/a	n/a	n/a	n/a	98.57%	59.24%	43.76%	76.73%	94.44%⁵
Annual Bonus outcome (% of maximum)										
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	96.58%	85.76%⁶

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	Geraint Jones	
CFO single figure of remuneration										
£599,139	£1,184,445	£1,461,813	£1,773,303	£2,329,513	£1,737,805	£1,333,709	£1,270,328	£2,446,139 ⁴	£ 2,971,888	
DFSS vesting outcome (% of maximum)										
50% and 0%	74.20%	87.60%	88.80%	98.50%	93.08%	59.21%	43.73%	76.73%	94.44%⁵	
Annual Bonus outcome (% of maximum)										
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	96.58%	85.76%⁶

- Henry Engelhardt stepped down from the Board on 13 May 2016. His 2016 remuneration includes salary and benefits for his service as CEO.
- David Stevens was appointed as the CEO on 13 May 2016. His 2016 remuneration includes salary, pension and benefits for his service as CEO.
- Milena Mondini de Focatiis was appointed as the CEO on 1 January 2021. Her 2021 remuneration includes salary, pension and benefits for her service as CEO.
- This figure has been trued up since the 2024 report for the value of the 2022 DFSS based on the actual share price on vest of £32.65.
- 94.44% of Milena Mondini De Focatiis' and Geraint Jones' 2023 DFSS award will vest in September 2026, subject to their continued employment on the vesting date.
- The 2025 Annual Bonus outcomes for Milena Mondini De Focatiis and Geraint Jones are 85.76% of maximum.

There were no annual bonus outcomes to report in the table for the period 2015 to 2023 as the Admiral DFSS bonus is not structured as a traditional annual bonus scheme and consequently an outcome (as a percentage of maximum) was deemed meaningless. The Executive Director Annual Bonus Plan is a more traditional scheme with an outcome that can meaningfully be described as a percentage of maximum, and has been included from 2024 onwards.

Annual report on remuneration continued

Annual change of each Director's pay compared to the annual change in average employee pay

The following table summarises the annual percentage change of each Director's remuneration compared to the annual percentage change of the average remuneration of the Company's employees, calculated on a full-time equivalent basis.

Financial year ended 31 December 2025	2025 (% change)		
	Base salary / fees	Taxable benefits	ABP / DFSS cash bonus
Executive Directors			
Milena Mondini de Focatiis	3.00%	13.54%	(8.54%)
Geraint Jones	6.45%	13.54%	(5.47%)
Non-Executive Directors			
Mike Rogers	2.99%	(31.44%)	n/a
Evelyn Bourke	(0.10%)	(50.08%)	n/a
Karen Green	(12.28%)	(0.87%)	n/a
Jayaprakasa Rangaswami	3.64%	(48.52%)	n/a
Justine Roberts	(51.44%)	(12.09%)	n/a
Andrew Crossley	9.60%	3.71%	n/a
Michael Brierley	3.53%	27.99%	n/a
Bill Roberts	0.58%	(76.61%)	n/a
Fiona Muldoon	18.44%	(100.00%)	n/a
Paola Bonomo	-	-	n/a
Carlos Selonke De Souza	-	-	n/a
Percentage change in employees' remuneration	8.30%	23.71%	152.72%

The percentage change in employee base pay is a view across the whole Group and is inclusive of colleague internal movements and promotions throughout 2025.

Evelyn Bourke stepped down as Chair and as a member of the Group Remuneration Committee effective from April 2024. She subsequently joined the Group Audit Committee as a member.

Karen Green was appointed Chair of the Group Remuneration Committee effective from 25 April 2024. Karen stepped down as Chair of the Audit Committee in April 2024, and remained as a member of the Audit Committee until 1 September 2024. There was an overpayment of fees in 2024, which have been corrected and paid back in 2025, and is reflected in Karen's 2025 fees.

Justine Roberts resigned on 18 June 2025 from all positions.

Andrew Crossley left the Group Audit Committee on 7 March 2024. He was appointed as the Senior Independent Director and member of the Group Nomination and Governance Committee on 18 June 2025.

Fiona Muldoon was appointed Chair of the Group Audit Committee effective from 25 April 2024. She was appointed as a member of the Group Risk Committee on 28 April 2025.

The percentage changes for the Non-Executive Director taxable benefits relate to expenses for travel, accommodation and subsistence. These are generally modest in value, and small changes lead to comparatively large percentage increases.

For colleague taxable benefits, these are primarily driven by changes to individual private medical insurance; it is worth noting that the median and mode changes for this data set are 13.6%, which is in line with the Executive Director changes.

Annual report on remuneration continued

Dilution

Having previously used new issue shares to fund the employee share schemes, the Company has now implemented its market purchase funding model, and a total of 1,000,000 shares were purchased from the market and added to the trust in late 2025. The Company expects to purchase further shares during 2026 and to continue operating under this market purchase model in future years.

Interests held by Directors (audited)

The Company has adopted Executive Director shareholding guidelines whereby all Executive Directors are required to acquire and retain a beneficial shareholding in the Company equal to at least 400% of base salary (excluding salary shares, where applicable), which can be built up over a period of five years from the later of the introduction of the guidelines and the individual's date of appointment. Both Executive Directors meet the shareholding requirement.

As at 31 December 2025, the Directors held the following interests:

Name	Shares held		Unvested deferred ABP shares	Unvested DFSS awards	Current shareholding (% of 2025 salary)	400% of salary requirement met?
	Beneficially owned outright ¹	DFSS subject to continued employment ²				
Milena Mondini de Focatiis	121,271	45,047	22,379	185,000	663%	Yes
Geraint Jones	155,574	26,277	13,444	107,500	1,167%	Yes
Mike Rogers	12,163					
Evelyn Bourke	7,459					
Jayaprakasa Rangaswami	–					
Justine Roberts	1,044					
Andy Crossley	4,984					
Michael Brierley	4,802					
Karen Green	–					
Bill Roberts	10,310					
Paola Bonomo	–					
Carlos Selonke De Souza	–					
Fiona Muldoon	–					

1 Total includes SIP shares both matured and awarded.

2 Total reflects shares due to vest from the 2023 DFSS award (performance test has been applied, and award is due to vest in September 2026), net of Income Tax and National Insurance.

There have been no changes to Directors' shareholdings since 31 December 2025.

None of the Directors had an interest in the shares of any subsidiary undertaking of the Company or in any significant contracts of the Group.

Annual report on remuneration continued

Executive Directors' interests in shares under the DFSS and SIP and salary share awards (audited)

Type	At start of year	Awarded during year	Vested / matured during year	At end of year	Price at award ² (£)	Value at award date (£)	Value at 31 Dec 2025 or maturity ¹ (£)	Date of award	Final vesting / maturity date
Milena Mondini de Focatiis									
DFSS	90,000	–	69,057	–	£21.59	1,943,100	2,254,711	22/09/2022	22/09/2025
DFSS	90,000	–	–	90,000	£23.79	2,141,100	2,858,400	28/09/2023	28/09/2026
DFSS	95,000	–	–	95,000	£28.00	2,660,000	3,017,200	27/09/2024	27/09/2027
DFSS	–	100,000	–	100,000	£32.90	3,290,000	3,176,000	23/09/2025	23/09/2028
SIP	72	–	72	–	£24.81	1,786	2,157	11/03/2022	11/03/2025
SIP	81	–	81	–	£22.25	1,802	2,944	24/08/2022	24/08/2025
SIP	95	–	–	95	£18.82	1,787	3,017	13/03/2023	13/03/2026
SIP	77	–	–	77	£23.61	1,818	2,446	21/08/2023	21/08/2026
SIP	69	–	–	69	£25.73	1,775	2,191	11/03/2024	11/03/2024
SIP	62	–	–	62	£29.33	1,818	1,969	20/08/2024	20/08/2027
SIP	–	59	–	59	£30.00	1,770	1,874	13/03/2025	13/03/2028
SIP	–	50	–	50	£36.62	1,831	1,588	21/08/2025	21/08/2028
Geraint Jones									
DFSS	52,500	–	40,283	–	£21.59	1,133,475	1,315,240	22/09/2022	22/09/2025
DFSS	52,500	–	–	52,500	£23.79	1,248,975	1,667,400	28/09/2023	28/09/2026
DFSS	55,000	–	–	55,000	£28.00	1,540,000	1,746,800	27/09/2024	27/09/2027
DFSS	–	57,500	–	57,500	£32.90	1,891,750	1,826,200	23/09/2025	23/09/2028
SIP	72	–	72	–	£24.81	1,786	2,157	11/03/2022	11/03/2025
SIP	81	–	81	–	£22.25	1,802	2,944	24/08/2022	24/08/2025
SIP	95	–	–	95	£18.82	1,787	3,017	13/03/2023	13/03/2026
SIP	77	–	–	77	£23.61	1,818	2,446	21/08/2023	21/08/2026
SIP	69	–	–	69	£25.73	1,775	2,191	11/03/2024	11/03/2024
SIP	62	–	–	62	£29.33	1,818	1,969	20/08/2024	20/08/2027
SIP	–	59	–	59	£30.00	1,770	1,874	13/03/2025	13/03/2028
SIP	–	50	–	50	£36.62	1,831	1,588	21/08/2025	21/08/2028

1 The value at maturity relates only to shares vested.

2 For SIP the price at award reflects the closing share price on the preceding day prior to the award date.

The closing price of Admiral shares on 31 December 2025 was £31.76 per share.

Approved by the Board of Directors,

Karen Green

Chair of the Remuneration Committee

4 March 2026

Directors' report

The Directors present their Annual Report and audited financial statements for the year ended 31 December 2025.

Directors

Directors and their interests

The present Directors of the Company are shown on page 110 of this Report. All Directors who have held office during the year ended 31 December 2025 are set out on page 131. The interests of Directors and Officers and their connected persons in the issued share capital of the Company are given in the Remuneration Report on page 189.

Appointments of Directors

The Company's Articles of Association (the 'Articles') give the Directors power to appoint and replace Directors. Under the Terms of Reference of the Group Nomination and Governance Committee, any appointment must be recommended by the Group Nomination and Governance Committee for approval by the Board of Directors. The Articles provide that all Directors will retire and offer themselves for re-election at each Annual General Meeting, in accordance with the UK Corporate Governance Code and the Company's current practice. Therefore, all Directors will be submitting themselves for either election or re-election by shareholders at the forthcoming AGM.

Powers of the Company Directors

The Directors are responsible for managing the business of the Company and may exercise all powers of the Company subject to the provisions of relevant statutes, to any directions given by special resolution and to the Company's Memorandum and Articles. The Articles, for example, contain specific provisions and restrictions concerning the Company's power to borrow money. Powers relating to the issuing of new shares and buyback of shares are also included in the Articles and such authorities are renewed by shareholders at the Annual General Meeting each year. At the 2026 Annual General Meeting ('AGM'), shareholders will be asked to renew the Directors' authority to allot new securities and buy back Company shares. Further details will be contained in the Notice of 2026 AGM, which will be available to shareholders alongside, or at a date near to the publication of, the Annual Report.

Directors' indemnities and insurance

Directors and Officers insurance cover is in place for all Directors to provide cover against certain acts or omissions on behalf of the Company. A Deed Poll of Indemnity was executed in October 2015, indemnifying each of the Directors and Company Secretary, in relation to certain losses and liabilities that they might incur in the course of acting as Directors of the Company. The Deed Poll of Indemnity is categorised as qualifying third-party provisions as defined by Section 234 of the Companies Act 2006 and remains in force for all past and present Directors of the Company.

The Board is of the view that it is in the best interests of the Group to attract and retain the services of the most able and experienced Directors by offering competitive terms of engagement, including the granting of such indemnities. Neither the Deed Poll of Indemnity nor insurance cover would provide any coverage in the event that a Director is proved to have acted fraudulently or dishonestly.

Share capital, AGM and related matters

Share capital

At 31 December 2025, the Company's issued share capital comprised a single class of shares referred to as ordinary shares. Details of the share capital and shares issued during the year can be found in note 12d on page 305. The rights and obligations attached to the Company's ordinary shares are set out in the Articles of Association of the Company, copies of which can be obtained from Companies House.

Share class rights

If a poll is called at a general meeting, every member present in person, or by proxy, and entitled to vote shall have one vote for every ordinary share held. The notice of the general meeting specifies deadlines for exercising voting rights either by proxy notice or present in person or by proxy in relation to resolutions to be passed at general meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the Annual General Meeting and published on the Company's website after the meeting.

There are no people who hold shares carrying special rights with regard to control of the Company.

Restrictions on the transfer of securities or voting rights

There are no restrictions on the transfer of ordinary shares or voting rights in the Company other than:

- Certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws)
- Pursuant to the Listing Rules of the FCA whereby certain employees and Directors of the Company require the approval of the Company to deal in the Company's securities
- Restrictions under the Company's employee share incentive plans, where the shares are subject to the plan rules.

The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or voting rights.

Shares held in Employee Benefit Trust ('EBT')

The EBT does not use its voting rights in respect of the shares it holds in the EBT at general meetings, however, it may choose to do so if recommended by the Company via a letter of wishes. If any offer is made to shareholders to acquire their shares, the trustee will not be obliged to accept or reject the offer in respect of any shares, which are at that time subject to subsisting awards, but will have regard to the interests of the award holders and will have

Directors' report continued

power to consult them to obtain their views on the offer. Subject to the above, the trustee may take action with respect to any offer it thinks fair. The trustee has waived its right to dividends on the shares held in the trust.

During the year, the Company funded the EBT to purchase shares in the market for the purposes of satisfying future vestings of awards under the employee share schemes, see note 12d for further details. Further information on the rights attaching to shares under the employee share schemes are provided in the Remuneration Report on page 159.

Authority to purchase own shares

At the Company's 2025 AGM, shareholders approved an authority for the Company to buy back up to 15,315,233 ordinary shares. This authority is due to expire on 9 August 2026, or, if earlier, at the conclusion of the next AGM of the Company.

The Company has not purchased any of its own shares during the period and the Directors intend to seek to renew this power at the next AGM.

Major shareholders

Other than as stated below, as far as the Company is aware, there are no persons with significant direct or indirect holdings in the Company. Information provided to the Company pursuant to Rule 5 of the FCA's Disclosure and Transparency Rules ('DTRs') is published on a Regulatory Information Service and on the Company's website.

The Company received notifications in accordance with the FCA's DTRs of the following notifiable interests in the voting rights in the Company's issued share capital:

Shareholder	As at 31 December 2025		
	Number of shares	% voting rights	Date of notification
Henry Engelhardt & Diane Briere de l'Isle	20,277,027	6.7%	27 March 2023
BlackRock Inc.	17,849,752	5.8%	7 December 2023
Moondance Foundation	15,400,000	5.1%	27 March 2023
Rothschild and Co Wealth Management UK Limited	15,321,078	5.0%	3 January 2024
Mawer Investment Management Ltd.	14,885,428	5.0%	1 April 2021
FMR LLC	14,847,102	5.0%	16 March 2022
Vanguard Group Holdings	12,560,052	4.1%	pre-2015

The percentage of voting rights detailed above were calculated at the time the relevant disclosures were made in accordance with the DTRs. The DTRs require notification when the percentage voting rights (through shares and financial instruments) held by a shareholder reaches, exceeds or falls below an applicable threshold.

The information provided below was correct at the date of notification, however, the date the notification was received may not have been within the financial year under review. It should be noted that these holdings are likely to have changed since the Company was notified. However, notification of any change is not required until the next notifiable threshold is crossed.

There were no notifications received by the Company in accordance with the FCA's DTRs in the period from 31 December 2025 to 4 March 2026.

Group results and dividends

The profit for the year, after tax but before dividends, amounted to £742.3 million (2024: £662.9 million). The Directors declared and paid dividends of £715.4 million during 2025 (2024: £369.8 million). Refer to note 12b for further details.

The Directors have proposed a final dividend of £274.6 million (90.0 pence per share). Subject to shareholders' approval at the 2026 Annual General Meeting ('AGM'), the final dividend will be paid on 5 June 2026 to shareholders on the register at the close of business on 8 May 2026.

Further information on the Group's dividend policy is located on page 227.

Articles of Association

The Articles may only be amended by special resolution of the shareholders.

Annual General Meeting ('AGM')

It is proposed that the next AGM be held at Tŷ Admiral, David Street, Cardiff CF10 2EH on Wednesday 29 April 2026, notice of which will be available to shareholders alongside, or at a date near to the publication of the Annual Report.

Change of control

There are a number of agreements that alter or terminate upon a change of control of the Company following a takeover bid, such as commercial contracts (entered into in the normal course of business). None are considered to be significant in terms of their impact on the business of the Group as a whole. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occur because of a takeover bid.

Significant contracts of material interest to shareholders

The Group considers its co-insurance and reinsurance contracts to be significant and of material interest to shareholders. A number of the Group's contractual arrangements with reinsurers include features that, in certain scenarios, allow for reinsurers to recover losses incurred to date. The overall impact of such scenarios would not lead to an overall net economic outflow from the Group. No other contractual arrangements are considered to be significant to the running of the Group's business.

Directors' report continued

Political donations

No political donations were made during the year.

Going concern and viability statement

In accordance with the UK Corporate Governance Code, the Board must confirm that it considers the going concern basis of accounting appropriate. In considering this requirement, the Directors have taken into account the factors outlined in note 1 to the financial statements on page 212. The Directors have concluded that there is a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report, and that it is, therefore, appropriate to adopt the going concern basis in preparing the consolidated financial statements.

In accordance with the UK Corporate Governance Code, the Directors have assessed the viability of the Group. The Viability Statement, which supports the going concern basis above, is included in the Strategic Report on page 105.

Reporting, accountability and audit

UK Corporate Governance Code

Admiral is subject to the UK Corporate Governance Code (the 'Code'), published by the Financial Reporting Council ('FRC') in January 2024 and available on their website, [frc.org.uk](https://www.frc.org.uk). The Company's Annual Report and Accounts, taken as a whole, addresses the requirements of the 2024 Code.

The Code was applicable for the Group during the year under review, and the Group has applied the principles and fully complied with the provisions of the Code, as set out in the Corporate Governance Report on page 116.

The Directors confirm that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Board is ultimately responsible for the Group's system of risk management and internal control and, through the Audit Committee, has reviewed the effectiveness of the Group's internal control and risk management arrangements relating to the financial reporting process and the principal risks facing the business. The Board is satisfied that the Group's internal control and risk management framework is prudent and effective and that, through the Audit Committee and Group Risk Committee, risk can be assessed, managed and assurance given that all material controls are reviewed and monitored.

Information on the composition and operation of the Board and its Committees is located in the following sections:

- Corporate Governance report on page 107 in respect of the Board
- Nomination and Governance Committee report on page 134
- Audit Committee report on page 147

- Risk Committee report on page 154
- Remuneration Committee report on page 159.

The Group's gender diversity information for the financial year, together with an explanation of the policies related to diversity, are set out in the Strategic Report on page 14 and in the Nomination and Governance Committee Report on page 134.

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 *Reduced Disclosure Framework*.

Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- For the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the UK
- For the Parent Company financial statements, state whether applicable UK accounting standards, including FRS 101 *Reduced Disclosure Framework*, have been followed, subject to any material departures disclosed and explained in the Parent Company financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Directors' report continued

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' report, Directors' Remuneration report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

The Directors confirm that to the best of their knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Directors' report and the Strategic Report include a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Following the Board's approval of the Audit Committee's recommendation to reappoint the Company's auditor, Deloitte LLP has indicated willingness to continue in office and resolutions to reappoint it and to authorise the Directors to fix its remuneration will be proposed at the AGM.

Index of disclosures

Information included in the Strategic Report: As permitted by legislation, some matters required to be included in the Directors' report have instead been included in the Strategic Report as the Board considers them to be of strategic importance. These are identified with an asterisk (*) in the table below.¹

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1 Information required to be disclosed in the Annual Report under Listing Rule 6.6.1 is marked with an asterisk (*).

Approved by the Board of Directors and signed on its behalf by



Dan Caunt
Company Secretary

4 March 2026



Geraint Jones
Chief Financial Officer

4 March 2026

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Independent Auditor's Report

to the members of Admiral Group plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Admiral Group plc (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Consolidated and Parent Company Income Statements;
- the Consolidated and Parent Company Statements of Comprehensive Income;
- the Consolidated and Parent Company Statements of Financial Position;
- the Consolidated and Parent Company Statements of Changes in Equity;
- the Consolidated Cashflow Statement;
- the related notes 1 to 14 to the Group financial statements, excluding the capital adequacy disclosures in note 3.8 calculated in accordance with the Solvency II regime which are marked as unaudited; and
- the related notes 1 to 14 to the Parent Company financial statements.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

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

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and Parent Company for the year are disclosed in note 9c to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Parent Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report continued

to the members of Admiral Group plc

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was: <ul style="list-style-type: none"> Valuation of UK motor large bodily injury reserves within the gross liability for incurred claims.
Materiality	The materiality that we used for the Group financial statements was £47.9m which was determined on the basis of 5% of profit before tax from continuing operations ('PBT').
Scoping	We identified five reporting components which we determined should be subject to an audit of the entire financial information in the current year. Specified audit procedures were completed in respect of eight further components in response to specific audit risks. The components within the scope of our audit of entire financial information and specified audit procedures account for above 99% of the Group's profit before tax, the Group's revenue and the Group's net assets.
Significant changes in our approach	There have been no significant changes in our approach from the prior year.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- We obtained an understanding of the relevant controls relating to the Board's going concern assessment process;
- We inspected the Group ORSA ('Own Risk and Solvency Assessment') to support our understanding of the key risks faced by the Group, its ability to continue as a going concern, and the longer-term viability of the Group;
- We evaluated the Board's going concern assessment in light of the current macroeconomic uncertainties;
- We considered the available cash and cash equivalents balance at year-end and assessed how this is forecast to fluctuate over a period of at least 12 months from the date of signing the financial statements in line with the Board's forecast performance. This analysis included assessing the amount of headroom in the forecasts considering cash and regulatory liquidity requirements;
- We assessed management's stress testing and reverse stress testing over the projected profitability, solvency and liquidity positions and the likelihood of the various scenarios that could adversely impact upon the Group's liquidity and solvency headroom;
- We obtained and inspected correspondence between the Group and its regulators, as well as reviewed the Group Risk Committee meeting minutes, to identify any items of interest which could potentially indicate either non-compliance with regulation or potential litigation or regulatory action held against the Group; and
- We assessed the appropriateness of the Going Concern disclosures included in the financial statements.

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

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Independent Auditor's Report continued

to the members of Admiral Group plc

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Valuation of UK motor large bodily injury reserves within the gross liability for incurred claims

Key audit matter description

The Group's gross liability for incurred claims totalled £4,190m as at 31 December 2025 (31 December 2024: £3,673m). Judgements made in determining the valuation of the gross liability for incurred claims are by far the most significant in terms of their impact on the Group's financial position. Setting these claims reserves is an inherently subjective exercise and small changes in underlying assumptions may have a material impact on the overall result reported.

Specifically, our significant areas of focus are the Group's selection of the incurred claims development assumptions including inflation for large bodily injury claims arising in the UK motor insurance business. These particular claims result in higher individual claim reserves and are more judgemental, in terms of the development of the ultimate losses, due to the longer-term nature of the Group's exposure (compared to property damage claims). Therefore, we determine this as a key audit matter.

Refer to page 149 in the Audit Committee report where this is included as a significant matter and note 3 and note 5f in the financial statements which refer to this matter.

How the scope of our audit responded to the key audit matter

In responding to this matter, we have involved our actuarial specialists and performed the following procedures:

- We obtained an understanding of, and tested, the relevant controls governing the selection of the incurred claims development assumptions for large bodily injury claims in the UK motor insurance business, as well as the wider process supporting the valuation of the liability for incurred claims;
- We obtained and inspected the reports from management and assessed management's incurred claims development assumptions for UK motor insurance business;
- We benchmarked the assumptions against available industry data and considered the comparison in the context of the risk profile of the Group's portfolio and the year-on-year changes in these assumptions;
- We undertook a graphical analysis of incurred development patterns to assess and challenge the assumptions considering the trends and patterns observed; and
- We obtained and inspected the external actuary's reports and performed an assessment of the incurred claims development assumptions, including evaluating how these compare to management's selected assumptions, to support our assessment of management's incurred claims development assumptions for UK motor insurance business.

Key observations

Based on the procedures described above, we concluded that the valuation of UK motor large bodily injury reserves within the gross liability for incurred claims is appropriate.

Independent Auditor's Report continued

to the members of Admiral Group plc

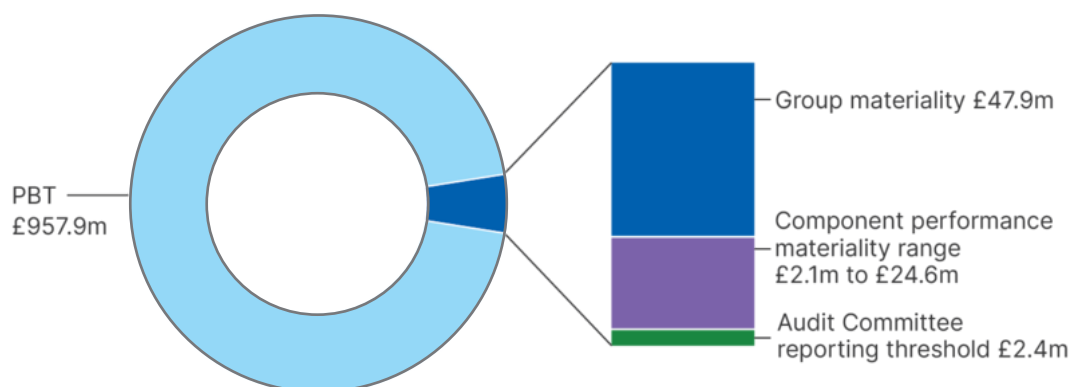
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Materiality	£47.9 million (2024: £41.9 million)	£9.2 million (2024: £6.2 million)
Basis for determining materiality	5% of profit before tax from continuing operations (2024: 5% of profit before tax).	3% of two-year average of net assets pre-final dividend (2024: 3% of two-year average of net assets pre final dividend).
Rationale for the benchmark applied	We consider profit before tax to be the critical benchmark of the performance of the Group and consider this benchmark to be suitable having compared to other benchmarks. Our materiality equates to 1% of insurance revenue and 3% of equity (2024: 1% of insurance revenue and 3% of equity)	The Parent Company primarily exists as the holding company which carries investments in Group subsidiaries and is the issuer of listed securities. We consider that net assets is the critical benchmark for the Parent Company. The measure uses a two-year average of net assets pre final dividend which we consider appropriate given the inherent volatility associated with the timing of dividend payments.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent Company financial statements
Performance materiality	70% (2024: 70%) of Group materiality	70% (2024: 70%) of Parent Company materiality
Basis and rationale for determining performance materiality	<p>In determining performance materiality, we considered the following factors:</p> <ul style="list-style-type: none"> our risk assessment, including our assessment of the Group's overall control environment and that we consider it appropriate to rely on controls over a number of business processes; and our past experience of the audit, which has indicated a low number of uncorrected misstatements identified in prior periods. 	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £2.4m (2024: £2.1m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Independent Auditor's Report continued

to the members of Admiral Group plc

7. An overview of the scope of our audit

7.1. Identification and scoping of components

The nature of the Group is such that we have identified components primarily by legal entity. We assessed the qualitative and quantitative characteristics of each financial statement line item and considered the relative contribution of each component to these line items in determining which components would be subject to an audit of the entire financial information, specified audit procedures, or review at group level.

Five (2024: five) components of the Group have been subject to an audit of the entire financial information: Admiral Insurance (Gibraltar) Limited, Admiral Insurance Company Limited, UK operations of EUI Limited, Admiral Europe Compañía de Seguros, and Admiral Group plc (the Parent company).

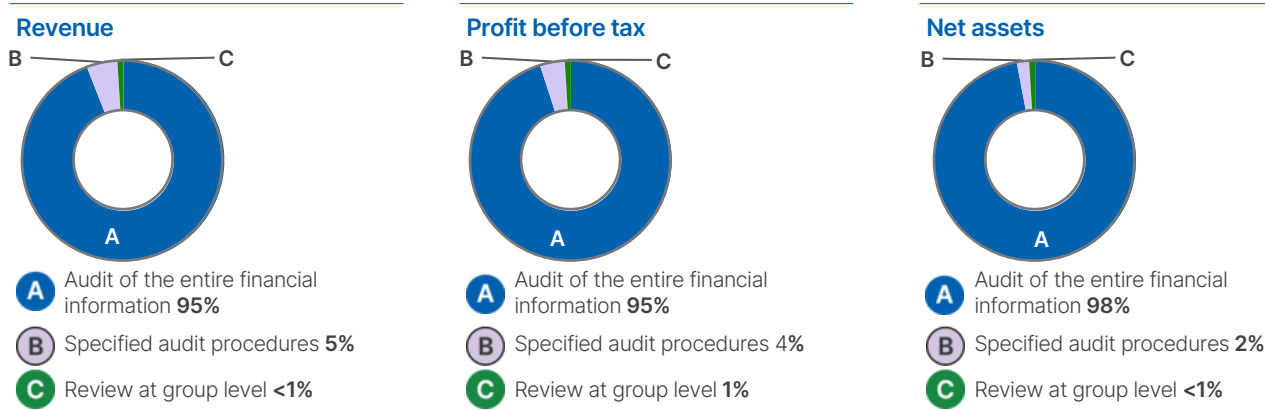
Specified audit procedures, designed to address specific audit risks, were completed for eight (2024: seven) further components: Elephant Insurance Company, Admiral Intermediary Services S.A, Admiral Financial Services Limited, Seren One Limited, Seren Two Limited, Seren Three Limited, Able Insurance Services Limited, and Admiral Law Limited.

The scope of work over the above components was completed to individual component performance materiality levels which ranged from £2.1m to £24.6m (2024: £2.5m to £15.9m) dependent upon the relative financial contribution of each individual component to the Group.

For the remaining components, we performed analysis at an aggregated Group level to re-assess our evaluation that there were no identified risks of material misstatement in any of these components.

The components within the scope of our audit of entire financial information and specified audit procedures account for 99% (2024: 99%) of the Group's profit before tax, above 99% (2024: 99%) of the Group's revenue and above 99% (2024: 99%) of the Group's net assets.

Finally, we performed audit procedures over the consolidation process by testing the material consolidation adjustments made by management in calculating their consolidated financial statements.



7.2. Our consideration of the control environment

We obtained an understanding of and tested the relevant controls within the Group, including controls over the following business processes: financial reporting, insurance revenue, other revenue, insurance service expenses, liability for incurred claims, liability for remaining coverage, financial investments, reinsurance and coinsurance, cash and investments. We also identified the key IT systems in the Group that were relevant to the audit, and involved our IT specialists to support our testing of general IT controls over these systems, including the policy administration system, claims administration systems and the data warehouse.

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the impact of climate change on the Group's operations and subsequent impact on its financial statements. The Group sets out its assessment of the potential impact on pages 103 and 104 of the Emerging Risks section.

In conjunction with our climate reporting specialists, we have held discussions with the Group to understand management's:

- process for identifying affected operations, including the governance and controls over this process, and the subsequent effect on the financial reporting of the Group; and
- long-term strategy to respond to climate-related risks as they emerge including the effect on the Group's forecasts.

Independent Auditor's Report continued

to the members of Admiral Group plc

In addition, our audit work also involved:

- challenging the completeness of the physical and transition risks identified based on our understanding of the Group, and considered in the Group's climate risk assessment and the conclusion that there is no material impact of climate change risk on the current year financial reporting;
- assessing the Group's qualitative analysis which supports the Group's conclusion that there is no material financial statement impact of climate risk; and
- assessing disclosures in the Annual Report against the requirements of the TCFD framework, paragraph 8(a) of Listing Rule 9.8.6R, as well as the mandatory climate-related financial disclosure requirements ('CFD'); and
- evaluating the appropriateness of disclosures included in the financial statements in Note 2.

We have not been engaged to provide assurance over the accuracy of TCFD disclosures set out on pages 76 to 86 of the annual report. As part of our procedures, we are required to read these disclosures and to consider whether they are materially inconsistent with the financial statements or our knowledge obtained during the course of our audit. We did not identify any material inconsistencies as a result of these procedures.

7.4. Working with other auditors

We engaged local component auditors, being Deloitte member firms in Spain and the US, to perform the audit work over entities residing in these respective territories. We also engaged component auditors in the Deloitte UK firm to perform the audit work over the Admiral Money segment of the Group. We directed and supervised the work of Deloitte Spain and Deloitte UK, including through in-person visits and through remote communication and review of their work.

For the US, we directed and supervised the work of the component auditor by having frequent phone calls with the component audit team, participating in video conferences and reviewing key audit documentation remotely.

8. Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

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

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

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

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

Independent Auditor's Report continued

to the members of Admiral Group plc

11. 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.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- results of our enquiries of management, internal audit, the directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, actuarial, financial instruments, IT, climate, and industry specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: valuation of UK motor large bodily injury claims reserves within the liability for incurred claims. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, Solvency II regulation and relevant tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group's operating licence, and the Financial Conduct Authority and the Prudential Regulation Authority regulations.

11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of UK motor large bodily injury reserves within the liability for incurred claims as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

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

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

Independent Auditor's Report continued

to the members of Admiral Group plc

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

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

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

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 193;
- the directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 105 to 106;
- the directors' statement on fair, balanced and understandable set out on page 193;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 97;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 157 to 158; and
- the section describing the work of the Audit Committee set out on page 147 to 153.

Independent Auditor's Report continued

to the members of Admiral Group plc

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by shareholders' approval at the Annual General Meeting on 9 May 2025 to audit the financial statements for the year ending 31 December 2025 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is ten years, covering the years ending 31 December 2016 to 31 December 2025.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

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

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Adam Addis (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

4 March 2026

Consolidated Income Statement

For the year ended 31 December 2025

	Note	Year ended	
		31 December 2025 £m	31 December 2024 £m ¹
Insurance revenue	5	4,979.3	4,553.4
Insurance service expenses	5	(3,967.1)	(3,349.7)
Insurance service result before reinsurance		1,012.2	1,203.7
Net expense from reinsurance contracts held	5	(225.9)	(501.6)
Insurance service result		786.3	702.1
Investment return - Effective interest rate	6	129.0	103.4
Investment return - Other	6	80.4	72.8
Investment return	6	209.4	176.2
Finance expenses from insurance contracts issued	5	(140.9)	(128.4)
Finance income from reinsurance contracts held	5	29.4	35.9
Net insurance finance expenses		(111.5)	(92.5)
Net insurance and investment result		884.2	785.8
Interest income from financial services	7	147.3	113.5
Interest expense related to financial services	7	(58.3)	(37.2)
Net interest income from financial services		89.0	76.3
Other revenue and profit commission	8	233.5	189.6
Other operating expenses	9	(321.5)	(293.5)
Other operating expenses recoverable from co-insurers	9	126.5	129.3
Movement in expected credit loss provision and write-offs	6	(29.8)	(34.6)
Other income and expenses		8.7	(9.2)
Operating profit		981.9	852.9
Finance costs	6	(24.4)	(27.0)
Finance costs recoverable from co-insurers	6	0.4	0.6
Net finance costs		(24.0)	(26.4)
Profit before tax from continuing operations		957.9	826.5
Taxation expense	10	(212.6)	(175.3)
Profit after tax from continuing operations		745.3	651.2
(Loss)/ Profit before tax from discontinued operations	13	(3.1)	12.7
Taxation expense	13	0.1	(1.0)
(Loss)/ Profit after tax from discontinued operations	13	(3.0)	11.7
Profit after tax from continuing and discontinued operations		742.3	662.9
Profit after tax attributable to:			
Equity holders of the parent		742.6	663.3
Non-controlling interests (NCI)		(0.3)	(0.4)
		742.3	662.9
Earnings per share - from continuing operations			
Basic	12	247.4p	212.8p
Diluted	12	242.7p	212.8p
Earnings per share - from continuing and discontinued operations			
Basic	12	246.4p	216.6p
Diluted	12	241.7p	216.6p
Dividends declared and paid (total)	12	715.4	369.8
Dividends declared and paid (per share)	12	236.0p	123.0p

1 The Consolidated Income Statement and all related notes to the financial statements for the year ended 31 December 2024 have been re-presented due to the US Motor business being classified as discontinued.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	Year ended	
	31 December 2025 £m	31 December 2024 £m
Profit for the period - from continuing and discontinued operations	742.3	662.9
Other comprehensive income		
Items that are or may be reclassified to profit or loss		
Movements in fair value reserve	48.7	11.3
Deferred tax in relation to movement in fair value reserve	(2.8)	2.4
Movements in insurance finance reserve - insurance contracts	(54.4)	7.9
Deferred tax in relation to movement in insurance finance reserve - insurance contracts	9.5	(5.1)
Movements in insurance finance reserve - reinsurance contracts	9.6	3.3
Deferred tax in relation to movement in insurance finance reserve - reinsurance contracts	(2.1)	1.3
Exchange differences on translation of foreign operations	3.1	(4.2)
Movement in hedging reserve	(13.5)	(4.1)
Deferred tax in relation to movement in hedging reserve	3.4	1.0
Other comprehensive income for the period, net of income tax	1.5	13.8
Total comprehensive income for the period	743.8	676.7
Total comprehensive income for the period attributable to:		
Equity holders of the parent	744.1	677.1
Non-controlling interests	(0.3)	(0.4)
Total comprehensive income for the period	743.8	676.7

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	As at	
		31 December 2025 £m	31 December 2024 £m
ASSETS			
Property and equipment	11	80.2	87.8
Intangible assets	11	327.6	321.0
Deferred tax asset	10	50.7	19.8
Corporation tax asset	10	18.1	18.1
Reinsurance contract assets	5	1,080.5	988.6
Loans and advances to customers	7	1,628.7	1,106.9
Other receivables	6	277.7	225.2
Financial investments	6	5,258.2	4,863.2
Cash and cash equivalents	6	301.1	313.6
Total assets		9,022.8	7,944.2
EQUITY			
Share capital	12	0.3	0.3
Share premium account		13.1	13.1
Other reserves		(29.3)	(26.7)
Retained earnings		1,459.2	1,383.4
Total equity attributable to equity holders of the parent		1,443.3	1,370.1
Non-controlling interests		0.3	0.6
Total equity		1,443.6	1,370.7
LIABILITIES			
Insurance contracts liabilities	5	5,399.2	4,961.4
Subordinated and other financial liabilities	6	1,819.9	1,322.2
Trade and other payables	6,11	217.2	175.3
Lease liabilities	6	73.6	79.6
Corporation tax liabilities	10	69.3	35.0
Total liabilities		7,579.2	6,573.5
Total equity and total liabilities		9,022.8	7,944.2

The accompanying notes form part of these financial statements. These financial statements were approved by the Board of Directors on 4 March 2026 and were signed on its behalf by:



Geraint Jones

Chief Financial Officer

Admiral Group plc

Company Number: 03849958

Consolidated Cashflow Statement

For the year ended 31 December 2025

	Note	Year ended	
		31 December 2025 £m	31 December 2024 £m
Profit after tax - from continuing and discontinued operations		742.3	662.9
Adjustments for non-cash items:			
- Depreciation of property, plant and equipment and right-of-use assets	11	15.9	18.8
- Impairment/ disposal of property, plant and equipment and right-of-use assets	11	0.2	9.1
- Amortisation and impairment of intangible assets	11	63.1	66.7
- Loss on disposal of Elephant entities held for sale		24.5	-
- Movement in expected credit loss provision		13.2	10.3
- Share scheme charges	9	75.0	67.8
- Interest expense on funding for loans and advances to customers		46.8	32.3
- Investment return	6	(212.3)	(177.4)
- Profit on disposal of Insurify share option	9	-	(12.5)
- Finance costs, including unwinding of discounts on lease liabilities	6	24.4	27.7
- Taxation expense	10	212.6	176.3
Change in gross insurance contract liabilities	5	502.2	421.6
Change in reinsurance assets	5	(122.7)	184.9
Change in insurance and other receivables	6	(15.8)	182.4
Change in gross loans and advances to customers	7	(689.1)	(231.4)
Sale proceeds from the loan book	7	146.4	-
Funding received relating to forward flow loans	7	282.3	-
Forward flow loans transferred	7	(279.5)	-
Change in trade and other payables, including tax and social security	11	44.9	(136.1)
Cash flows from operating activities, before movements in investments		874.4	1,303.4
Purchases of financial instruments		(9,339.4)	(8,083.3)
Proceeds on disposal/ maturity of financial instruments		8,973.2	7,182.4
Interest and investment income received		120.4	90.6
Cash flows from operating activities, net of movements in investments		628.6	493.1
Taxation payments		(192.1)	(124.1)
Net cash flow from operating activities		436.5	369.0
Cash flows from investing activities:			
Purchases of property, equipment and software		(74.3)	(61.7)
Intangible assets acquired through business combinations		-	(82.5)
Net costs paid on sale of Elephant entities		(1.3)	-
Cash included in the disposal of entities		(19.6)	-
Net cash used in investing activities		(95.2)	(144.2)
Cash flows from financing activities:			
Proceeds on issue of loan backed securities	6	713.8	372.2
Repayment of loan backed securities	6	(299.1)	(194.1)
Proceeds from other financial liabilities	6	262.3	177.7
Repayment of other financial liabilities	6	(180.4)	(170.1)
Finance costs paid, including interest expense paid on funding for loans		(76.0)	(76.7)
Proceeds on hedging derivatives		5.3	15.6
Repayment of lease liabilities	6	(8.4)	(12.7)
Equity dividends paid	12	(715.4)	(369.8)
Acquisition of shares by employee benefit trusts		(35.3)	-
Net cash used in financing activities		(333.2)	(257.9)
Net increase/ (decrease) in cash and cash equivalents		8.1	(33.1)
Cash and cash equivalents at 1 January		313.6	353.1
Effects of changes in foreign exchange rates		(20.6)	(6.4)
Cash and cash equivalents at period end	6	301.1	313.6

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Note	Attributable to the owners of the Company							Total £m	Non- controlling interests £m	Total equity £m
		Share Capital £m	Share premium account £m	Fair value reserve £m	Hedging reserve £m	Foreign exchange reserve £m	Insurance finance reserve £m	Retained profit and loss £m			
At 1 January 2025		0.3	13.1	(99.8)	4.4	(4.0)	72.7	1,383.4	1,370.1	0.6	1,370.7
Profit/(loss) for the period - from continuing and discontinued operations		-	-	-	-	-	-	742.6	742.6	(0.3)	742.3
Other comprehensive income		-	-	45.9	(10.1)	3.1	(37.4)	-	1.5	-	1.5
Total comprehensive income for the period		-	-	45.9	(10.1)	3.1	(37.4)	742.6	744.1	(0.3)	743.8
Transactions with equity holders											
Dividends	12	-	-	-	-	-	-	(715.4)	(715.4)	-	(715.4)
Share scheme credit		-	-	-	-	-	-	75.0	75.0	-	75.0
Shares acquired by employee benefit trusts		-	-	-	-	-	-	(35.3)	(35.3)	-	(35.3)
Deferred tax on share scheme credit		-	-	-	-	-	-	8.9	8.9	-	8.9
Transfer to loss on disposal of assets held for sale		-	-	(0.5)	-	(3.6)	-	-	(4.1)	-	(4.1)
Total transactions with equity holders		-	-	(0.5)	-	(3.6)	-	(666.8)	(670.9)	-	(670.9)
As at 31 December 2025		0.3	13.1	(54.4)	(5.7)	(4.5)	35.3	1,459.2	1,443.3	0.3	1,443.6

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Attributable to the owners of the Company										
	Note	Share Capital £m	Share premium account £m	Fair value reserve £m	Hedging reserve £m	Foreign exchange reserve £m	Insurance finance reserve £m	Retained profit and loss £m	Total £m	Non-controlling interests £m	Total equity £m
At 1 January 2024		0.3	13.1	(113.5)	7.5	0.2	65.3	1,018.9	991.8	1.0	992.8
Profit/(loss) for the period - from continuing and discontinued operations		-	-	-	-	-	-	663.3	663.3	(0.4)	662.9
Other comprehensive income		-	-	13.7	(3.1)	(4.2)	7.4	-	13.8	-	13.8
Total comprehensive income for the period		-	-	13.7	(3.1)	(4.2)	7.4	663.3	677.1	(0.4)	676.7
Transactions with equity holders											
Dividends	12	-	-	-	-	-	-	(369.8)	(369.8)	-	(369.8)
Share scheme credit		-	-	-	-	-	-	67.8	67.8	-	67.8
Deferred tax on share scheme credit		-	-	-	-	-	-	3.2	3.2	-	3.2
Transfer to loss on disposal of assets held for sale		-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders		-	-	-	-	-	-	(298.8)	(298.8)	-	(298.8)
As at 31 December 2024		0.3	13.1	(99.8)	4.4	(4.0)	72.7	1,383.4	1,370.1	0.6	1,370.7

Notes to the consolidated financial statements

For the year ended 31 December 2025

General information

Admiral Group plc is a public limited Company incorporated in England and Wales. Its registered office is at Tŷ Admiral, David Street, Cardiff, CF10 2EH and its shares are listed on the London Stock Exchange. The nature of Admiral Group operations and its principal activities are set out in the Business model section on page 6 onwards.

1. Basis of preparation

The consolidated financial statements have been prepared and approved by the Directors in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The Company has elected to prepare its Parent Company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

The accounting policies set out in the notes to the financial statements have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

The financial statements are prepared on the historical cost basis, except for the revaluation of financial assets classified as fair value through profit or loss or as fair value through other comprehensive income, and insurance and reinsurance contract assets and liabilities which are measured at their fulfilment value in accordance with IFRS 17 *Insurance Contracts*. The Group and Company financial statements are presented in pounds sterling, rounded to the nearest £0.1 million.

Cashflows from operating activities before movements in investments comprise all cashflows arising from the Group's insurance and reinsurance activities, and from loans and advances issued to customers. Cashflows from financing activities include the cashflows on issues of loan backed securities, lease liabilities and other financial liabilities.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity.

In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The Group has securitised certain loans and advances to customers by the transfer of the loans to special purpose entities ('SPEs') controlled by the Group. Securitisation enables a subsequent issuance of debt by the SPEs to investors who gain the security of the underlying assets as collateral. Further information is provided in note 6.

These SPEs are fully consolidated into the Group financial statements under IFRS 10 *Consolidated Financial Statements*, as the Group controls the entity in line with the above definition.

The Group has employee benefit trusts through which its employee share scheme obligations are settled. Prior to 2025, new shares were issued and transferred to the trusts to meet these obligations. During the year, the Group advanced a loan to fund the market purchase of shares. This resulted in the Group obtaining control of the trusts and consequently consolidating the trusts under IFRS 10 *Consolidated Financial Statements*.

In applying the Group's accounting policies as described in the notes to the financial statements, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is reviewed. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, the movement is recognised by adjusting the carrying amount of the related asset or liability in the period in which the change occurs. Further information regarding the Group's critical accounting judgements and estimates is provided in note 2 to the financial statements.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Going concern

The consolidated financial statements have been prepared on a going concern basis. In considering this requirement, the Directors have taken into account the following:

- The Group's profit projections, including:
 - Changes in premium rates and projected policy volumes across the Group's insurance businesses
 - Projected cost of settling claims across all of the Group's insurance businesses, including the impact of continuing, albeit reducing, high levels of inflation
 - Projected trends in motor claims frequency
 - Projected trends in other revenue generated by the Group's insurance business from fees and the sale of ancillary products
 - Projected contributions to profit from businesses other than the UK Motor insurance business
 - Expected trends in unemployment in the context of credit risks and the growth of the Group's consumer lending business
- The Group's solvency position, which continues to be closely monitored. The Group continues to maintain a strong solvency position above target levels
- The adequacy of the Group's liquidity position after considering all the factors noted above
- The results of business plan scenarios and stress tests on the projected profitability, solvency and liquidity positions including the impact of severe downside scenarios that assume severe adverse economic, credit and trading stresses
- The regulatory environment, focusing on regulatory guidance issued by the FCA and the PRA in the UK and regular communications between management and regulators
- A review of the Group's principal risks and uncertainties and the assessment of emerging risks, including economic uncertainty, tariffs, trade negotiations, and cyber and climate-related risks.

Following consideration of all of the above, the Directors have reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report, and that it is therefore appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Further information regarding the Company's business activities, together with the factors likely to affect its future development, performance and position, is set out in the Strategic Report. Further information regarding the financial position of the Company, its cashflows, liquidity position and borrowing facilities are also described in the Strategic Report. In addition, note 3 to the financial statements includes the Group's insurance and financial risk management objectives, details of its financial instruments and its exposures to credit risk and liquidity risk; and its objectives, policies and processes for managing its capital.

Adoption of new and revised standards

The Group has adopted the following IFRSs and interpretations during the year, which have been issued and endorsed:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective 1 January 2025).

The application of the amendments listed above has not had a material impact on the Group's results, financial position and cashflows.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (effective 1 January 2026)
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (effective 1 January 2026)
- Annual Improvements to IFRS Accounting Standards – Volume 11 (effective 1 January 2026)
- IFRS 18: Presentation and Disclosure in Financial Statements (effective 1 January 2027)
 - IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. The Group will apply the new standard from its mandatory effective date of 1 January 2027. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, it is anticipated that the application of these amendments may have an impact on the presentation group's consolidated financial statements in future periods
- IFRS 19: Subsidiaries without Public Accountability: Disclosures and Amendments (effective 1 January 2027) – not yet endorsed in the UK
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (effective 1 January 2027) – not yet endorsed in the UK.

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

2. Critical accounting judgements and estimates

2.1 Critical accounting judgements

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Premium allocation approach ('PAA')

The Group applies the PAA to all of its insurance and reinsurance contracts.

The coverage period of insurance contracts is typically one year or less, including insurance contract services arising from all premiums within the contract boundary. The Group does not consider the existing products with more than 12 months coverage to be material. The Group's insurance contracts are therefore automatically eligible for the PAA.

However, the Group's reinsurance contracts are not automatically eligible for the PAA given that the coverage period is greater than one year. The Group has modelled the expected cashflows and reasonably possible future scenarios for its reinsurance contracts, and as a result expects that the measurement of the asset for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. Its reinsurance contracts are therefore eligible for the PAA.

The modelling of the cashflows associated with the Group's reinsurance contracts, and reasonably possible future scenarios, is a key area of judgement that impacts the PAA eligibility assessment and the resulting measurement of and presentation of reinsurance contracts in these financial statements.

Classification of the Group's contracts with reinsurers as reinsurance contracts

A contract is required to transfer significant insurance risk in order to be classified as such. Management reviews all terms and conditions of each such insurance and reinsurance contract in order to be able to make this judgement. In particular, all reinsurance contracts (both excess of loss and quota share contracts) held by the Group have been assessed and it has been concluded that all contracts transfer significant insurance risk and have therefore been classified and accounted for as reinsurance contracts within these financial statements.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Unit of account: combination of insurance contracts and separation of distinct components

The lowest unit of account in IFRS 17 is the contract and there is a presumption that a contract with the legal form of a single contract would generally be considered a single contract in substance. However, there might be certain facts and circumstances where legal form does not reflect the substance of the arrangement and separation of the contract is required, or alternatively circumstances when contracts should be combined, such as when a set of insurance contracts with the same or a related counterparty may achieve, or be designed to achieve, an overall commercial effect.

Overriding the legal contract to reflect substance is not a policy choice; it is a significant judgement requiring careful consideration of all relevant facts and circumstances. The following considerations are deemed relevant in assessing whether the contracts should be separated, or alternatively, combined:

- Whether there is interdependency between the different risks covered
- Whether components lapse together, and
- Whether components can be priced and sold separately.

In addition, any cashflows related to promises to transfer distinct goods or services, other than insurance contract services, that are within the host insurance contract are separated and recognised by applying IFRS 15. In determining whether there are such distinct components, the following is considered:

- Whether the policyholder can benefit from the good or service on its own or together with other resources available to the policyholder
- Whether the cashflows and risks associated with the good or services are highly interrelated with the cashflows and risks associated with the insurance components in the contract
- Whether the Group provides a significant service in integrating the good or service with the insurance components.

After separating any such distinct components, IFRS 17 is applied to all remaining components of the (host) insurance contract.

The Group has determined that, in applying these requirements to its insurance contracts:

- The individual insurance policies contained in a 'multi-cover policy' are treated as separate contracts, given that the components can be priced and sold separately, there is little interdependency between the risks covered, and the components can lapse separately
- The cashflows associated with administration fees (for changes to the underlying insurance policy), and instalment income (being the additional fees payable by a policyholder associated with paying for an insurance contract over 12 months, rather than in one up-front payment), are non-distinct given that the policyholder cannot benefit from these services separately and the services are highly interrelated with the core insurance policy. These cashflows are therefore treated as insurance revenue under IFRS 17. However, for the component of the insurance policy that is underwritten outside the Group by a third party insurer, the Group is performing an agency service on behalf of the third party insurer, and therefore this component is treated as a separate component of revenue and accounted for under IFRS 15
- The cashflows associated with ancillary or 'add on' products (which are sold within the same set of contracts as the core product), are separated from the core product in cases where the policyholder can benefit from the product on its own, and where the cashflows are not highly interrelated with the insurance components in the contract or the Group does not provide a significant service in integrating the products.

In addition, the Group's quota share reinsurance contracts contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the Group, as the policyholder, will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. Given that the receipt and payment of these non-distinct investment components do not relate to the provision of insurance services, the amounts are excluded from the net reinsurance expenses in the Group's Income Statement (i.e. both ceded reinsurance premiums and ceded recoveries are presented net of the minimum guaranteed amount that the Group will always receive).

Presentation of reinsurance 'funds withheld' contracts

The Group has a number of quota share reinsurance contracts that have funds withheld features, whereby the quota share proportion of ceded premiums and related recoveries are retained by the Group, and settled on a net basis at commutation. The only initial cashflows during the coverage period are therefore the payment of any reinsurer margin.

Under IFRS 17, the reinsurance assets related to these funds withheld contracts are presented on a cashflow basis i.e. the full proportional share of ceded premiums and recoveries is not presented in either the Income Statement or the Statement of Financial Position.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Consolidation of the Group's special purpose entities ('SPEs')

The Group has set up a number of SPEs in relation to the Loans businesses, whereby the Group securitises certain loans by the transfer of the loans to the respective SPEs. The securitisation enables a subsequent issue of debt by the SPEs to investors who thereby gain the security of the underlying assets as collateral.

The accounting treatment of SPEs has been assessed and it has been concluded that the entities should be fully consolidated into the Group's financial statements under IFRS 10. This is due to the fact that despite not having legal ownership, the Group has control of the SPEs, being exposed to the returns and having the ability to affect those returns through its power over the SPEs.

The SPEs have therefore been fully consolidated in the Group's financial statements.

2.2 Key sources of estimation uncertainty

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

Best estimate of future cashflows to fulfil insurance contracts

The ultimate cost of outstanding claims that have been incurred prior to the balance sheet date and that remain unsettled at the balance sheet date, for material lines of business, is estimated by internal actuarial teams using a range of standard actuarial claims projection techniques, (such as incurred and paid chain ladder techniques, Bornhuetter-Ferguson methods and initial expected assumptions) to allow an actuarial assessment of their potential outcome. This includes an allowance for unreported claims. The projection of the overall claims reserve is subject to comparison against equivalent outputs produced by an independent external actuarial specialist for material lines of business.

Claims are segmented into groups with similar characteristics and which are expected to develop and behave similarly, for example bodily injury (attritional and large) and damage claims, with specific projection methods selected for each head of damage. Key sources of estimation uncertainty arise from both the selection of the projection methods and the assumptions made in setting claims provisions.

Internal and external factors may affect the cost of settling claims in ways that wouldn't be allowed for by standard actuarial techniques; where this occurs adjustments to the technique, assumptions or result may be applied. Examples of these factors include:

- Changes in the reporting patterns of claims impacting the frequency of bodily injury and damage claims
- Emerging inflationary trends on the average cost of bodily injury and damage claims
- The likelihood of bodily injury claims settling as Periodic Payment Orders
- Changes in the regulatory or legal environment that lead to changes in awards for bodily injury claims and associated legal costs
- Changes to the underlying process and methodologies employed in setting and reviewing case reserve estimates.

Additional qualitative judgement is used to assess the extent to which past trends may not apply in future (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures), in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

The Group also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are offset against ultimate claims costs. Other key circumstances affecting the reliability of assumptions include delays in settlement.

Outputs of the actuarial projections include ultimate average cost per claim and claim frequency by accident year, implied claims inflation metrics and ultimate loss ratios and burn costs by accident year and underwriting year. These metrics are reviewed and challenged as part of the process for making allowance for the uncertainties noted.

The Group also provides a best estimate for remediation cost relating to UK Motor total loss claims settled in previous periods and related processes. Management exercise judgement in assessing which customers should be remediated and apply estimation techniques in deriving the remediation amounts included in these financial statements.

Refer to the analysis in note 5 to the financial statements for further detail on the methodology used to estimate future cashflows to fulfil insurance contracts.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cashflows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

Applying a confidence level technique (value at risk ('VaR')) on an ultimate basis, the Group estimates the probability distribution of the present value of the future cashflows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cashflows. Factors included in the scenarios used to derive the risk adjustment distribution include the impact of future claims inflation, Ogden shocks, and increases in claims costs due to regulatory decisions, and internal operational changes.

The Group's risk adjustment is set in a range between the 85th and 95th percentile, on a net of excess of loss reinsurance basis. The level and estimate of risk adjustment required at the reporting date is made in a way that reflect the Group's degree of risk aversion, taking into account both internal factors (such as data quality and trends; diversification across portfolios) and external factors (such as inflation and the political environment) that are relevant at that point in time.

To determine the risk adjustment for non-financial risk for reinsurance contracts, the Group applies these techniques both gross and net of excess of loss reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results. The net of excess of loss risk adjustment is allocated to quota share reinsurance contracts on a proportional basis.

The risk adjustment is calculated at the issuing entity level. Diversification benefit is included across portfolios within the entity, to reflect the diversification in contracts sold across entities.

The risk adjustment is then allocated down to each portfolio of contracts within the entity using a spread VaR methodology to inform the allocation, to ensure coherence of the gross and excess of loss reinsurance results for risk adjustment across the portfolios within an entity. Allocations of the risk adjustment to each underwriting year (annual cohort) of contracts within a portfolio is performed manually, based on a systematic approach using management judgement. This typically involves allocating a higher proportion of the risk adjustment to the more recent underwriting years that are less developed and therefore more uncertain, compared to the proportion of risk adjustment allocated to older, more developed years.

Where a risk adjustment is required for the liability for remaining coverage due to facts and circumstances indicating that contracts are onerous, this is derived using the risk adjustment for the earned portion of the reserves, adjusted for the unearned claims reserves to reflect the difference in exposure/size of reserves and difference in drivers of risk in the reserves.

Refer to the analysis in note 5 to the financial statements for further detail on the methods used in the period to measure risk adjustment for non-financial risk.

Calculation of expected credit loss provision

The Group is required to calculate an expected credit loss ('ECL') allowance in respect of the carrying value of the Admiral Money loan book in line with the requirements of IFRS 9. Due to the size of the loan book, the calculation of the ECL is deemed to be a critical accounting judgement and includes key sources of estimation uncertainty.

Management applies judgement in:

- Determining the appropriate modelling solution for measuring the ECL
- Calibrating and selecting appropriate assumptions
- Setting the criteria for what constitutes a significant increase in credit risk
- Identification of key scenarios to include and determining the credit loss in these instances.

The key areas of estimation uncertainty are in the calculation of the probability of default ('PD') in the base scenario for stage 1 and 2 assets, and the determination, impact assessment and weighting of the forward-looking scenarios.

Refer to the analysis in note 7 to the financial statements for further detail on the Group's ECL methodology applied in the period.

Impact of climate-related risks on accounting judgements and estimates

Directors have assessed the impact of climate-related risks on the Group's Statement of Financial Position. Whilst there is inherent uncertainty in performing such an assessment, no material impact has been identified in respect of specific judgements or estimates related to climate-related risks on valuations included within the financial statements.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

3. Financial risk

The Group's activities expose it primarily to financial risk including insurance, reinsurance and reserve risk, credit risks and wider market risks. The Board of Directors is ultimately responsible for the management of financial risks, although it has delegated the detailed oversight of supervising risk management and internal control to the Group Risk Committee.

There are several key elements to the risk management environment throughout the Group. These are detailed in full in the Corporate Governance Statement.

The Group's primary business is the issuance of insurance contracts that transfer risk from policyholders to the Group and its co-insurance partners. Primary risks arising from the issuance of insurance contracts include reserve risk; where claims reserves may prove inadequate to cover the ultimate cost of claims which are by nature uncertain, and insurance risk; where inappropriate premiums are charged for its insurance products leading to either insufficient premiums to cover claims costs or uncompetitive rates resulting in reduced business volumes.

The Board has ultimate responsibility for the management of insurance risk, although as set out above, it has delegated the detailed oversight of risk management to the Group Risk Committee. The Group has a Group Reserving Committee as well as local Reserving Committees, which are comprised of senior managers within the finance, claims, pricing and actuarial functions in the respective businesses which monitor reserving risks. The Reserving Committees primarily recommend the approach for claims reserving but also review the systems and controls in place to support accurate reserving and consider material reserving issues such as large bodily injury claims frequency and severity, the impact of changes in the claims systems and the external environment.

The Board implements certain policies to mitigate and control the level of risk accepted by the Group. These include pricing policies and claims management and administration processes, in addition to reserving policies and entering into reinsurance arrangements.

3.1. Reserve risk

Reserve risk arises from:

- The uncertain nature of claims, in particular the development of large bodily injury claims
- Unexpected future impact of socioeconomic trends or regulatory changes, for example changes to the Ogden discount rate
- Data issues and changes to the claims reporting process
- Failure to recognise claims trends in the market including a slow-down in the processing of recoveries and liabilities with third party insurers which increases the estimation risk of these amounts
- Changes in underwriting and business written so that past trends are not necessarily a predictor of the future.

Understatement of reserves may result in not being able to pay claims when they fall due. Alternatively, overstatement of reserves can lead to a surplus of funds being retained resulting in opportunity cost; for example, lost investment return or insufficient resource to pursue strategic projects and develop the business.

Reserve risk is mitigated through a series of processes and controls. The key processes are as follows:

- Regular management and internal actuarial review of individual and aggregate case claim reserves, including regular reporting of management information and exception reporting of significant movements
- Regular management and internal actuarial review of large claims, including claims settled or potentially settled by Periodic Payment Orders ('PPOs') for which the uncertainty is increased by factors such as the lifetime of the claimant and movements in the indexation for the cost of future care of the claimant
- Bi-annual external actuarial review of best estimate claims reserves using a variety of recognised actuarial techniques
- Internal actuarial analysis of reserve uncertainty through qualitative analysis, scenario testing and a range of stochastic reserving techniques
- Ad hoc external reviews of reserving related processes and assumptions
- The application of a risk adjustment aligned with Group risk appetite.

As described in note 2, critical accounting judgements and estimates, the Group includes the risk adjustment for non-financial risk within its measurement of insurance contracts and reinsurance contract assets, using a confidence level technique, with the risk adjustment being set in a range between the 85th and 95th percentile, on a net of excess of loss reinsurance basis. See note 3.4 for related sensitivity disclosures.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

There have been no significant changes to the underlying methods to calibrate the reserve distribution during 2025, compared with the reserve risk modelling in 2024. There has been no significant change in the reserve risk distribution from which the percentile is selected in 2025, with a trend of a modestly narrowing distribution as a result of lower volatility seen within the best estimate.

The reserves for the Group, including risk adjustment, at 31 December 2025 equated to a 95th percentile confidence level position (2024: 95th percentile) to the nearest whole percentile. The risk adjustment is reflective of the Group's risk appetite, taking into account an assessment of uncertainty, releases in the best estimate, inherent uncertainty in bodily injury claims, and regulatory decisions along with an assessment of other external and internal factors.

3.2. Pricing risk

As noted above, the Group defines pricing risk as the risk that claims cost on business written but not yet earned is higher than allowed for in the premiums charged to policyholders. Pricing risk is considered within Insurance risk within the Group's principal risks and uncertainties.

Key processes and controls operating to mitigate pricing risk are as follows:

- Experienced and focused senior management and teams in relevant business areas including pricing and claims management
- A data-driven and analytical approach to regular monitoring of claims and underwriting performance
- Observations of weather events trends to understand climate impacts on frequency and severity
- Capability to identify and resolve underperformance promptly through changes to key performance drivers, in particular pricing.

3.3. Reinsurance risk

Reinsurance risk is the risk of placement of ineffective reinsurance arrangements, or the economic risk of reduced availability of reinsurance arrangements in future periods.

The Group mitigates these risks by ensuring that it has a diverse range of financially secure reinsurance partners, including a long-term relationship with Munich Re and a number of other large reinsurers.

The Group purchases reinsurance as part of its risk mitigation programme. Reinsurance held is placed on both an excess of loss basis, designed to protect the Group against very large individual claims and catastrophe losses, and a proportional basis i.e. quota share reinsurance which is taken out to reduce the overall exposure of the Group to its insurance contracts.

Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contract terms. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations.

Information regarding reinsurance credit risk is provided in note 3.5.

3.4. Sensitivity analysis

The following sensitivity analysis shows the impact on profit for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

The sensitivities are shown for UK Motor only, being the line of business where such sensitivities could have a material impact at a Group level. The sensitivities are shown on a gross and net of quota share reinsurance basis to illustrate the impacts on shareholder profit and equity before and after risk mitigation from quota share reinsurance. The sensitivities (both gross and net) include the impacts of movements in co-insurance profit commission, given that underwriting year loss ratios including risk adjustment, are a direct input to the calculation of profit commission.

Refer to note 8 to these financial statements for the accounting policy for co-insurance profit commission.

Risk adjustment

At a group level, the risk adjustment confidence level is equivalent to the 95th percentile (31 December 2024: 95th percentile). The sensitivities below reflect the impact on profit before tax and equity as at the end of 2025 for changes in the selection of the UK Motor risk adjustment confidence level at 31 December 2025, with all other assumptions remaining unchanged.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	2025			
	Impact on profit before tax gross of reinsurance £m	Impact on profit before tax net of reinsurance £m	Impact on equity gross of reinsurance £m	Impact on equity net of reinsurance £m
Risk adjustment decrease to 90th percentile	93.3	75.9	77.2	62.2
Risk adjustment decrease to 85th percentile	170.9	138.3	141.2	113.3

Undiscounted loss ratios, including risk adjustment

The sensitivities reflect the impact on profit before tax in 2025 and equity as at the end of 2025, of a change in the booked loss ratios for individual underwriting years ('UWY') as at 31 December 2025, with all other assumptions remaining unchanged.

£m ¹	UWY 2022 impact on:		UWY 2023 impact on:		UWY 2024 impact on:		UWY 2025 impact on:	
	PBT	Equity	PBT	Equity	PBT	Equity	PBT	Equity
Increase of 1%: gross of reinsurance	(17.8)	(14.4)	(24.8)	(20.5)	(33.6)	(27.7)	(13.9)	(11.8)
Increase of 5%: gross of reinsurance	(89.0)	(72.0)	(124.1)	(102.4)	(168.0)	(138.6)	(69.7)	(58.8)
Increase of 10%: gross of reinsurance	(177.9)	(144.0)	(247.5)	(204.3)	(331.6)	(273.9)	(139.4)	(117.7)
Decrease of 1%: gross of reinsurance	17.8	14.4	24.8	20.5	33.6	27.7	13.9	11.8
Decrease of 5%: gross of reinsurance	88.4	71.6	118.8	98.5	168.0	138.6	73.7	61.8
Decrease of 10%: gross of reinsurance	169.5	137.7	238.7	197.7	336.0	277.2	158.9	132.3
Increase of 1%: net of reinsurance	(11.0)	(8.6)	(24.8)	(20.5)	(33.6)	(27.7)	(6.0)	(5.0)
Increase of 5%: net of reinsurance	(54.7)	(42.9)	(124.1)	(102.4)	(168.0)	(138.6)	(30.2)	(24.9)
Increase of 10%: net of reinsurance	(109.4)	(85.8)	(241.2)	(199.0)	(331.6)	(273.9)	(55.6)	(45.7)
Decrease of 1%: net of reinsurance	10.9	8.5	24.8	20.5	33.6	27.7	6.0	5.0
Decrease of 5%: net of reinsurance	61.8	49.0	118.8	98.5	168.0	138.6	40.2	33.1
Decrease of 10%: net of reinsurance	123.9	99.0	238.7	197.7	336.0	277.2	119.9	98.8

1 'Booked' loss ratios are undiscounted underwriting year loss ratios, including risk adjustment.

The sensitivities below reflect the impact on co-insurance profit commission within profit before tax in 2025, of a change in the booked loss ratios for individual underwriting years (UWY) as at 31 December 2025.

£m	UWY 2022	UWY 2023	UWY 2024	UWY 2025
Increase of 1%: gross of reinsurance	(3.6)	(5.0)	(6.8)	—
Increase of 5%: gross of reinsurance	(18.2)	(25.1)	(34.0)	—
Increase of 10%: gross of reinsurance	(36.4)	(49.6)	(63.6)	—
Decrease of 1%: gross of reinsurance	3.6	5.0	6.8	—
Decrease of 5%: gross of reinsurance	17.7	19.9	34.0	4.0
Decrease of 10%: gross of reinsurance	28.0	40.8	68.0	19.5

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

3.5. Credit risk

The Group defines credit risk as the risk of financial loss if another party, with whom the Group has contracted, fails to perform or meet its obligations. The key areas of exposure to credit risk for the Group result through its reinsurance programme, investments, bank deposits, loans and advances to customers and other receivables.

The Directors consider credit quality and counterparty exposure frequently and in significant detail. The Directors consider that the policies and procedures in place to manage credit exposure continue to be appropriate for the Group's risk appetite and, during 2025 and historically, no material credit losses have been experienced by the Group.

Financial investments and cash

Credit and counterparty risk is managed by the Group by investing in high quality money market funds, and setting suitable parameters for asset managers to adhere to when purchasing debt securities. Cash balances and deposits are placed only with highly rated credit institutions.

The Group primarily invests in the following asset types:

- Debt securities are held within segregated mandates and investment funds. This includes corporate, government and private debt as well as asset backed securities. The investment guidelines ensure management of credit risk. Generally, the duration of the securities is relatively short and similar to the duration of the on-book claims liabilities
- Equity securities including private equity and infrastructure equity are held within diversified funds
- Liquidity funds, which in turn invest in a mixture of short-dated fixed and variable rate securities, such as cash deposits, certificates of deposits, floating rate notes and other commercial paper
- Deposits held with well-rated institutions and which are short in duration (under three years). These are classified as held at amortised cost.

The detailed holdings are reviewed regularly by the Investment Committee.

Reinsurance assets

To mitigate the risk arising from exposure to reinsurers (in the form of reinsurance recoveries), the Group only conducts business with companies of appropriate financial strength ratings. In addition, many reinsurance contracts are operated on a funds withheld basis, which substantially reduces credit risk, as the Group retains the cash received from policyholders.

Loans and advances to customers

The risk appetite for the lending business is set to ensure that the risk taken is commensurate with the expected returns. The Group manages risks through a comprehensive framework of key risk indicators ('KRIs'). These indicators are regularly monitored and reviewed to ensure effective risk identification, measurement, and control. See note 7 for further information.

Other receivables

Trade receivables and other debtors are also subject to credit risk, although this is mitigated by a review of the credit worthiness of all counterparties prior to them being accepted.

All other assets are assessed as low credit risk under IFRS 9, with no significant amounts past due or impaired. No further disclosure is provided due to this having an immaterial impact on the financial statements.

Credit exposure and quality analysis

The table below provides information regarding the credit risk exposure of the Group.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	31 December 2025					
	AAA £m	AA £m	A £m	BBB and Sub-BBB £m	Not rated £m	Total £m
Financial investments classified as FVTPL						
Money market and other funds	926.5	256.4	80.6	35.2	147.5	1,446.2
Equity investments (designated FVTPL)	–	–	–	–	39.3	39.3
Derivative financial instruments	–	–	–	–	1.5	1.5
Financial investments classified as FVOCI						
Corporate and private debt securities	650.4	154.0	1,161.0	587.3	128.8	2,681.5
Government debt securities	58.5	924.7	40.2	2.7	–	1,026.1
Financial assets measured at amortised cost						
Deposits with credit institutions	–	–	57.9	–	–	57.9
Total financial investments	1,635.4	1,335.1	1,339.7	625.2	317.1	5,252.5
Cash and cash equivalents	–	0.2	285.0	15.9	–	301.1
Reinsurance contract assets	–	848.4	231.8	0.3	–	1,080.5
Other receivables	–	–	–	–	148.4	148.4
Loans and advances to customers (note 7) ²	–	–	–	–	1,628.7	1,628.7
Total exposure	1,635.4	2,183.7	1,856.5	641.4	2,094.2	8,411.2
31 December 2024						
	AAA £m	AA £m	A £m	BBB and Sub-BBB £m	Not rated £m	Total £m
Financial investments measured at FVTPL						
Money market and other funds ¹	870.5	258.4	59.9	27.4	160.3	1,376.5
Equity investments (designated FVTPL)	–	–	–	–	46.9	46.9
Derivative financial instruments	–	–	–	–	(2.4)	(2.4)
Financial investments classified as FVOCI						
Corporate and private debt securities	631.7	202.4	1,072.0	513.5	143.6	2,563.2
Government debt securities	53.4	711.1	5.1	2.6	–	772.2
Financial assets measured at amortised cost						
Deposits with credit institutions	–	–	81.7	10.0	–	91.7
Total financial investments	1,555.6	1,171.9	1,218.7	553.5	348.4	4,848.1
Cash and cash equivalents	–	12.7	288.7	12.0	0.2	313.6
Reinsurance contract assets	114.0	681.5	192.9	0.2	–	988.6
Other receivables	–	–	–	–	110.4	110.4
Loans and advances to customers (note 7) ²	–	–	–	–	1,106.9	1,106.9
Total exposure	1,669.6	1,866.1	1,700.3	565.7	1,565.9	7,367.6

1 Money market and other funds have been represented to use fund-level ratings rather than a look-through approach, better reflecting credit risk exposure and aligning with industry practice.

2 Loans and advances to customers are assets generated within the Group and hence not externally rated. See note 7 for management's internal assessment of credit risk.

Not rated corporate and private debt represents debt securities without a public rating. For these investments, credit analysis is undertaken by Admiral's asset managers, whose credit processes are reviewed by Admiral. Based on the asset managers' rating methodologies, scoring tools from external rating agencies and historical data, Admiral estimates that approximately 38% or £103.2 million (2024: 39% or £116.1 million) of these investments are equivalent to investment grade (BBB- / Baa3 and above) and 62% or £169.5 million (2024: 61% or £182.3 million) is sub-investment grade. A watchlist is maintained across rated and not rated exposure to determine credit deterioration. Typical exposure stems from real estate debt, infrastructure debt, corporate loans and other assets.

There were no significant financial assets that were past due at the close of either 2025 or 2024.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

3.6. Market risk

The Group's activities expose it primarily to market risks of credit spread, interest rate, liquidity and currency risk. The detailed oversight of supervising risk management and internal control has been delegated to the Group Risk Committee.

There is also an Investment Committee that makes recommendations to the Group and subsidiary boards on investment strategy, and oversees the Group's investments, as well as advising on liquidity funding and foreign exchange management.

3.6.1. Credit spread risk

Spread risk is the risk of losses arising from changes in the spread between corporate bond yields and the risk-free yield curve. These losses may not be realised as bonds are typically held to maturity.

Sensitivity to credit spread risk

The impact on equity of 100 and 200 basis point increases in credit spreads on financial investments and cash at the relevant valuation date, is as follows:

	31 December 2025 £m	31 December 2024 £m
Reduction in equity – 100bps	(55.4)	(50.6)
Reduction in equity – 200bps	(108.3)	(99.0)

The impact on the Income Statement from movements in credit spreads at the valuation date is immaterial.

No sensitivity analysis has been presented in relation to the impact on insurance liabilities and reinsurance assets in respect of changes in credit spreads, as it has been assumed that there is no direct impact on the illiquidity premium as a result of a movement in credit spreads.

Also see note 7 for further information on sensitivity in respect of credit risk in relation to loans and advances to customers.

3.6.2. Interest rate risk

The Group considers interest rate risk to be the risk that unfavourable movements in interest rates could adversely impact on the capital values of financial assets and liabilities.

Interest rate risk on financial instruments arises primarily from the Group's investments in debt securities. These investments are exposed to the risk of adverse changes in fair values or future cashflows because of changes in market interest rates. Money market funds and other funds, and private debt are not materially affected by interest rate movements. As at 31 December 2025, debt securities of £715.8 million are floating rate and £2,991.8 million are fixed rate.

In addition, the value of insurance contract liabilities and reinsurance contracts assets recognised within the financial statements are impacted by changes in interest rates, given that these are discounted using a risk-free interest rate, plus illiquidity premium.

The Group manages interest rate risk by closely matching, where possible, the durations of insurance contracts with fixed and guaranteed terms and the supporting financial assets. The Group monitors its interest rate risk exposure through periodic reviews of asset and liability positions. Additionally, estimates of cashflows and the impact of interest rate fluctuations are modelled and reviewed every six months.

Loans and advances to customers

The Group's consumer loan portfolio consists of fixed rate loans, which are funded at a floating variable rate. The Group has interest rate swap arrangements in place to eliminate the majority of the interest rate risk variability in the cashflows payable on the loan backed securities.

Hedge accounting

Hedge accounting is applied when the criteria specified in IFRS 9 are met. In line with IFRS 9, the gain or loss on the hedged position as at the balance sheet date is recognised through other comprehensive income.

This results in a hedging reserve in relation to the interest rate swap.

Financial liabilities

The Group holds a financial liability in the form of a £250.0 million subordinated loan note with a ten year maturity and fixed rate coupon of 8.5% with a redemption date of 6 January 2034. This liability is recorded at amortised cost and therefore neither the carrying value of the deposits, nor the interest payable, will be impacted by fluctuations in interest rates.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Other financial assets and liabilities

There is no significant exposure to interest rate risk for other financial assets and liabilities due to these being held at amortised cost.

Sensitivity to interest rate risk

The impact on equity arising from the impact of 100 basis point and 200 basis point increases and decreases in interest rates on insurance contract liabilities and reinsurance contract assets as at 31 December 2025, is as follows:

	2025		2024	
	Impact on equity gross of reinsurance £m	Impact on equity net of reinsurance £m	Impact on equity gross of reinsurance £m	Impact on equity net of reinsurance £m
Increase of 100 basis points	61.5	58.3	60.8	58.3
Decrease of 100 basis points	(68.8)	(65.4)	(69.7)	(67.1)
Increase of 200 basis points	117.3	111.1	115.1	110.3
Decrease of 200 basis points	(147.7)	(140.8)	(152.2)	(146.9)

The impact on profit before tax of a 100 basis and 200 basis point move is not material.

The impact on equity arising from the impact of 100 basis point and 200 basis point increases and decreases in interest rates on investments and cash as at 31 December 2025, is as follows:

	2025 Impact on equity £m	2024 Impact on equity £m
Increase of 100 basis points	(97.4)	(83.4)
Decrease of 100 basis points	105.6	90.4
Increase of 200 basis points	(187.8)	(161.0)
Decrease of 200 basis points	221.1	189.2

Admiral invests in fixed and floating rate securities. Investment income on floating rate securities increases with changes in interest rates, where as the market value of fixed rate securities is negatively correlated with changes in interest rates. Admiral's Money market and other funds and private debt are predominantly floating rate securities, whereas corporate and government debt are mostly fixed rate securities.

Changes in interest rates as at 31 December 2025 have no material impact on profit before tax (refer to Appendix 2 for the impact on profit before tax arising from the impact of 100 and 200 basis point increases and decreases in interest rates during 2025).

The changes impact equity as follows:

Equity

- Changes in the fair value of fixed-rate financial assets measured at FVOCI
- Insurance finance income and expenses recognised in OCI as a result of discounting future cashflows at a revised current rate

The Group's Solvency II balance sheet, which includes technical provisions discounted using Bank of England and EIOPA yield curves reflects a low sensitivity to interest rates as a result of well-matched durations of assets and liabilities.

3.6.3. Liquidity risk

Liquidity risk is defined as the risk that the Group does not have sufficient available financial resources to enable it to meet its obligations as they fall due, or can only secure them at excessive cost.

The Group holds appropriate liquidity buffers at the Parent Company and subsidiary levels.

Further, as noted above, a significant portion of insurance funds are invested in investment funds with same day liquidity, meaning that a large proportion of the Group's cash and investments are readily available.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Insurance and reinsurance contracts

The following table analyses the undiscounted, best estimate cashflows of the Group's claims liabilities under its insurance and reinsurance contracts, which reflects the dates on which the cashflows are expected to occur. Liabilities and assets for remaining coverage are excluded from this analysis.

	<1 year £m	1-2 years £m	2-3 years £m	3-4 years £m	4-5 years £m	>5 years £m
Insurance contract liabilities						
31 December 2025						
UK Motor	860.3	532.9	445.6	320.2	199.0	759.6
UK Other Personal lines	181.4	51.0	22.2	9.0	3.7	0.7
European insurance	289.2	123.9	68.5	41.0	27.7	108.7
31 December 2024						
UK Motor	747.5	421.6	330.7	256.2	181.3	840.0
UK Other Personal lines	142.3	32.4	11.5	4.6	1.4	0.2
European insurance	237.6	99.3	54.4	32.4	23.0	128.2
Reinsurance contract assets						
31 December 2025						
UK Motor	32.1	19.0	20.9	61.9	15.7	138.4
UK Other Personal lines	160.8	27.3	11.0	5.2	2.6	1.1
European insurance	245.3	89.5	49.2	28.5	19.1	74.3
31 December 2024						
UK Motor	27.0	14.1	14.1	17.7	59.3	153.5
UK Other Personal lines	125.9	21.3	7.3	4.6	2.0	0.7
European insurance	226.5	68.6	39.6	24.4	16.3	94.6

Financial liabilities

	<1 year £m	1-3 years £m	3-5 years £m	>5 years £m
31 December 2025				
Financial liabilities				
Subordinated notes ¹	21.3	42.5	42.5	324.4
Loan backed securities	391.1	593.4	341.4	191.7
Other borrowings	200.3	–	–	–
Trade and other payables ²	110.6	2.6	4.5	3.7
Lease liabilities ¹	8.9	16.2	12.6	46.7
Total financial liabilities	732.2	654.7	401.0	566.5
31 December 2024				
Financial liabilities				
Subordinated notes ¹	21.3	42.5	42.5	345.6
Loan backed securities ³	318.0	456.8	219.0	56.9
Other borrowings	117.4	–	–	–
Trade and other payables ²	79.5	0.2	3.1	3.6
Lease liabilities ¹	7.2	14.6	11.2	51.9
Total financial liabilities	543.4	514.1	275.8	458.0

1 Maturity analysis has been performed on a cash-settled basis.

2 Trade and other payables as at 31 December 2025 exclude deferred income, accruals and other tax and social security of £95.8 million (2024: £88.9 million).

3 Loan backed securities have been restated for 31 December 2024 to include forecast interest.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

A breakdown of the Group's other borrowings, trade payables and other payables is shown in note 11. The majority of trade and other payables will mature within three to six months of the balance sheet date.

Financial assets

The following table analyses the carrying value of financial investments and cash and cash equivalents by contractual maturity, which can fund the repayment of liabilities as they crystallise, as well as the Group's other financial assets recognised under IFRS 9. The Group has disclosed a maturity analysis for financial assets that it holds as part of managing liquidity risk because it considers that this information is necessary to enable users of financial statements to evaluate the nature and extent of its liquidity risk.

31 December 2025	<1 year £m	1-3 years £m	3-5 years £m	>5 years £m
Financial investments				
Money market and other funds	1,210.5	29.2	63.5	143.0
Derivative financial instruments	(1.4)	(4.9)	–	0.1
Deposits with credit institutions	57.9	–	–	–
Debt securities	656.2	1,265.8	850.2	935.4
Total financial investments	1,923.2	1,290.1	913.7	1,078.5
Cash and cash equivalents	301.1	–	–	–
Total financial investments and cash	2,224.3	1,290.1	913.7	1,078.5
Insurance, trade and other receivables ¹	199.0	–	–	–
Loans and advances to customers	374.6	661.8	388.8	203.5
Total financial assets	2,797.9	1,951.9	1,302.5	1,282.0

31 December 2024	<1 year £m	1-3 years £m	3-5 years £m	>5 years £m
Financial investments				
Money market and other funds	1,237.9	31.0	67.6	40.0
Derivative financial instruments	(2.2)	0.4	(0.4)	(0.2)
Deposits with credit institutions	91.7	–	–	–
Debt securities	390.5	1,155.5	955.4	834.0
Total financial investments	1,717.9	1,186.9	1,022.6	873.8
Cash and cash equivalents	313.6	–	–	–
Total financial investments and cash	2,031.5	1,186.9	1,022.6	873.8
Insurance, trade and other receivables ¹	146.7	–	–	–
Loans and advances to customers	265.5	533.7	263.6	44.1
Total financial assets	2,443.7	1,720.6	1,286.2	917.9

¹ Trade and other receivables as at 31 December 2025 exclude contract assets of £13.5 million (2024: £14.8 million)

The Group's Directors believe that the cashflows arising from these assets will be consistent with this profile. Liquidity risk is not, therefore, considered to be significant.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

3.6.4. Foreign exchange risk

Foreign exchange risk arises from unfavourable movements in foreign exchange rates that could adversely impact the valuation of overseas assets and liabilities.

The Group is exposed to foreign exchange risk mainly through its operations overseas. Although the relative size of the European operations means that the risks are relatively small, increasingly volatile foreign exchange rates could result in larger potential gains or losses. Assets held to fund insurance liabilities are held in the currency of the liabilities; however, surplus assets held as regulatory capital in foreign currencies remain exposed.

Beyond the overseas operations, the Group is exposed to foreign exchange risk arising through investments denominated in dollars and euros within its UK subsidiaries. The Group mitigates the risk through the application of derivative positions resulting in an immaterial exposure.

The Group's exposure to net assets and profits in currencies other than the reporting currency is immaterial other than for euros. The Group's exposure to net assets held in euros was £163.9 million (2024: £123.4 million).

If the sterling rates with euros had strengthened/weakened by 10%, the Group's profit before tax for the year would increase/decrease by £0.7 million (2024: £2.9 million).

3.7. Concentration of risk

The Directors do not believe there are significant concentrations of insurance risk and/or reserve risk. This is because the risks are spread across a large number of policies across a wide regional base. The European Insurance, UK Household, UK Travel and UK Pet businesses further contribute to the diversification of the Group's insurance risk.

The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

The tables in note 5f(i) show the concentration of net insurance contract liabilities by product type and geographic area.

As seen in the notes above, there is no significant concentration of market or credit risk given that investments are diversified.

3.8. Objectives, policies and procedures for managing capital

The Group's capital management policy defines the Board oversight, risk appetite and tier structure of the Group's capital in addition to management actions that may be taken in respect of capital, such as dividend payments.

The Group aims to operate a capital-efficient business model by transferring a significant proportion of underwriting risk to co-insurance and reinsurance partners. This in turn reduces the amount of capital the Group needs to retain to operate and grow and allows the Group to distribute the majority of its earnings as dividends.

The Board has determined that it will hold capital as follows:

- Sufficient Solvency II Own Funds to meet all of the Group's Solvency II capital requirements (over a 1 year and ultimate time horizon)
- An additional contingency to cover unforeseen events and losses that could realistically arise. This risk appetite buffer is assessed via stress testing performed on an annual basis and is calibrated in relation to the one-year regulatory SCR.

The Group's current risk appetite buffer is 50% above the regulatory SCR.

The Group's current dividend policy is to pay a normal dividend equal to 65% of post-tax profits, and a special dividend calculated with reference to distributable reserves and surplus capital held above the risk appetite buffer.

The Group's dividend policy from mid-2026, subject to regulatory approval, will be to:

- Pay a normal dividend equal to 65% of post-tax profits for the period
- Pay either a special dividend or buy back and cancel shares to the value of surplus economic capital available at the dividend calculation date (with reference to distributable reserves at the calculation date).

Surplus economic capital is calculated at the dividend valuation date and is defined as available capital, less capital requirements, less risk appetite buffer, less any further buffer determined by the Board at the appropriate time.

The change in policy, which follows a review during the year, including consultation of the Group's largest shareholders, gives the Directors flexibility in managing the Group's capital. Current risk appetite is consistent with the prior period.

As noted above, the Group's regulatory capital position is calculated under the Solvency II Framework. The SCR is based on the Solvency II Standard Formula, with a capital-add-on to reflect limitations in the Standard Formula with respect to Admiral's risk profile (predominately in respect of profit commission arrangements in co- and reinsurance agreements and risks relating to Periodic Payment Order ('PPO') claims).

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Solvency ratio (unaudited)

At the date of this report, the Group's regulatory solvency ratio, calculated using a capital add-on that has not been subject to regulatory approval, is 193% (2024: 203%). This includes the recognition of the 2025 final dividend of 90.0 pence per share (2024: 121.0 pence per share).

The Group's 2025 Solvency and Financial Condition Report ('SFCR') will, when published, disclose a solvency ratio that is calculated at the balance sheet date rather than annual report date, using the capital add-on that was most recently subject to regulatory approval. The estimated and unaudited SFCR solvency ratio is 185%, with the reconciliation between this ratio and the 193% noted above being as follows:

	31 December 2025 £m	31 December 2024 £m
Regulatory solvency ratio (estimated and unaudited)		
Solvency ratio as reported above	193%	203%
Change in valuation date ¹	(11%)	(9%)
Other (including impact of updated, unapproved capital add-on)	3%	4%
Solvency ratio to be reported ('SFCR')	185%	198%

1 The solvency ratio reported above includes additional own funds generated post year-end up to the date of this report.

The Group has complied with its regulatory capital requirements throughout the period.

Subsidiaries

The Group manages the capital of its subsidiaries to ensure that all entities within the Group are able to continue as going concerns and also to ensure that regulated entities meet regulatory requirements with an appropriate risk appetite buffer. Excess capital above these levels within subsidiaries is paid up to the Group Parent Company in the form of dividends on a regular basis.

4. Operating segments

4a. Accounting policies

(i) Group consolidation

The consolidated financial statements comprise the results and balances of the Company and all entities controlled by the Company, being its subsidiaries, employee benefit trusts (EBTs) and SPEs (together referred to as the Group), for the year ended 31 December 2025 and comparative figures for the year ended 31 December 2024. The financial statements of the Company's subsidiaries and its EBTs and SPEs are consolidated in the Group financial statements.

The Company controls 100% of the voting share capital of all its principal subsidiaries, except Admiral Law Limited.

An SPE and/or EBT is fully consolidated into the Group financial statements under IFRS 10, where the Group has control.

The Parent Company financial statements present information about the Company as a separate entity and not about its Group. In accordance with IAS 24, transactions or balances between Group companies that have been eliminated on consolidation are not reported as related party transactions in the consolidated financial statements.

(ii) Foreign currency translation

Items included in the financial records of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in pounds sterling, the Group's presentational currency, rounded to the nearest £0.1 million.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

Non-monetary items measured at cost are translated at their historic rate and non-monetary items held at fair value are translated using the foreign exchange rate on the date that the fair value was established.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

The financial statements of foreign operations whose functional currency is not pounds sterling are translated into the Group presentation currency (pound sterling) as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each income statement are translated at an average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the date of the transaction)
- All resulting exchange differences are recognised in other comprehensive income and in a separate component of equity except to the extent that the translation differences are attributable to non-controlling interests.

On disposal of a foreign operation, the cumulative amount recognised in equity relating to that particular operation is recognised in the Income Statement.

4b. Segment reporting

The Group has five reportable segments, as described below. These segments represent the principal split of business that is regularly reported to the Group's Board of Directors, which is considered to be the Group's chief operating decision maker in line with IFRS 8 *Operating Segments*.

UK Insurance

The segment consists of the underwriting of Motor, Household, Pet and Travel insurance and other products that supplement these insurance policies within the UK. It also includes the generation of revenue from additional products and fees from underwriting insurance in the UK. The Directors consider the results of these activities to be reportable as one segment as the activities carried out in generating the revenue are not independent of each other and are performed as one business. This mirrors the approach taken in management reporting.

European Insurance

The segment consists of the underwriting of car and home insurance and the generation of revenue from additional products and fees from underwriting car insurance outside of the UK. It specifically covers the Group operations Admiral Seguros in Spain, ConTe in Italy, L'olivier Assurance in France. None of these operations are reportable on an individual basis, based on the threshold requirements in IFRS 8.

During the year ended 31 December 2025, the Group revisited its internal reporting structure following the classification of Elephant Auto in the US as held for sale and discontinued. As a result, this segment now comprises only European operations and has been renamed from International Insurance to European insurance. The comparative segment information has been restated to reflect the change in the segment composition.

Admiral Money

The segment relates to the Admiral Money business launched in 2017, which provides consumer finance and car finance products in the UK, through the comparison channel, credit scoring applications and direct channels including car dealers and brokers.

Other

The 'Other' segment is designed to be comprised of all other operating segments that are not separately reported to the Group's Board of Directors and do not meet the threshold requirements for individual reporting. It includes the results of Admiral Pioneer.

Discontinued Operations

As set out in note 13 to the financial statements, on 22 April 2025 the Group announced its planned sale of the US motor insurance business, including Elephant Insurance Company and Elephant Insurance Services ('Elephant'). The sale was completed on 31 December 2025.

The US operations are presented as discontinued operations in both 2024 and 2025. The results for 2025 are reflective of the loss on disposal and 12 months of trading prior to disposal.

Taxes are not allocated across the segments and, as with the corporate activities, are included in the reconciliation to the Consolidated Income Statement and Consolidated Statement of Financial Position.

An analysis of the Group's revenue and results for the year ended 31 December 2025, by reportable segment, is shown below. The accounting policies of the reportable segments are materially consistent with those presented in the notes to the financial statements for the Group.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	Year ended 31 December 2025							
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Discontinued operations £m	Eliminations ³ £m	Total (continuing) £m	Total £m
Turnover ¹	4,952.5	674.3	148.9	119.8	166.9	–	5,895.5	6,062.4
Insurance revenue	4,221.6	654.5	–	103.2	174.1	–	4,979.3	5,153.4
Insurance revenue net of XoL	4,112.5	623.5	–	91.9	173.6	–	4,827.9	5,001.5
Insurance services expenses	(787.3)	(175.0)	–	(45.2)	(61.7)	–	(1,007.5)	(1,069.2)
Insurance claims net of XoL	(2,386.1)	(414.0)	–	(59.4)	(89.0)	–	(2,859.5)	(2,948.5)
Quota share reinsurance result	(96.0)	(31.3)	–	–	(3.2)	–	(127.3)	(130.5)
Net movement in onerous loss component	–	1.2	–	–	–	–	1.2	1.2
Underwriting result	843.1	4.4	–	(12.7)	19.7	–	834.8	854.5
Net investment income ²	87.9	2.7	0.1	5.0	4.5	(9.4)	86.3	90.8
Net interest income from financial services ⁵	–	–	78.0	2.7	–	8.3	89.0	89.0
Net other revenue and operating expenses	155.3	(0.5)	(52.3)	(23.4)	–	–	79.1	79.1
Segment profit/(loss) before tax⁴	1,086.3	6.6	25.8	(28.4)	24.2	(1.1)	1,089.2	1,113.4
Other central revenue and expenses, including share scheme charges							(126.6)	(153.9)
Investment and interest income							17.7	17.7
Finance costs							(22.4)	(22.4)
Consolidated profit before tax							957.9	954.8
Taxation expense							(212.6)	(212.5)
Consolidated profit after tax							745.3	742.3

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Revenue and results for the corresponding reportable segments for the year ended 31 December 2024 are shown below.

	Year ended 31 December 2024							Total (continuing) £m	Total £m
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Discontinued operations £m	Eliminations ³ £m			
Turnover ¹	5,108.5	639.9	108.3	89.9	200.1	–	5,946.5	6,146.7	
Insurance revenue	3,873.4	606.7	–	73.3	222.8	–	4,553.4	4,776.2	
Insurance revenue net of XoL	3,751.1	572.7	–	65.8	221.5	–	4,389.6	4,611.1	
Insurance services expenses	(745.7)	(168.0)	–	(33.7)	(68.5)	–	(947.4)	(1,015.9)	
Insurance claims net of XoL	(1,952.1)	(437.7)	–	(39.0)	(126.8)	–	(2,428.8)	(2,555.6)	
Quota share reinsurance result	(290.0)	12.4	–	–	(16.5)	–	(277.6)	(294.1)	
Net movement in onerous loss component	1.1	0.4	–	–	–	–	1.5	1.5	
Underwriting result	764.4	(20.2)	–	(6.9)	9.7	–	737.3	747.0	
Net investment income ²	70.5	1.4	0.3	0.7	4.7	(7.9)	65.0	69.7	
Net interest income from financial services ⁵	–	–	69.3	0.9	–	6.1	76.3	76.3	
Net other revenue and operating expenses	141.8	(0.9)	(56.6)	(12.1)	–	–	72.2	72.2	
Segment profit/(loss) before tax⁴	976.7	(19.7)	13.0	(17.4)	14.4	(1.8)	950.8	965.2	
Other central revenue and expenses, including share scheme charges							(113.4)	(115.0)	
Investment and interest income							13.5	13.5	
Finance costs							(24.4)	(24.5)	
Consolidated profit before tax							826.5	839.2	
Taxation expense							(175.3)	(176.3)	
Consolidated profit after tax							651.2	662.9	

1 Turnover is an Alternative Performance Measure presented before intra-group eliminations. Refer to the glossary and note 14 for further information.

2 Net investment income is reported net of impairment of financial assets, in line with management reporting.

3 Eliminations are in respect of the intra-group interest charges related to the UK Insurance and Admiral Money segment.

4 Segment results exclude gross share scheme charges, and any quota share reinsurance recoveries; these net share scheme charges are presented within 'Other central revenue and expenses, including share scheme charges' in line with internal management reporting.

5 Interest income is presented net of interest expense as these segments predominantly earn interest income and performance is reviewed on a net basis.

Segment revenues

The UK and European Insurance reportable segments derive all insurance revenue from external policyholders.

Revenue within these segments is not derived from an individual policyholder that represents 10% or more of the Group's total revenue.

Revenues from external customers for products and services are consistent with the split of reportable segment revenues.

All material revenues from external customers, and net assets attributed to a foreign country, are shown within the European Insurance reportable segment shown on the previous pages.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Segment assets and liabilities

The identifiable segment assets and liabilities at 31 December 2025 are as follows:

	Year ended 31 December 2025					Total £m
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Eliminations £m	
Reportable segment assets	6,131.3	1,111.1	1,564.5	736.3	(1,061.1)	8,482.1
Reportable segment liabilities	(4,628.2)	(1,001.7)	(1,540.2)	(923.3)	1,061.1	(7,032.3)
Reportable segment net assets	1,503.1	109.4	24.3	(187.0)	-	1,449.8
Unallocated assets and liabilities						(6.2)
Consolidated net assets						1,443.6

Unallocated assets and liabilities consist of other central assets and liabilities, plus deferred and current corporation tax balances. These assets and liabilities are not regularly reviewed by the Board of Directors in the reportable segment format.

Eliminations represent inter-segment funding and balances included in insurance and other receivables.

The segment assets and liabilities at 31 December 2024 are as follows:

	Year ended 31 December 2024					Total £m
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Eliminations £m	
Reportable segment assets	5,556.9	955.7	1,222.6	500.2	(600.8)	7,634.6
Reportable segment liabilities	(4,185.2)	(871.1)	(1,211.2)	(483.8)	600.8	(6,150.5)
Reportable segment net assets	1,371.7	84.6	11.4	16.4	-	1,484.1
Unallocated assets and liabilities						(113.4)
Consolidated net assets						1,370.7

5. Insurance Service result

5a. Accounting policies

(i) Insurance, Reinsurance and Co-insurance contracts classification

Under IFRS 17, an insurance contract is defined as a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

Insurance contracts

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk by comparing benefits payable after an insured event with benefits payable if the insured event did not occur.

Reinsurance contracts

The Group also enters into both excess of loss ('XoL') and quota share reinsurance contracts. A contract is only accounted for as a reinsurance contract in these financial statements where there is significant insurance risk transfer, after an assessment made by management based on the terms and conditions of the contracts.

Co-insurance contracts

Co-insurance arrangements are contracts entered into by the Group's intermediaries, under which insurance risks are shared on a proportional basis, with the co-insurer taking a specific percentage of premium written and being responsible for the same proportion of each claim. The co-insurer therefore takes direct insurance risk from the policyholder and is subsequently directly responsible to the claimant for its proportion of the claim. As the contractual liability is several and not joint, neither the premiums nor the claims relating to any external co-insurance contract (i.e. outside the Group) are included in the Income Statement.

Under the terms of these arrangements, the co-insurers reimburse the Group for the same proportionate share of the directly attributable costs in fulfilling the insurance contracts.

Notes to the consolidated financial statements continued

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(ii) Level of aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios, which comprise contracts subject to similar risks and which are managed together.

The Group's insurance business is therefore divided into portfolios based on both the product (line of business such as motor, household etc), and geography (UK, Italy, Spain, and France).

IFRS 17 requires a further division of the portfolios into a 'group' of contracts (being the lowest unit of account) based on expected profitability, and also requires that no group contains contracts issued more than one year apart. However, the Group makes an evaluation of the smallest unit of account, i.e. whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts.

Following the application of the IFRS 17 level of aggregation requirements, each of the Group's portfolios (which are determined by geography and line of business) is further disaggregated by year of issue into a group of contracts based on expected profitability at inception into three categories:

- 1) A group of contracts that are onerous at initial recognition, if any
- 2) A group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any
- 3) A group of the remaining contracts in the portfolio.

The Group has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics.

To assess the profitability of groups of contracts, the Group determines the appropriate level at which reasonable and supportable information is available. The Group assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Group assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations.

The Group divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. For many of the Group's reinsurance contracts held, a group comprises a single contract. The Group reports its reinsurance contracts by portfolio, which aggregate the contracts by type of reinsurance (e.g. quota share or XoL) and product.

These groups represent the level of aggregation at which insurance contracts issued and reinsurance contracts held are initially recognised and measured. Such groups are not subsequently reconsidered.

(iii) Recognition, modification and derecognition

Groups of insurance contracts issued are recognised from the earliest of the following:

- The beginning of the coverage period
- The date when the first payment from the policyholder is due or actually received, if there is no due date
- For a group of onerous contracts, when the Group determines that facts and circumstances indicate that the group is onerous.

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For the year ended 31 December 2025

A group of reinsurance contracts held is entered into from the earlier of:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide fully proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held
- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Group derecognises an insurance or reinsurance contract when it is:

- Extinguished i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled, or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

(iv) Contract boundary

The Group includes in the measurement of a group of insurance contracts all the future cashflows within the boundary of each contract in the group. Cashflows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services.

A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks, or
- Both of the following criteria are satisfied:
 1. The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
 2. The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts. In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender risk, are not included.

For groups of reinsurance contracts held, cashflows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

(v) Presentation

The Group presents separately, in the Statement of Financial Position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

The Group disaggregates the total amount recognised in the Consolidated Income Statement and Consolidated Statement of Other Comprehensive Income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued. This is presented as one single amount in the Consolidated Income Statement, with additional disclosure provided in the notes to the financial statements.

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(vi) Measurement

Accounting policy choices

Area	IFRS 17 options	Adopted approach
Premium allocation approach ('PAA') eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model.	Coverage period for the Group's insurance contracts assumed is one year or less and so qualifies automatically for PAA. Reinsurance contracts (both XoL and quota share) include contracts with a coverage period greater than one year. However, there is no material difference in the measurement of the asset for remaining coverage between PAA and the general model, therefore these qualify for PAA.
Insurance acquisition cashflows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cashflows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cashflows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	The Group's insurance contracts are all one year or less. The Group has therefore taken the option to expense acquisition costs as incurred.
Liability for Remaining Coverage ('LRC'), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LRC.	There is no allowance made for accretion of interest on the LRC given that the premiums are received within one year of the coverage period.
Liability for Incurred Claims ('LIC') adjusted for time value of money	For PAA groups, where claims or directly attributable insurance expenses are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For some claims, for example within the travel product line in the UK, and other immaterial product lines across the Group, the incurred claims are expected to be paid out in less than one year. Similarly, the majority of directly attributable insurance expenses are expected to be settled within one year. For these claims and expenses, no adjustment is made for the time value of money. For all other business, the LIC is adjusted for the time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in the LIC, LRC, AIC and ARC resulting from changes in discount rates, and present this in Other Comprehensive Income ('OCI').	The impact on LIC, LRC, AIC and ARC of changes in discount rates will be captured within OCI, in line with the accounting for assets backing the insurance claims liabilities.
Interim reporting	Where an entity is required to apply IAS 34 (as for the Group) there is an option as to whether to choose a 'year-to-date' basis or a "period to date" basis for financial reporting.	The Group has opted to apply the option to use year-to-date accounting for interim reporting.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Fulfilment cashflows within the contract boundary

The fulfilment cashflows ('FCF') are the current estimates of the future cashflows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. The estimates of future cashflows:

- Are based on a probability weighted mean of the full range of possible outcomes
- Are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables
- Reflect conditions existing at the measurement date.

In estimating future cashflows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events. The estimates of future cashflows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates.

For the Group's contracts which are measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated and included within the measurement of the liability for incurred claims.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cashflows include potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain fulfilment cashflows at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cashflows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Discount rates

A bottom-up approach has been applied in the determination of discount rates. Under this approach, the discount rate is determined as the risk-free yield adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cashflows (known as an illiquidity premium).

A separate risk-free yield is obtained for each currency, where a material amount of business is written in that currency. The risk-free yield curve is obtained using rates published by the Prudential Regulation Authority (PRA) for the UK insurance business, whilst for AECS the EIOPA risk free term structures are used. These curves are available from October 2015 and provides rates for terms up to 150 years.

For periods prior to October 2015, observable market data is available for terms up to 25 years for GBP (30 years for EUR). For terms that aren't directly observable from market data, the Smith-Wilson approach is used to derive the rates which extrapolates between the observable data and an assumed ultimate forward rate. The Smith-Wilson approach is used to derive the published Solvency II yield curves, which supports consistency over time.

Similarly to the approach to risk-free rates, an illiquidity premium will be set by currency. The illiquidity premium is determined by management considering various internal benchmarks. This includes considering the cost of liquidity for the Group (through its Revolving Credit Facilities), by deducting the risk-free rate and credit risk premium from a corporate bond reference portfolio, and by deducting public market yields from similarly rated private market yields. Each method points to a different mathematical result and judgement is applied when determining the illiquidity premium.

The following weighted average rates, based on the yield curves derived using the above methodology, were used to discount the liability for incurred claims at the end of the current and prior periods:

	31 December 2025				31 December 2024			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
UK Insurance	4.0%	4.0%	4.2%	4.5%	5.0%	4.7%	4.5%	4.6%
European Motor	2.6%	2.8%	3.0%	3.4%	2.7%	2.6%	2.6%	2.8%

Generally, the illiquidity premium is expected to be stable over time and re-assessment of the assumption will be triggered by significant changes in internal illiquidity benchmarks and/or changes in the illiquidity of the liabilities (e.g. claims mix). Quantitative analysis will be performed when the illiquidity premium changes, including performing sensitivity analysis on the assumption.

Notes to the consolidated financial statements continued

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Insurance revenue

The insurance revenue for the period is comprised of the amount of expected premium receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. However, if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, for example due to seasonality of claims, then the allocation is made on the basis of the expected timing of incurred insurance service expenses. For the periods presented, all insurance premium revenue has been recognised based on the passage of time. If a change in allocation is necessary due to a change of facts and circumstances, the change is accounted for prospectively as a change in accounting estimate.

The Group's insurance revenue is comprised of the following component parts:

- **Insurance premium revenue:** Insurance premium revenue reflects the expected premium receipts allocated to the period based on the passage of time, adjusted for seasonality if required. It excludes any additional income that arises from the writing of the insurance contract that is presented as part of insurance revenue as set out below.
- **Instalment income:** In contrast to IFRS 4, instalment income related to the risk attaching part of the premium that is retained within the Group is recognised as part of the insurance revenue cashflows due to it being considered non-distinct from the underlying insurance policy, as set out in note 2 to the financial statements.
- **Administration fees:** Administration fees are costs charged to the customer for arranging a change to their policy. The performance obligation is the change in a customer's policy and given that the obligation related to activities that are required to fulfil the insurance contract and the policyholder cannot benefit from the service by itself, it is considered as part of fulfilment cashflows, i.e., the full transaction price is therefore recognised as part of insurance revenue on a point in time basis.

IFRS 17 does not require separate insurance revenue analysis for insurance contracts measured under PAA. See Appendix 1 and note 14 for further information regarding the disaggregation of insurance revenue.

As stated in note 2, the Group has excluded any instalment income and administration fees from insurance revenue derived from the proportion of insurance coverage under the co-insurance arrangements where the Group bears no risks. Please see note 8a for the treatment of the co-insurance share retained by the group of instalment income and administration fees.

Insurance service expenses

The following elements are included in insurance service expenses:

- Incurred claims and benefits excluding investment components
- Other incurred directly attributable insurance service expenses, including administration (such as employee costs, depreciation and amortisation) and acquisition expenses, and share scheme expenses that are attributable to insurance services
- Changes that relate to past service (i.e. changes in the fulfilment cashflows relating to the Liability for Incurred Claims)
- Changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

Only items that reflect insurance service expenses (i.e. incurred claims and other insurance service expenses arising from insurance contracts the Group issues) are reported as insurance expenses. Cashflows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

The total costs incurred in relation to the co-insurance share of insurance business are presented within other operating expenses, as is the reimbursement of these costs, given that they are not related to the costs directly attributable to fulfilling the Group's insurance contracts.

Non-cash costs that are directly attributable, such as depreciation, amortisation and IFRS 2 equity-settled share scheme costs, are recognised within insurance service expenses; these are transferred out of the LIC into the appropriate Financial Statement line item for presentation in the Statement of Financial Position.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Reinsurance net expense/income

The Group has presented the income or expenses from a group of reinsurance contracts held separately from insurance finance income or expenses as a single amount and has provided in the disclosure note a separate analysis of the amounts recovered from the reinsurer and an allocation of the premiums paid that together give a net amount equal to that single amount.

As part of its quota share arrangements, the Group typically recovers either a set ceding commission, or the quota share reinsurer's proportional share of the expenses that are incurred in fulfilling the insurance contracts.

These amounts are typically settled net with the premium charged and are not contingent on claims. As a result, under IFRS 17 the expenses and ceding commissions recovered are considered to reflect a reduction in the transaction price equivalent to charging a lower premium (with no corresponding ceding commission or expense recovery).

In addition, as set out in note 3 to these financial statements, where the reinsurance arrangements result in a "minimum recovery" from the reinsurer due to profit commission or sliding scale commission arrangements that is not contingent on claims, and the amount is not settled 'net' with premium, the minimum recovery is treated as a non-distinct investment component.

As a result, the Group treats reinsurance cashflows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes non-distinct investment components and commissions from the allocation of reinsurance premiums presented in the notes to the financial statements.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

1. The effect of the time value of money and changes in the time value of money
2. The effect of financial risk and changes in financial risk.

The Group has taken the option to disaggregate insurance finance income or expenses on insurance contracts issued between the Consolidated Income Statement and the Consolidated Statement of Other Comprehensive Income.

As a result, applying the premium allocation approach, claims incurred are discounted at the date of initial recognition and the finance expense recognised in the Consolidated Income Statement reflects the unwind of this discounting, at the locked in discount rate, over the expected payment period. The same approach is taken for reinsurance claims assets. Discounting on the liability and asset for remaining coverage only occurs in the case of the recognition of an onerous loss component (and related loss-recovery component) and as a result is not material.

The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in Other Comprehensive Income in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. The Group's financial assets backing the insurance portfolios are predominantly measured at Fair Value through Other Comprehensive Income ('FVOCI').

Insurance contracts: Liability for remaining coverage

Initial measurement

For a group of contracts that is not onerous at initial recognition, the Group measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Any other asset or liability previously recognised for cashflows related to the group of contracts that the Group pays or receives before the group of insurance contracts is recognised.

The Group recognises any insurance premium tax collected in relation to the premiums received as part of the premium receipts, but given it is acting as an agent, these taxes are not included as either insurance revenue or an insurance expense. Any outstanding insurance premium tax liability is presented within the liability for remaining coverage until paid.

There is no allowance for time value of money as the premiums are received within one year of the coverage period.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the onerous contracts are separately grouped from other contracts and a loss is recognised in the Consolidated Income Statement for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cashflows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as:

- The liability for remaining coverage at the beginning of the period; plus
- Premiums received in the period; minus
- The amount recognised as insurance revenue for the services provided in the period; minus
- Payments to the tax authorities in respect of premium receipts.

The onerous loss component is re-measured over the coverage period so that at the end of the coverage period, it is reduced to £nil.

Insurance contracts: Liability for incurred claims

The Group estimates the liability for incurred claims as the fulfilment cashflows related to incurred claims, including any creditors related to directly attributable insurance expenses. The liability for incurred claims also includes an explicit adjustment for non-financial risk (the risk adjustment).

Reinsurance contracts held

Initial measurement

The Group measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued.

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. The Group uses a systematic and rational method to determine the portion of losses recognised on the group of insurance contracts covered by the reinsurance contracts held, in the case that there is partial coverage of underlying insurance contracts by reinsurance contracts. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer and is calculated with reference to the gross risk adjustment, adjusted for any excess of loss risk adjustment, as required.

Subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features and terms and conditions of the reinsurance contracts held. In addition, changes in the fulfilment cashflows that arise from changes in the risk of non-performance of the reinsurer are reflected within net expenses from reinsurance contracts held within the Income Statement.

Where the Group has established a loss-recovery component, the Group subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

The extinguishment or commutation of a reinsurance arrangement results in a derecognition of any reinsurance assets or liabilities related to the commuted contract from the balance sheet, so that the Group retains the full future risk of claims development. As a result of commutation, any difference arising between the present carrying value of reinsurance assets or liabilities and the cash settlement is recognised in the Consolidated Income Statement.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

5b. Insurance revenue

Insurance revenue for the corresponding reportable segments for the period ended 31 December 2025 are shown below.

	31 December 2025				
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	Total £m
Continuing operations					
Insurance revenue related movement in liability for remaining coverage	3,511.5	710.1	654.5	103.2	4,979.3

Insurance revenue for the corresponding reportable segments for the period ended 31 December 2024 are shown below.

	31 December 2024				
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	Total £m
Continuing operations					
Insurance revenue related movement in liability for remaining coverage	3,369.5	503.9	606.7	73.3	4,553.4

The Group's share of its insurance business was underwritten by Admiral Insurance (Gibraltar) Limited, Admiral Insurance Company Limited and Admiral Europe Compañía Seguros ('AECS'). The majority of contracts are short term in duration, lasting for between 6 and 12 months.

5c. Insurance service expenses

Insurance service expenses for the corresponding reportable segments for the period ended 31 December 2025 are shown below.

	31 December 2025				
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	Total £m
Continuing operations					
Incurred claims					
Claims incurred in the period	2,317.1	452.1	468.8	72.6	3,310.6
Changes to liabilities for incurred claims	(335.7)	(33.6)	(49.1)	(5.5)	(423.9)
Total incurred claims	1,981.4	418.5	419.7	67.1	2,886.7
Movement in onerous contracts	0.1	0.2	(3.3)	–	(3.0)
Directly attributable expenses					
Administration expenses	496.3	131.9	119.1	25.4	772.7
Acquisition expenses	103.9	55.2	55.9	19.8	234.8
Insurance expenses	600.2	187.1	175.0	45.2	1,007.5
Share scheme expenses	56.1	8.7	9.8	1.3	75.9
Total insurance expenses including share scheme expenses	656.3	195.8	184.8	46.5	1,083.4
Total Insurance service expenses	2,637.8	614.5	601.2	113.6	3,967.1

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For the year ended 31 December 2025

Insurance service expenses for the corresponding reportable segments for the period ended 31 December 2024 are shown below.

	31 December 2024				
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	Total £m
Continuing operations					
Incurred claims					
Claims incurred in the period	2,107.2	298.2	453.2	48.9	2,907.5
Changes to liabilities for incurred claims	(496.1)	(51.4)	(7.3)	(1.4)	(556.2)
Total incurred claims	1,611.1	246.8	445.9	47.5	2,351.3
Movement in onerous contracts	(5.1)	0.1	(0.1)	–	(5.1)
Directly attributable expenses					
Administration expenses	461.5	113.7	117.0	18.7	710.9
Acquisition expenses	125.3	45.2	51.0	15.0	236.5
Insurance expenses	586.8	158.9	168.0	33.7	947.4
Share scheme expenses	40.7	5.4	8.6	1.4	56.1
Total insurance expenses including share scheme expenses	627.5	164.3	176.6	35.1	1,003.5
Total Insurance service expenses	2,233.5	411.2	622.4	82.6	3,349.7

5d. Net expenses from reinsurance contracts held

Net expenses from reinsurance contracts held for the corresponding reportable segments for the period ended 31 December 2025 are shown below.

	31 December 2025				
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	Total £m
Continuing operations					
Allocation of reinsurance premiums	133.5	143.1	155.8	11.3	443.7
Amounts recoverable from reinsurers for incurred insurance service expenses					
Incurred claims	(70.9)	(91.1)	(151.1)	(7.7)	(320.8)
Changes to liabilities for incurred claims	56.8	(1.4)	45.8	–	101.2
Net expense from reinsurance contracts excluding movement in onerous loss component	119.4	50.6	50.5	3.6	224.1
Other reinsurance recoveries including movement in onerous loss component	(0.1)	(0.2)	2.1	–	1.8
Net expenses from reinsurance contracts held	119.3	50.4	52.6	3.6	225.9

Net expenses from reinsurance contracts held for the corresponding reportable segments for the period ended 31 December 2024 are shown below.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	31 December 2024				Total £m
	UK Motor £m	UK Other £m	European Insurance £m	Other £m	
Continuing operations					
Allocation of reinsurance premiums	145.8	45.8	119.2	7.6	318.4
Amounts recoverable from reinsurers for incurred insurance service expenses					
Incurring claims	(29.2)	3.1	(255.2)	(8.5)	(289.8)
Changes to liabilities for incurred claims	291.6	34.3	143.5	–	469.4
Net expense from reinsurance contracts excluding movement in onerous loss component	408.2	83.2	7.5	(0.9)	498.0
Other reinsurance recoveries including movement in loss recovery component	4.0	(0.1)	(0.3)	–	3.6
Net expenses/(income) from reinsurance contracts held	412.2	83.1	7.2	(0.9)	501.6

5e. Finance expenses /(income) from insurance contracts held and reinsurance contracts issued

£m	31 December 2025	31 December 2024
Amounts recognised through the income statement - Continuing basis		
Insurance finance expenses from insurance contracts issued	140.9	128.4
Insurance finance income from reinsurance contracts held	(29.4)	(35.9)
Net finance expense from insurance / reinsurance contracts issued	111.5	92.5
Amounts recognised in other comprehensive income		
(Losses)/ gains due to changes in discount rates - insurance contracts	(54.4)	7.9
(Losses)/ gains due to changes in discount rates - reinsurance contracts	9.6	3.3
Total (losses)/ gains before tax recognised in other comprehensive income	(44.8)	11.2

The insurance finance reserve is comprised of the following:

£m	31 December 2025	31 December 2024
Insurance finance reserve - Continuing basis		
Insurance finance reserve – insurance contracts	64.6	119.0
Deferred tax in relation to insurance finance reserve - insurance contracts	(9.1)	(18.6)
Insurance finance reserve – reinsurance contracts	(22.8)	(32.4)
Deferred tax in relation to insurance finance reserve - reinsurance contracts	2.6	4.7
Total insurance finance reserve	35.3	72.7

See note 6b for details of the relationship between finance (expenses)/ income from insurance contracts held and reinsurance contracts issued, and investment return.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

5f. Insurance Liabilities and Reinsurance assets

(i) Analysis of recognised amounts

£m	Year ended 31 December 2025			Year ended 31 December 2024		
	Liability for remaining coverage	Liability for incurred claims	Total	Liability for remaining coverage	Liability for incurred claims	Total
Insurance contracts issued						
UK Motor	774.1	3,070.0	3,844.1	883.3	2,691.1	3,574.4
UK Other Personal lines	206.2	303.4	509.6	195.3	214.7	410.0
European Insurance	217.0	691.1	908.1	190.1	591.2	781.3
Other	11.8	125.6	137.4	19.9	175.8	195.7
Total insurance contracts issued	1,209.1	4,190.1	5,399.2	1,288.6	3,672.8	4,961.4

£m	Year ended 31 December 2025			Year ended 31 December 2024		
	Asset for remaining coverage	Asset for incurred claims	Total	Asset for remaining coverage	Asset for incurred claims	Total
Reinsurance contracts held						
UK Motor	45.7	267.7	313.4	34.0	236.5	270.5
UK Other Personal lines	13.6	215.2	228.8	11.2	173.5	184.7
European Insurance	19.9	507.0	526.9	42.5	461.7	504.2
Other	1.2	10.2	11.4	0.5	28.7	29.2
Total reinsurance contracts held	80.4	1,000.1	1,080.5	88.2	900.4	988.6

£m	Year ended 31 December 2025			Year ended 31 December 2024		
	Liability for remaining coverage	Liability for incurred claims	Total	Liability for remaining coverage	Liability for incurred claims	Total
Net						
UK Motor	728.4	2,802.3	3,530.7	849.3	2,454.6	3,303.9
UK Other Personal lines	192.6	88.2	280.8	184.1	41.2	225.3
European Insurance	197.1	184.1	381.2	147.6	129.5	277.1
Other	10.6	115.4	126.0	19.4	147.1	166.5
Total insurance contracts issued	1,128.7	3,190.0	4,318.7	1,200.4	2,772.4	3,972.8

The table above has been represented for the year end 31 December 2024 such that insurance liabilities and reinsurance assets in relation to the US operation are presented within Other (previously included within International insurance). Refer to note 4a for further details on European Insurance.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(ii) Roll-forward of net asset or liability for insurance contracts issued

UK Motor

The following tables reconcile the opening and closing balances of the LRC and LIC for UK Motor.

2025	Liability for remaining coverage			Liability for incurred claims			Total
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	
£m							
Opening assets	–	–	–	–	–	–	–
Opening liabilities	(883.3)	–	(883.3)	(2,300.8)	(390.3)	(2,691.1)	(3,574.4)
Net opening balance	(883.3)	–	(883.3)	(2,300.8)	(390.3)	(2,691.1)	(3,574.4)
Insurance revenue	3,511.5	–	3,511.5	–	–	–	3,511.5
Insurance service expenses							
Incurred claims and insurance service expenses	–	–	–	(2,787.4)	(185.9)	(2,973.3)	(2,973.3)
Changes to liabilities for incurred claims	–	–	–	115.8	219.9	335.7	335.7
Losses and reversals of losses on onerous contracts	–	(0.1)	(0.1)	–	–	–	(0.1)
Insurance service result	3,511.5	(0.1)	3,511.4	(2,671.6)	33.9	(2,637.7)	873.7
Insurance finance income/ (expense) recognised in profit or loss	–	0.1	0.1	(96.0)	(17.4)	(113.5)	(113.4)
Insurance finance income/ (expense) recognised in OCI	–	–	–	(47.6)	(10.5)	(58.0)	(58.0)
Total changes in comprehensive income	3,511.5	–	3,511.5	(2,815.2)	6.0	(2,809.2)	702.3
Other changes	–	–	–	74.3	–	74.3	74.3
Cashflows							
Premiums received	(3,402.3)	–	(3,402.3)	–	–	–	(3,402.3)
Claims and other insurance service expenses paid	–	–	–	2,356.0	–	2,356.0	2,356.0
Other movements	–	–	–	–	–	–	–
Total cashflows	(3,402.3)	–	(3,402.3)	2,356.0	–	2,356.0	(1,046.3)
Net closing balance	(774.1)	–	(774.1)	(2,685.7)	(384.3)	(3,070.0)	(3,844.1)
Closing assets	–	–	–	–	–	–	–
Closing liabilities	(774.1)	–	(774.1)	(2,685.7)	(384.3)	(3,070.0)	(3,844.1)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Liability for remaining coverage			Liability for incurred claims			
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	Total
£m							
Opening assets	–	–	–	–	–	–	–
Opening liabilities	(766.0)	(3.0)	(769.0)	(2,202.8)	(343.9)	(2,546.7)	(3,315.7)
Net opening balance	(766.0)	(3.0)	(769.0)	(2,202.8)	(343.9)	(2,546.7)	(3,315.7)
Insurance revenue	3,369.5	–	3,369.5	–	–	–	3,369.5
Insurance service expenses							
Incurred claims and insurance service expenses	–	–	–	(2,548.7)	(186.0)	(2,734.7)	(2,734.7)
Changes to liabilities for incurred claims	–	–	–	343.4	152.7	496.1	496.1
Losses and reversals of losses on onerous contracts	–	5.1	5.1	–	–	–	5.1
Insurance service result	3,369.5	5.1	3,374.6	(2,205.3)	(33.3)	(2,238.6)	1,136.0
Insurance finance income/ (expense) recognised in profit or loss	–	(2.4)	(2.4)	(86.5)	(15.3)	(101.8)	(104.2)
Insurance finance income/ (expense) recognised in OCI	–	0.3	0.3	16.2	2.2	18.4	18.7
Total changes in comprehensive income	3,369.5	3.0	3,372.5	(2,275.6)	(46.4)	(2,322.0)	1,050.5
Other changes	35.9	–	35.9	79.3	–	79.3	115.2
Cashflows							
Premiums received	(3,522.7)	–	(3,522.7)	–	–	–	(3,522.7)
Claims and other insurance service expenses paid	–	–	–	2,098.3	–	2,098.3	2,098.3
Other movements	–	–	–	–	–	–	–
Total cashflows	(3,522.7)	–	(3,522.7)	2,098.3	–	2,098.3	(1,424.4)
Net closing balance	(883.3)	–	(883.3)	(2,300.8)	(390.3)	(2,691.1)	(3,574.4)
Closing assets	–	–	–	–	–	–	–
Closing liabilities	(883.3)	–	(883.3)	(2,300.8)	(390.3)	(2,691.1)	(3,574.4)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

UK Other Personal lines Insurance

The following tables reconcile the opening and closing balances of the LRC and LIC for UK Other Personal lines insurance (UK Household, Pet and Travel).

2025	Liability for remaining coverage			Liability for incurred claims			Total
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	
£m							
Opening assets	–	–	–	–	–	–	–
Opening liabilities	(195.3)	–	(195.3)	(190.8)	(23.9)	(214.7)	(410.0)
Net opening balance	(195.3)	–	(195.3)	(190.8)	(23.9)	(214.7)	(410.0)
Insurance revenue	710.1	–	710.1	–	–	–	710.1
Insurance service expenses							
Incurred claims and insurance service expenses	–	–	–	(618.3)	(29.6)	(647.9)	(647.9)
Changes to liabilities for incurred claims	–	–	–	16.7	16.9	33.6	33.6
Losses and reversals of losses on onerous contracts	–	(0.2)	(0.2)	–	–	–	(0.2)
Insurance service result	710.1	(0.2)	709.9	(601.6)	(12.7)	(614.3)	95.6
Insurance finance income/ (expense) recognised in profit or loss	–	–	–	(8.5)	(1.1)	(9.6)	(9.6)
Insurance finance income/ (expense) recognised in OCI	–	–	–	(0.7)	(0.1)	(0.8)	(0.8)
Total changes in comprehensive income	710.1	(0.2)	709.9	(610.8)	(13.9)	(624.7)	85.2
Other changes	–	0.2	0.2	17.1	0.1	17.2	17.4
Cashflows							
Premiums received	(721.0)	–	(721.0)	–	–	–	(721.0)
Claims and other insurance service expenses paid	–	–	–	518.8	–	518.8	518.8
Other movements	–	–	–	–	–	–	–
Total cashflows	(721.0)	–	(721.0)	518.8	–	518.8	(202.2)
Net closing balance	(206.2)	–	(206.2)	(265.7)	(37.7)	(303.4)	(509.6)
Closing assets	–	–	–	–	–	–	–
Closing liabilities	(206.2)	–	(206.2)	(265.7)	(37.7)	(303.4)	(509.6)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Liability for remaining coverage			Liability for incurred claims			Total	Total
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total		
£m								
Opening assets	–	–	–	–	–	–	–	–
Opening liabilities	(136.2)	–	(136.2)	(193.6)	(23.9)	(217.5)	(353.7)	(353.7)
Net opening balance	(136.2)	–	(136.2)	(193.6)	(23.9)	(217.5)	(353.7)	(353.7)
Insurance revenue	503.9	–	503.9	–	–	–	503.9	503.9
Insurance service expenses								
Incurred claims and insurance service expenses	–	–	–	(444.8)	(17.7)	(462.5)	(462.5)	(462.5)
Changes to liabilities for incurred claims	–	–	–	32.6	18.8	51.4	51.4	51.4
Losses and reversals of losses on onerous contracts	–	–	–	–	(0.2)	(0.2)	(0.2)	(0.2)
Insurance service result	503.9	–	503.9	(412.2)	0.9	(411.3)	92.6	92.6
Insurance finance income/ (expense) recognised in profit or loss	–	–	–	(8.0)	(0.9)	(8.9)	(8.9)	(8.9)
Insurance finance income/ (expense) recognised in OCI	–	–	–	0.1	–	0.1	0.1	0.1
Total changes in comprehensive income	503.9	–	503.9	(420.1)	–	(420.1)	83.8	83.8
Other changes	–	–	–	14.9	–	14.9	14.9	14.9
Cashflows								
Premiums received	(563.0)	–	(563.0)	–	–	–	(563.0)	(563.0)
Claims and other insurance service expenses paid	–	–	–	408.0	–	408.0	408.0	408.0
Other movements	–	–	–	–	–	–	–	–
Total cashflows	(563.0)	–	(563.0)	408.0	–	408.0	(155.0)	(155.0)
Net closing balance	(195.3)	–	(195.3)	(190.8)	(23.9)	(214.7)	(410.0)	(410.0)
Closing assets	–	–	–	–	–	–	–	–
Closing liabilities	(195.3)	–	(195.3)	(190.8)	(23.9)	(214.7)	(410.0)	(410.0)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

European Insurance

The following tables reconcile the opening and closing balances of the LRC and LIC for European Insurance.

2025	Liability for remaining coverage			Liability for incurred claims			Total
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	
£m							
Opening assets	–	–	–	–	–	–	–
Opening liabilities	(187.3)	(2.8)	(190.1)	(520.5)	(70.7)	(591.2)	(781.3)
Net opening balance	(187.3)	(2.8)	(190.1)	(520.5)	(70.7)	(591.2)	(781.3)
Insurance revenue	654.5	–	654.5	–	–	–	654.5
Insurance service expenses							
Incurred claims and insurance service expenses	–	–	–	(594.4)	(59.2)	(653.6)	(653.6)
Changes to liabilities for incurred claims	–	–	–	(8.8)	57.9	49.1	49.1
Losses and reversals of losses on onerous contracts	–	3.3	3.3	–	–	–	3.3
Insurance service result	654.5	3.3	657.8	(603.2)	(1.3)	(604.5)	53.3
Insurance finance income/ (expense) recognised in profit or loss	–	(3.3)	(3.3)	(12.7)	(1.9)	(14.6)	(17.9)
Insurance finance income/ (expense) recognised in OCI	–	0.2	0.2	5.1	0.8	5.9	6.1
Foreign exchange impact	(11.3)	–	(11.3)	(30.6)	(4.0)	(34.6)	(45.9)
Total changes in comprehensive income	643.2	0.2	643.4	(641.4)	(6.4)	(647.8)	(4.4)
Other changes	–	–	–	11.4	–	11.4	11.4
Cashflows							
Premiums received	(670.3)	–	(670.3)	–	–	–	(670.3)
Claims and other insurance service expenses paid	–	–	–	536.5	–	536.5	536.5
Other movements	–	–	–	–	–	–	–
Total cashflows	(670.3)	–	(670.3)	536.5	–	536.5	(133.8)
Net closing balance	(214.4)	(2.6)	(217.0)	(614.0)	(77.1)	(691.1)	(908.1)
Closing assets	–	–	–	–	–	–	–
Closing liabilities	(214.4)	(2.6)	(217.0)	(614.0)	(77.1)	(691.1)	(908.1)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Liability for remaining coverage			Liability for incurred claims			Total
	Excluding loss component	Loss component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	
£m							
Opening assets	–	–	–	–	–	–	–
Opening liabilities	(200.3)	(2.9)	(203.2)	(442.6)	(68.1)	(510.7)	(713.9)
Net opening balance	(200.3)	(2.9)	(203.2)	(442.6)	(68.1)	(510.7)	(713.9)
Insurance revenue	606.7	–	606.7	–	–	–	606.7
Insurance service expenses							
Incurred claims and insurance service expenses	–	–	–	(566.0)	(63.8)	(629.8)	(629.8)
Changes to liabilities for incurred claims	–	–	–	(53.8)	61.1	7.3	7.3
Losses and reversals of losses on onerous contracts	–	0.1	0.1	–	–	–	0.1
Insurance service result	606.7	0.1	606.8	(619.8)	(2.7)	(622.5)	(15.7)
Insurance finance income/ (expense) recognised in profit or loss	–	–	–	(12.7)	(2.4)	(15.1)	(15.1)
Insurance finance income/ (expense) recognised in OCI	–	(0.1)	(0.1)	(7.8)	(0.9)	(8.7)	(8.8)
Foreign exchange impact	9.6	0.1	9.7	22.7	3.4	26.1	35.8
Total changes in comprehensive income	616.3	0.1	616.4	(617.6)	(2.6)	(620.2)	(3.8)
Other changes	11.3	–	11.3	15.5	–	15.5	26.8
Cashflows							
Premiums received	(614.6)	–	(614.6)	–	–	–	(614.6)
Claims and other insurance service expenses paid	–	–	–	524.2	–	524.2	524.2
Other movements	–	–	–	–	–	–	–
Total cashflows	(614.6)	–	(614.6)	524.2	–	524.2	(90.4)
Net closing balance	(187.3)	(2.8)	(190.1)	(520.5)	(70.7)	(591.2)	(781.3)
Closing assets	–	–	–	–	–	–	–
Closing liabilities	(187.3)	(2.8)	(190.1)	(520.5)	(70.7)	(591.2)	(781.3)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(iii). Roll-forward of net asset or liability for reinsurance contracts issued

UK Motor

The following tables reconcile the opening and closing balances of the ARC and AIC for UK Motor.

2025	Asset for remaining coverage			Asset for incurred claims			Total	Total
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total		
£m								
Opening assets	34.0	–	34.0	172.5	64.0	236.5	270.5	
Opening liabilities	–	–	–	–	–	–	–	–
Net opening balance	34.0	–	34.0	172.5	64.0	236.5	270.5	
Allocation of reinsurance premiums	(133.5)	–	(133.5)	–	–	–	(133.5)	
Amounts recoverable from reinsurers for incurred claims								
Incurred claims	–	–	–	26.1	44.9	71.0	71.0	
Changes to liabilities for incurred claims	–	–	–	(18.3)	(38.5)	(56.8)	(56.8)	
Changes in the loss recovery component	–	0.1	0.1	–	–	–	0.1	
Net income/ (expense) from reinsurance contracts held	(133.5)	0.1	(133.4)	7.8	6.4	14.2	(119.2)	
Reinsurance finance income/ (expense) recognised in profit or loss	–	(0.1)	(0.1)	7.0	3.6	10.6	10.5	
Reinsurance finance income/ (expense) recognised in OCI	–	–	–	8.7	4.4	13.1	13.1	
Total changes in comprehensive income	(133.5)	–	(133.5)	23.5	14.4	37.9	(95.6)	
Cashflows								
Premiums paid	145.2	–	145.2	–	–	–	145.2	
Claims recoveries	–	–	–	(6.7)	–	(6.7)	(6.7)	
Recoveries as a result of commutations	–	–	–	–	–	–	–	
Total cashflows	145.2	–	145.2	(6.7)	–	(6.7)	138.5	
Net closing balance	45.7	–	45.7	189.3	78.4	267.7	313.4	
Closing assets	45.7	–	45.7	189.3	78.4	267.7	313.4	
Closing liabilities	–	–	–	–	–	–	–	

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Asset for remaining coverage			Asset for incurred claims			
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	Total
£m							
Opening assets	20.8	2.3	23.1	313.2	183.6	496.8	519.9
Opening liabilities	–	–	–	–	–	–	–
Net opening balance	20.8	2.3	23.1	313.2	183.6	496.8	519.9
Allocation of reinsurance premiums	(145.8)	–	(145.8)	–	–	–	(145.8)
Amounts recoverable from reinsurers for incurred claims							
Incurred claims	–	–	–	22.2	7.0	29.2	29.2
Changes to liabilities for incurred claims	–	–	–	(158.6)	(133.0)	(291.6)	(291.6)
Changes in the loss recovery component	–	(4.0)	(4.0)	–	–	–	(4.0)
Net income/ (expense) from reinsurance contracts held	(145.8)	(4.0)	(149.8)	(136.4)	(126.0)	(262.4)	(412.2)
Reinsurance finance income/ (expense) recognised in profit or loss	–	1.8	1.8	11.1	7.9	19.0	20.8
Reinsurance finance income/ (expense) recognised in OCI	–	(0.1)	(0.1)	(2.8)	(1.5)	(4.3)	(4.4)
Total changes in comprehensive income	(145.8)	(2.3)	(148.1)	(128.1)	(119.6)	(247.7)	(395.8)
Cashflows							
Premiums paid	159.0	–	159.0	–	–	–	159.0
Claims recoveries	–	–	–	(0.9)	–	(0.9)	(0.9)
Recoveries as a result of commutations	–	–	–	(11.7)	–	(11.7)	(11.7)
Total cashflows	159.0	–	159.0	(12.6)	–	(12.6)	146.4
Net closing balance	34.0	–	34.0	172.5	64.0	236.5	270.5
Closing assets	34.0	–	34.0	172.5	64.0	236.5	270.5
Closing liabilities	–	–	–	–	–	–	–

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

UK Other Personal lines insurance

The following tables reconcile the opening and closing balances of the ARC and AIC for UK Other Personal lines insurance (Household, Travel and Pet).

2025	Asset for remaining coverage			Asset for incurred claims			Total	Total
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total		
£m								
Opening assets	11.1	0.1	11.2	174.5	(1.0)	173.5	184.7	
Opening liabilities	–	–	–	–	–	–	–	
Net opening balance	11.1	0.1	11.2	174.5	(1.0)	173.5	184.7	
Allocation of reinsurance premiums	(143.1)	–	(143.1)	–	–	–	(143.1)	
Amounts recoverable from reinsurers for incurred claims								
Incurred claims	–	–	–	75.4	15.8	91.2	91.2	
Changes to liabilities for incurred claims	–	–	–	8.7	(7.3)	1.4	1.4	
Changes in the loss recovery component	–	0.2	0.2	–	–	–	0.2	
Net income/ (expense) from reinsurance contracts held	(143.1)	0.2	(142.9)	84.1	8.5	92.6	(50.3)	
Reinsurance finance income/ (expense) recognised in profit or loss	–	–	–	7.1	(0.1)	7.0	7.0	
Reinsurance finance income/ (expense) recognised in OCI	–	(0.3)	(0.3)	0.5	(0.2)	0.3	–	
Total changes in comprehensive income	(143.1)	(0.1)	(143.2)	91.7	8.2	99.9	(43.3)	
Reinsurance investment components	(150.0)	–	(150.0)	150.0	–	150.0	–	
Cashflows								
Premiums paid	295.6	–	295.6	–	–	–	295.6	
Claims recoveries	–	–	–	(208.2)	–	(208.2)	(208.2)	
Recoveries as a result of commutations	–	–	–	–	–	–	–	
Total cashflows	295.6	–	295.6	(208.2)	–	(208.2)	87.4	
Net closing balance	13.6	–	13.6	208.0	7.2	215.2	228.8	
Closing assets	13.6	–	13.6	208.0	7.2	215.2	228.8	
Closing liabilities	–	–	–	–	–	–	–	

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Asset for remaining coverage			Asset for incurred claims			Total	Total
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total		
£m								
Opening assets	21.4	–	21.4	154.9	15.3	170.2	191.6	
Opening liabilities	–	–	–	–	–	–	–	–
Net opening balance	21.4	–	21.4	154.9	15.3	170.2	191.6	
Allocation of reinsurance premiums	(45.8)	–	(45.8)	–	–	–	(45.8)	
Amounts recoverable from reinsurers for incurred claims								
Incurred claims	–	–	–	(8.2)	5.1	(3.1)	(3.1)	
Changes to liabilities for incurred claims	–	–	–	(12.3)	(22.0)	(34.3)	(34.3)	
Changes in the loss recovery component	–	0.1	0.1	–	–	–	0.1	
Net income/ (expense) from reinsurance contracts held	(45.8)	0.1	(45.7)	(20.5)	(16.9)	(37.4)	(83.1)	
Reinsurance finance income/ (expense) recognised in profit or loss	–	–	–	6.1	0.6	6.7	6.7	
Reinsurance finance income/ (expense) recognised in OCI	–	–	–	(0.3)	–	(0.3)	(0.3)	
Total changes in comprehensive income	(45.8)	0.1	(45.7)	(14.7)	(16.3)	(31.0)	(76.7)	
Reinsurance investment components	(178.6)	–	(178.6)	178.6	–	178.6	–	
Cashflows								
Premiums paid	214.1	–	214.1	–	–	–	214.1	
Claims recoveries	–	–	–	(144.3)	–	(144.3)	(144.3)	
Recoveries as a result of commutations	–	–	–	–	–	–	–	
Total cashflows	214.1	–	214.1	(144.3)	–	(144.3)	69.8	
Net closing balance	11.1	0.1	11.2	174.5	(1.0)	173.5	184.7	
Closing assets	11.1	0.1	11.2	174.5	(1.0)	173.5	184.7	
Closing liabilities	–	–	–	–	–	–	–	

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

European Insurance

The following tables reconcile the opening and closing balances of the ARC and AIC for European Insurance.

2025	Asset for remaining coverage			Asset for incurred claims			Total
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total	
£m							
Opening assets	40.2	2.3	42.5	425.7	36.0	461.7	504.2
Opening liabilities	–	–	–	–	–	–	–
Net opening balance	40.2	2.3	42.5	425.7	36.0	461.7	504.2
Allocation of reinsurance premiums	(155.8)	–	(155.8)	–	–	–	(155.8)
Amounts recoverable from reinsurers for incurred claims							
Incurred claims	–	–	–	101.7	49.5	151.2	151.2
Changes to liabilities for incurred claims	–	–	–	2.2	(48.0)	(45.8)	(45.8)
Changes in the loss recovery component	–	(2.1)	(2.1)	–	–	–	(2.1)
Net income/ (expense) from reinsurance contracts held	(155.8)	(2.1)	(157.9)	103.9	1.5	105.4	(52.5)
Reinsurance finance income/ (expense) recognised in profit or loss	–	2.3	2.3	8.5	1.1	9.6	11.9
Reinsurance finance income/ (expense) recognised in OCI	–	(0.1)	(0.1)	(3.4)	(0.5)	(3.9)	(4.0)
Foreign exchange impact	2.0	0.1	2.1	24.5	2.1	26.6	28.7
Total changes in comprehensive income	(153.8)	0.2	(153.6)	133.5	4.2	137.7	(15.9)
Reinsurance investment components	(147.4)	–	(147.4)	147.4	–	147.4	–
Cashflows							
Premiums paid	278.4	–	278.4	–	–	–	278.4
Claims recoveries	–	–	–	(239.8)	–	(239.8)	(239.8)
Recoveries as a result of commutations	–	–	–	–	–	–	–
Total cashflows	278.4	–	278.4	(239.8)	–	(239.8)	38.6
Net closing balance	17.4	2.5	19.9	466.8	40.2	507.0	526.9
Closing assets	17.4	2.5	19.9	466.8	40.2	507.0	526.9
Closing liabilities	–	–	–	–	–	–	–

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

2024	Asset for remaining coverage			Asset for incurred claims			Total	Total
	Excluding loss component	Loss-recovery component	Total	Present value of future cashflows	Risk adj. for non-financial risk	Total		
£m								
Opening assets	–	2.0	2.0	415.8	34.5	450.3	452.3	
Opening liabilities	(4.9)	–	(4.9)	–	–	–	(4.9)	
Net opening balance	(4.9)	2.0	(2.9)	415.8	34.5	450.3	447.4	
Allocation of reinsurance premiums	(119.2)	–	(119.2)	–	–	–	(119.2)	
Amounts recoverable from reinsurers for incurred claims								
Incurred claims	–	–	–	189.8	65.4	255.2	255.2	
Changes to liabilities for incurred claims	–	–	–	(79.6)	(63.9)	(143.5)	(143.5)	
Changes in the loss recovery component	–	0.3	0.3	–	–	–	0.3	
Net income/ (expense) from reinsurance contracts held	(119.2)	0.3	(118.9)	110.2	1.5	111.7	(7.2)	
Reinsurance finance income/ (expense) recognised in profit or loss	–	–	–	7.4	1.1	8.5	8.5	
Reinsurance finance income/ (expense) recognised in OCI	–	–	–	6.5	0.6	7.1	7.1	
Foreign exchange impact	(0.9)	–	(0.9)	(20.0)	(1.7)	(21.7)	(22.6)	
Total changes in comprehensive income	(0.9)	–	(0.9)	(6.1)	–	(6.1)	(7.0)	
Reinsurance investment components	(175.0)	–	(175.0)	175.0	–	175.0	–	
Cashflows								
Premiums paid	340.2	–	340.2	–	–	–	340.2	
Claims recoveries	–	–	–	(269.2)	–	(269.2)	(269.2)	
Recoveries as a result of commutations	–	–	–	–	–	–	–	
Total cashflows	340.2	–	340.2	(269.2)	–	(269.2)	71.0	
Net closing balance	40.2	2.3	42.5	425.7	36.0	461.7	504.2	
Closing assets	40.2	2.3	42.5	425.7	36.0	461.7	504.2	
Closing liabilities	–	–	–	–	–	–	–	

(iv) Claims development

The following tables illustrate how estimates of cumulative claims for UK Motor, UK Other Personal lines and European Insurance have developed over time on a gross and net of reinsurance basis.

Each table shows how the Group's estimates of total claims for each underwriting year have developed over time and reconciles the cumulative claims to the amount included in the Statement of Financial Position. Balances have been translated at the exchange rates prevailing at the reporting date. The Group has not disclosed information for underwriting years 2017 and prior for the European Insurance and Other UK Personal lines Insurance businesses, given that the claims that remain outstanding on those years are immaterial.

IFRS 17 does not require an entity to disclose claims development information for which uncertainty about the amount and timing of the claims payments is typically resolved within one year. Therefore, the Group has not disclosed information about the claims in its other lines of business or related directly attributable expenses.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Gross claims development

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
UK Motor (core)												
At end of year one		436	552	686	701	552	688	845	973	1,241	1,242	
At end of year two		829	1,144	1,175	1,067	985	1,326	1,584	1,812	2,158		
At end of year three		788	994	1,109	1,010	954	1,294	1,544	1,724			
At end of year four		727	947	1,064	996	921	1,270	1,517				
At end of year five		713	912	1,008	981	910	1,200					
At end of year six		690	890	1,000	938	876						
At end of year seven		656	865	959	936							
At end of year eight		652	849	953								
At end of year nine		657	843									
Ten years later		643										
Gross best estimates of undiscounted claims	4,367	643	843	953	936	876	1,200	1,517	1,724	2,158	1,242	16,459
Cumulative gross claims paid	(4,229)	(611)	(778)	(908)	(847)	(763)	(990)	(1,161)	(1,193)	(1,318)	(546)	(13,344)
Gross undiscounted best estimate liabilities	138	32	65	45	89	113	210	356	531	840	696	3,115
Risk adjustment (undiscounted)												453
Effect of discounting												(624)
Gross claims liabilities												2,944
Ancillary claims and expense liabilities												126
UK Motor Gross liabilities for incurred claims												3,070
UK Other (core)												
At end of year one		26	29	56	55	53	58	116	146	160	228	
At end of year two		50	78	102	105	96	128	224	253	341		
At end of year three		47	76	102	103	95	124	227	251			
At end of year four		47	75	102	102	90	126	225				
At end of year five		47	76	102	93	93	125					
At end of year six		47	76	100	96	94						
At end of year seven		47	75	102	101							
At end of year eight		48	77	100								
At end of year nine		48	75									
Ten years later		48										
Gross best estimates of undiscounted claims	57	48	75	100	101	94	125	225	251	341	228	1,645
Cumulative gross claims paid	(57)	(48)	(75)	(100)	(99)	(92)	(121)	(212)	(226)	(252)	(98)	(1,380)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
Gross undiscounted best estimate liabilities	–	–	–	–	2	2	4	13	25	89	130	265
Risk adjustment (undiscounted)												39
Effect of discounting												(10)
Gross claims liabilities												294
Ancillary claims and expense liabilities												9
UK Other Gross liabilities for incurred claims												303
European Insurance												
At end of year one		–	–	98	123	111	159	167	202	214	240	
At end of year two		–	128	191	212	229	310	390	397	432		
At end of year three		118	174	186	225	227	314	388	421			
At end of year four		135	172	190	221	227	310	405				
At end of year five		134	173	189	214	221	335					
At end of year six		134	173	184	210	238						
At end of year seven		134	167	181	219							
At end of year eight		130	162	193								
At end of year nine		127	176									
Ten years later		137										
Gross best estimates of undiscounted claims	565	137	176	193	219	238	335	405	421	432	240	3,361
Cumulative gross claims paid	(515)	(137)	(162)	(180)	(206)	(205)	(277)	(327)	(325)	(269)	(99)	(2,702)
Gross undiscounted best estimate liabilities	50	–	14	13	13	33	58	78	96	163	141	659
Risk adjustment (undiscounted)												82
Effect of discounting												(75)
Gross claims liabilities												666
Ancillary claims and expense liabilities												25
European Insurance Gross liabilities for incurred claims												691

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Claims development net of XoL reinsurance

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
UK Motor (core)												
At end of year one		427	510	646	675	520	661	825	951	1,220	1,220	
At end of year two		783	1,053	1,123	1,033	949	1,292	1,550	1,776	2,115		
At end of year three		743	917	1,053	986	927	1,257	1,517	1,694			
At end of year four		692	883	1,024	969	892	1,240	1,495				
At end of year five		677	860	974	950	886	1,185					
At end of year six		663	840	978	925	864						
At end of year seven		640	820	946	921							
At end of year eight		635	825	939								
At end of year nine		644	814									
Ten years later		630										
Net of XoL best estimates of undiscounted claims	4,329	630	814	939	921	864	1,185	1,495	1,694	2,115	1,220	16,206
Cumulative claims paid	(4,228)	(611)	(777)	(903)	(847)	(763)	(990)	(1,161)	(1,193)	(1,318)	(546)	(13,337)
Net of XoL undiscounted best estimate liabilities	101	19	37	36	74	101	195	334	501	797	674	2,869
Risk adjustment (undiscounted)												411
Effect of discounting												(512)
Net of XoL claims liabilities												2,768
Ancillary claims and expense liabilities												126
UK Motor Net of XoL liabilities for incurred claims												2,894
UK Other (core)												
At end of year one		26	29	56	54	50	57	116	127	152	224	
At end of year two		50	78	102	96	91	126	220	229	327		
At end of year three		47	75	101	94	90	124	221	233			
At end of year four		47	75	101	93	90	127	220				
At end of year five		47	76	101	93	93	124					
At end of year six		47	75	100	96	89						
At end of year seven		47	75	102	92							
At end of year eight		48	77	99								
At end of year nine		48	75									
Ten years later		48										
Net of XoL best estimates of undiscounted claims	57	48	75	99	92	89	124	220	233	327	224	1,588
Cumulative claims paid	(57)	(48)	(75)	(99)	(91)	(88)	(119)	(207)	(213)	(247)	(98)	(1,342)

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
Net of XoL undiscounted best estimate liabilities	–	–	–	–	1	1	5	13	20	80	126	246
Risk adjustment (undiscounted)												37
Effect of discounting												(9)
Net of XoL claims liabilities												274
Ancillary claims and expense liabilities												10
UK Other Net of XoL liabilities for incurred claims												284
European Insurance												
At end of year one		–	–	98	123	112	159	167	200	213	230	
At end of year two		–	128	190	212	229	310	349	387	425		
At end of year three		118	175	186	225	226	293	346	412			
At end of year four		135	172	189	220	217	283	380				
At end of year five		134	173	189	211	213	314					
At end of year six		134	173	182	206	234						
At end of year seven		134	161	179	216							
At end of year eight		130	157	193								
At end of year nine		127	171									
Ten years later		137										
Net of XoL best estimates of undiscounted claims	534	137	171	193	216	234	314	380	412	425	230	3,246
Cumulative claims paid	(512)	(137)	(161)	(181)	(205)	(207)	(276)	(323)	(325)	(269)	(94)	(2,690)
Net of XoL undiscounted best estimate liabilities	22	–	10	12	11	27	38	57	87	156	136	556
Risk adjustment (undiscounted)												76
Effect of discounting												(43)
Net of XoL claims liabilities												589
Ancillary claims and expense liabilities												25
European Insurance Net of XoL liabilities for incurred claims												614

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Claims development net of reinsurance

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
UK Motor (core)												
At end of year one		427	493	625	626	520	657	762	939	1,220	1,220	
At end of year two		783	1,016	1,086	1,033	949	1,259	1,442	1,776	2,115		
At end of year three		743	886	1,018	986	927	1,239	1,470	1,694			
At end of year four		692	853	990	969	892	1,236	1,451				
At end of year five		677	830	957	950	886	1,185					
At end of year six		663	811	944	925	864						
At end of year seven		640	793	913	921							
At end of year eight		635	798	939								
At end of year nine		644	814									
Ten years later		630										
Net best estimates of undiscounted claims ¹	4,329	630	814	939	921	864	1,185	1,451	1,694	2,115	1,220	16,162
Cumulative net claims paid	(4,228)	(611)	(777)	(903)	(847)	(763)	(990)	(1,161)	(1,193)	(1,318)	(546)	(13,337)
Net undiscounted best estimate liabilities	101	19	37	36	74	101	195	290	501	797	674	2,825
Risk adjustment (undiscounted)												345
Effect of discounting												(494)
Net claims liabilities												2,676
Ancillary claims and expense liabilities												126
UK Motor Net liabilities for incurred claims												2,802
UK Other (core)												
At end of year one		7	6	20	18	16	16	43	68	78	117	
At end of year two		14	22	34	25	12	41	94	108	117		
At end of year three		12	24	33	31	19	36	88	87			
At end of year four		12	22	37	30	18	40	79				
At end of year five		12	24	37	29	21	35					
At end of year six		12	24	36	33	18						
At end of year seven		12	24	39	29							
At end of year eight		13	25	35								
At end of year nine		13	23									
Ten years later		13										

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Underwriting year	Financial year ended 31 December 2025											Total £m
	2015 & prior £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m	
Net best estimates of undiscounted claims	16	13	23	35	29	18	35	79	87	117	117	569
Cumulative net claims paid	(16)	(13)	(23)	(35)	(28)	(17)	(33)	(77)	(81)	(106)	(83)	(512)
Net undiscounted best estimate liabilities	–	–	–	–	1	1	2	2	6	11	34	57
Risk adjustment (undiscounted)												17
Effect of discounting												(4)
Net claims liabilities												70
Ancillary claims and expense liabilities												18
UK Other Net liabilities for incurred claims												88
European Insurance												
At end of year one		–	–	34	41	37	48	54	71	77	56	
At end of year two		–	41	65	72	76	100	120	138	123		
At end of year three		75	54	63	74	76	103	121	144			
At end of year four		93	53	65	75	75	101	132				
At end of year five		92	59	65	74	76	112					
At end of year six		47	59	63	75	84						
At end of year seven		47	57	63	75							
At end of year eight		46	57	69								
At end of year nine		46	62									
Ten years later		49										
Net best estimates of undiscounted claims	206	49	62	69	75	84	112	132	144	123	56	1,112
Cumulative net claims paid	(189)	(49)	(58)	(65)	(72)	(74)	(98)	(111)	(113)	(93)	(37)	(959)
Net undiscounted best estimate liabilities	17	–	4	4	3	10	14	21	31	30	19	153
Risk adjustment (undiscounted)												(37)
Effect of discounting												(25)
Net claims liabilities												91
Ancillary claims and expense liabilities												25
European Insurance Net liabilities incurred claims												116

1 The gross best estimate of undiscounted claims and cumulative gross claims paid reported in the prior year financial statements were inclusive of underwritten ancillaries, and have been removed from all underwriting years

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(v) UK Motor Loss ratios and Changes to liabilities for incurred claims

The table below shows the development of UK Motor Insurance loss ratios for the past five financial periods, presented on an underwriting year basis, both using undiscounted amounts (i.e. cashflows) and discounted amounts.

UK Motor Insurance loss ratio development - undiscounted, net of excess of loss reinsurance ¹	31 December				
	2021	2022	2023	2024	2025
Underwriting year					
2020	68%	65%	58%	57%	55%
2021	95%	91%	86%	82%	77%
2022	–	104%	96%	91%	89%
2023	–	–	94%	80%	76%
2024	–	–	–	77%	71%
2025	–	–	–	–	85%

1 Booked undiscounted loss ratios presented from the transition date of IFRS 17 (1 January 2022) onwards.

UK Motor Insurance loss ratio development - discounted, net of excess of loss reinsurance ¹	31 December				
	2021	2022	2023	2024	2025
Underwriting year					
2020	67%	63%	57%	55%	54%
2021	92%	86%	81%	77%	74%
2022	–	97%	88%	83%	82%
2023	–	–	86%	72%	69%
2024	–	–	–	71%	65%
2025	–	–	–	–	78%

1 Loss ratios using discounted locked-in curves, excluding finance expenses are presented from the transition date of IFRS 17 (1 January 2022) onwards.

The following table analyses the impact of movements in changes to liabilities from incurred claims by underwriting year on a gross and net of excess of loss reinsurance basis for UK Motor (core).

	31 December 2025 £m	31 December 2024 £m
Gross		
Underwriting year		
2020 & prior	33.1	215.5
2021	59.5	87.0
2022	26.6	107.1
2023	91.4	83.8
2024	119.8	–
2025	–	–
Total UK Motor (core) gross changes to liabilities for incurred claims	330.4	493.4
Net		
Underwriting year		
2020 & prior	30.9	130.1
2021	47.2	70.6
2022	22.5	94.5
2023	86.0	76.7
2024	118.5	–
2025	–	–
Total UK Motor (core) net of excess of loss changes to liabilities for incurred claims	305.1	371.9

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

6. Investment income and finance costs

6a. Accounting policies

(i) Financial assets

Classification and measurement

The classification and subsequent measurement of the financial asset under IFRS 9 depends on:

1. The Group's business model for managing the financial assets, and
2. The contractual cashflow characteristics of the financial asset.

Based on these factors, the financial asset is classified into one of the following categories:

Amortised cost

These comprise assets which are held in order to collect contractual cashflows and the contractual terms of the financial asset give rise to cashflows which are solely payments of principal and interest on the principal amount outstanding ('SPPI'), where the asset is not designated as fair value through profit or loss ('FVTPL').

For the Group, these include deposits with credit institutions, cash and cash equivalents, insurance receivables, trade and other receivables and loans and advances to customers.

The interest income generated from these assets is included in investment returns, with the exception of loans and advances to customers and cash and cash equivalents relating to the loans business, where the interest receivable is recognised in interest income.

Fair value through other comprehensive income ('FVOCI')

These comprise assets which are held both to collect contractual cashflows and to sell the asset, where the contractual terms of the financial asset give rise to cashflows which are solely payments of principal and interest on the principal amount outstanding ('SPPI'), where the asset is not designated as FVTPL.

For the Group, these assets include corporate, government and private debt securities. These assets are held to match policyholder liabilities or interest on debt liabilities. If sold before maturity, gains or losses on these assets impact the consolidated income statement.

In addition, IFRS 9 allows an irrevocable election at initial recognition to designate equity investments at FVOCI that otherwise would be held at FVTPL, provided these are not held for trading. The Group has made this election for certain investments which are not held for trading and are strategic investments to be designated as being reported through FVOCI. These represent open ended private debt securities held in investment funds.

Movements in the carrying amount are taken through OCI, with the exception of recognition of impairment gains or losses, interest revenue, dividend income and foreign exchange gains or losses which are recognised in profit or loss.

A gain or loss on disposal of an investment measured at FVOCI is presented within investment return in the period in which it arises.

Fair value through profit or loss ('FVTPL')

These are assets which do not meet the criteria for amortised cost or FVOCI, or which are designated as FVTPL.

For the Group, these assets include liquidity funds investing in short duration assets, other funds, closed ended private debt funds and derivative financial instruments. The regulatory capital within the Group is used to invest in these instruments in addition to any surplus funds which may be held. Buying and selling activity occurs depending on timing of different cashflows. Loan assets originated with the intention of being sold under the forward flow agreement in Admiral Money are also measured at FVTPL. See note 7 for further information on the forward flow agreement.

Impairment

The expected credit loss model ('ECL') is used to calculate any impairment to be recognised for all assets measured at amortised cost, as well as financial investments measured at FVOCI. The general approach, which utilises the three-stage model, is used for loans and advances to customers (see note 7), as well as financial investments measured at FVOCI.

For financial investments measured at FVOCI, the approach is based on an assessment made based on an external credit rating agency or an assessment from the Group's external asset managers, to assess whether there has been a significant increase in credit risk, combined with other external data as follows:

- Financial assets in stage 1 are those where the credit risk has not increased significantly since initial recognition. A 12 month ECL is recognised. To determine the default rate, the average of external rates using Standard & Poor and Moody's is used, together with consideration of any overlay based on qualitative criteria

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

- Financial assets in stage 2 are those where credit risk has increased significantly since initial recognition, with the provision reflecting a lifetime loss. A significant increase in credit risk is defined as public assets that are downgraded outside of investment grade or by two or more credit ratings in investment grade, or for a bond purchased at sub-investment grade, a fall in of a full credit banding i.e. BB to B; and private assets which have been flagged on watchlists for significant credit deterioration. For assets in stage 2, the lifetime ECL is based on the lifetime default rate which factors in the number of years from maturity
- For assets in stage 1 and stage 2, a recovery rate is also applied to the loss given default, based on an average of a number of external and internal sources
- Financial assets in stage 3 are credit impaired, which typically occurs when the asset has defaulted, restructured or is not expected to return full proceeds. Each asset in this category is reviewed to assess the recoverable amount based on the information available.

The credit rating of all assets is regularly monitored. As at the year-end reporting date, the majority of financial assets are considered low risk under IFRS 9 (2025 stage 1 assets: 99% of total investments). These therefore remain within stage 1 and a 12-month expected loss is used to calculate the impairment provision required.

The impairment provision at 31 December 2025 is £6.8 million (£12.9 million at 31 December 2024).

The calculated impairment loss within the fair value is recognised through the Income Statement whilst fair value movements are recognised in Other Comprehensive Income.

Given there is no material change in the credit quality or type of financial assets in the year and the movement in provision is immaterial, no further disclosure has been made.

Derecognition

A financial asset is derecognised when the rights to receive cashflows from that asset have expired, or when the Group transfers the asset and all the attached substantial risks and rewards relating to the asset to a third party.

(ii) Financial liabilities

Classification and subsequent measurement

All financial liabilities are classified as subsequently measured at amortised cost using the effective interest method, except for derivatives that are classified at fair value through profit or loss and subsequently measured at fair value.

Movements in the amortised cost are recognised through the Income Statement.

Derecognition

A financial liability is derecognised when the obligation under that liability is discharged, cancelled or expires.

(iii) Investment return and finance costs

Investment return from financial assets comprises distributions as well as net realised and unrealised gains on financial assets classified as FVTPL, interest income and net realised gains from financial assets classified as FVOCI, and interest income from financial assets classified as amortised cost.

Finance costs from financial liabilities comprise interest expense on subordinated notes, credit facilities and lease liabilities, calculated using the effective interest rate method. The effective interest rate method calculates the amortised cost of a financial asset or liability (or group of financial assets or financial liabilities) and allocates the interest income or expense over the expected life of the asset or liability.

(iv) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value in accordance with IAS 40. Fair value is determined based on valuations performed by independent professionally qualified valuers. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

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For the year ended 31 December 2025

6b. Investment return

	31 December 2025 £m			31 December 2024 £m		
	At EIR	Other	Total	At EIR	Other	Total
Continuing operations						
Investment return						
On assets classified as FVTPL	–	74.7	74.7	–	65.4	65.4
On assets classified as FVOCI ^{1, 3}	125.9	4.6	130.5	97.5	5.3	102.8
On assets classified as amortised cost ¹	3.1	–	3.1	5.9	–	5.9
Net unrealised losses						
Unrealised (loss) / gain on forward contracts	–	(0.4)	(0.4)	–	(0.2)	(0.2)
Share of associate profit/ loss	–	–	–	–	(1.0)	(1.0)
Interest income on cash and cash equivalents ¹	–	3.8	3.8	–	5.3	5.3
Investment fees	–	(2.3)	(2.3)	–	(2.0)	(2.0)
Total investment and interest income²	129.0	80.4	209.4	103.4	72.8	176.2

1 Interest received during the year was £120.4 million (2024: £90.6 million).

2 Total investment return excludes £9.4 million of intra-group interest (2024: £7.9 million).

3 Realised losses on sales of debt securities classified as FVOCI are £6.3 million (2024: £4.5 million).

Investment return, which is comprised of distributions as well as net realised and unrealised gains on financial assets classified as FVTPL, interest income and net realised gains from financial assets classified as FVOCI, and interest income from financial assets classified as amortised cost, is impacted by the interest rates on cash and financial investments.

Finance expense (note 5e), which reflects the unwind of discounting applied using a discount rate locked in at the date the claim is recognised over the expected payment period, is also impacted by interest rates derived from the EIOPA yield curve at the time of claim. Both these items are impacted by risk-free interest rates, albeit with differences driven by timing of making investments versus the timing of claims recognition and payment. All other factors being equal, higher risk-free rates should result in an increase in both investment return and finance expense being recognised in the Income Statement.

Admiral primarily invests to match its liabilities hence the OCI impacts on assets within the fair value reserve should correlate to those on the insurance contract liabilities within the insurance finance reserve. However, Admiral invests in a diverse range of assets including corporate and government bonds hence the investment fair value reserve is driven by factors beyond the interest rates used in discounting the liabilities. These include market credit spreads as well as fair value movements on surplus assets not held to match the insurance liabilities and can move in the opposite direction to interest rates.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

6c. Finance costs

	31 December 2025 £m	31 December 2024 £m
Continuing operations		
Interest expense on subordinated loan notes and other credit facilities ^{1, 2}	22.3	24.5
Interest expense on lease liabilities	2.1	2.5
Interest recoverable from co-insurers	(0.4)	(0.6)
Total finance costs³	24.0	26.4

1 Interest paid during the year was £24.4 million (2024: £26.9 million).

2 See note 7e for details of credit facilities.

3 No interest has been capitalised in the period.

Finance costs represent interest payable on the £250.0 million (2024: £250.0 million) subordinated notes and other financial liabilities.

Interest expense on lease liabilities represents the unwinding of the discount on lease liabilities under IFRS 16.

6d. Expected credit losses

	Note	31 December 2025 £m	31 December 2024 £m
Continuing operations			
Expected credit (gains)/losses on financial investments	6f	(6.1)	6.3
Expected credit losses on loans and advances to customers ¹	7b	35.9	28.3
Total expense for expected credit losses		29.8	34.6

1 Includes £16.2 million (2024: £26.1 million) of write-offs, with total movement in the ECL provision being £35.9 million (2024: £28.3 million).

See note 6a and note 7 for details of the impairment methodology.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

6e. Financial assets and liabilities

The Group's financial assets and liabilities can be analysed as follows:

	31 December 2025 £m	31 December 2024 £m
Financial investments classified as FVTPL		
Money market funds	824.4	902.6
Other funds ¹	621.8	473.9
Derivative financial instruments	1.5	5.8
Equity investments (designated FVTPL)	39.3	46.9
	1,487.0	1,429.2
Financial investments classified as FVOCI		
Corporate debt securities	2,474.7	2,410.9
Government debt securities ²	1,026.1	772.2
Private debt securities	206.8	152.3
	3,707.6	3,335.4
Financial assets measured at amortised cost		
Deposits with credit institutions	57.9	91.7
Other		
Investment property	5.7	6.9
Total financial investments	5,258.2	4,863.2
Other financial assets measured at amortised cost		
Insurance related receivables	64.1	51.1
Trade and other receivables	148.4	110.4
Insurance related and other receivables	212.5	161.5
Loans and advances to customers (note 7)	1,628.7	1,106.9
Cash and cash equivalents	301.1	313.6
Total financial assets	7,400.5	6,445.2
Financial liabilities		
Subordinated notes ³	259.0	258.9
Loan backed securities	1,352.9	937.7
Other borrowings	200.3	117.4
Derivative financial instruments	7.7	8.2
Subordinated and other financial liabilities	1,819.9	1,322.2
Trade and other payables ⁴	217.2	175.3
Lease liabilities	73.6	79.6
Total financial liabilities⁵	2,110.7	1,577.1

1 Other funds include funds which primarily invest in public and private fixed income securities are recognised as fair value through profit and loss

2 Government debt securities include £0.6 million of short term UK government bonds held for collateral against foreign exchange hedging derivatives

3 The fair value of subordinated notes (level one validation) is £288.5 million (31 December 2024: £276.4 million).

4 Trade and other payables include deferred income, accruals and other tax and social security.

5 All financial liabilities are classified as subsequently measured at amortised cost using the effective interest method (2025: £2,103.0 million; 2024: £1,568.9 million), except for derivatives that are classified at fair value through profit or loss and subsequently measured at fair value.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

6f. Fair value measurement

IFRS 13 requires assets and liabilities that are held at fair value to be classified according to a hierarchy which reflects the observability of significant market inputs, based on three levels. The Group policy is to recognise transfer between fair value hierarchy levels as at the end of the reporting period. There were no transfers between fair value hierarchy levels in the reporting period (2024: none).

The table below shows how the financial assets and liabilities held at fair value have been measured using the fair value hierarchy:

	31 December 2025		31 December 2024	
	FVTPL £m	FVOCI £m	FVTPL £m	FVOCI £m
Level one (quoted prices in active markets)	1,192.1	3,500.8	1,221.2	3,183.1
Level two (use of observable inputs)	(6.1)	–	(2.4)	–
Level three (use of significant unobservable inputs)	293.3	206.8	202.2	152.3
Total	1,479.3	3,707.6	1,421.0	3,335.4

Fair value measurement using observable inputs (level two)

Level two investments represent derivatives used for interest rate and FX hedging purposes, these are valued using market interest rates and in the case of FX derivatives a combination of interest rates and spot FX rates.

Fair value measurement using significant unobservable inputs (level three)

Level three investments consist of debt and equity investments.

Debt investments are comprised primarily of investments in funds which invest in debt securities, these are valued at the proportion of the Group's holding of the Net Asset Value (NAV) reported by the investment vehicle. These include funds that invest in corporate direct lending, residential and commercial mortgages, infrastructure debt and other private debt. In addition, there is a small allocation of privately placed bonds which do not trade on active markets, these are valued using discounted cash-flow models designed to appropriately reflect the credit and illiquidity of these instruments; these valuations are performed by the external fund managers. The key unobservable input across private debt securities is the discount rate which is based on the credit performance of the assets. A deterioration of the credit performance or expected future performance will result in higher discount rates and lower values.

As these debt investments are held within investment funds where appropriate the Group elects to treat these investments as equity through OCI. Debt investments in which the funds are closed ended are classified as FVTPL within Other funds (2025: £254 million).

Equity securities are primarily comprised of investments in Private Equity and Infrastructure Equity funds, which are valued at the proportion of the Group's holding of the NAV reported by the investment vehicle. These are based on several unobservable inputs including market multiples and cashflow forecasts. These are held at FVTPL, with realised and unrealised gains/losses flowing through the P&L.

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

The table below presents the movement in the period relating to financial instruments valued using a level three valuation:

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	31 December 2025 £m		
	Equity Investments	Debt Investments	Total
Level Three Investments			
Balance as at 1 January	46.9	307.6	354.5
Gains/(losses) recognised in the Income Statement	(7.5)	19.1	11.6
Gains/(losses) recognised in Other Comprehensive Income	–	(2.5)	(2.5)
Purchases	1.0	200.8	201.8
Disposals	(1.1)	(64.4)	(65.5)
Translation differences	–	0.2	0.2
Balance as at 31 December	39.3	460.8	500.1

	31 December 2024 £m		
	Equity Investments	Debt Investments	Total
Level Three Investments			
Balance as at 1 January	35.5	242.7	278.2
Gains/(losses) recognised in the Income Statement	(4.5)	9.6	5.1
Gains/(losses) recognised in Other Comprehensive Income	–	(2.8)	(2.8)
Purchases	16.1	94.9	111.0
Disposals	(0.2)	(36.8)	(37.0)
Balance as at 31 December	46.9	307.6	354.5

Gains/(losses) recognised in the Income Statement are recognised within investment returns and gains/(losses) recognised in Other Comprehensive Income is recognised within movements in fair value reserve.

6g. Cash and cash equivalents

	31 December 2025 £m	31 December 2024 £m
Cash at bank and in hand ¹	301.1	313.6
Total cash and cash equivalents	301.1	313.6

¹ Cash at bank and in hand includes £59.6 million (2024: £45.2 million) related to special purpose entities which is not available for use by the Group.

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term deposits with original maturities of three months or less.

An assessment has been completed for impairment purposes in line with that set out in note 6a above. Given the short-term duration of these assets and low risk of these assets, no impairment provision has been recognised.

For cash at bank and cash deposits, the fair value approximates to the book value due to their short maturity.

6h. Other receivables

	31 December 2025 £m	31 December 2024 £m
Insurance related receivables	64.1	51.1
Trade and other receivables	148.4	110.4
Prepayments and accrued income	65.2	63.7
Total other receivables	277.7	225.2

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Insurance related receivables

Insurance related receivables, which are measured at historic cost, reflect amounts relating to the Group's intermediary activities.

Given the short-term duration of these assets no material bad debt provision has been recognised.

Trade and other receivables

Classification. Trade and other receivables are measured at amortised cost, being made up of multiple types of receivable balances.

Impairment. Where a provision is required for these receivables, it is calculated in line with the simplified method for trade receivables per IFRS 9, whereby lifetime ECLs are recognised irrespective of the credit risk. In this case, the provision is based on a combination of:

1. Aged debtor analysis
2. Historic experience of write-offs for each receivable
3. Any specific indicators of credit deterioration observed, and
4. Management judgement.

The level of provision is immaterial.

The amortised cost carrying amount of receivables is a reasonable approximation of fair value.

Contract balances

The following table provides information about receivables and contract assets from contracts with customers. Both balances are included in Trade and other receivables.

	31 December 2025 £m	31 December 2024 £m
Receivables	15.5	16.7
Contract assets	13.5	14.8

The contract asset relates to work undertaken in the law companies on behalf of clients which is ongoing and where the Company's right to consideration remains dependent on the Company's continued successful performance under the contract. The contract asset is transferred to trade receivables once only the passage of time is required before payment of the consideration is due, which is typically at the point of the fee being billed.

Significant changes in the contract asset balance during the period are as follows:

	31 December 2025 £m
Contract asset balance	
At 1 January 2024	17.0
Revenue recognised	16.7
Transferred to trade receivables	(18.5)
Write-offs	(0.4)
At 31 December 2024	14.8
Revenue recognised	23.7
Transferred to trade receivables	(24.4)
Write-offs	(0.6)
At 31 December 2025	13.5

The amount of revenue recognised in 2025 from performance obligations satisfied (or partially satisfied) in previous periods in relation to the above contract balances is £nil (2024: £nil).

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

6i. Financial liabilities

	31 December 2025				
	Subordinated loans £m	Loan backed securities £m	Other borrowings and derivatives £m	Lease liabilities £m	Total £m
Financial liability at the start of the period	258.9	937.7	125.6	79.6	1,401.8
Interest expense per Income Statement	21.4	52.1	(4.4)	2.1	71.2
Cashflows relating to interest ¹	(21.3)	(52.1)	4.4	(1.7)	(70.7)
Cashflows relating to principal - payments	–	(299.1)	(180.4)	(8.4)	(487.9)
Cashflows relating to principal - receipts	–	713.8	262.3	–	976.1
Other foreign exchange and non-cash movements	–	0.5	0.5	2.0	3.0
Financial liability at the end of the period	259.0	1,352.9	208.0	73.6	1,893.5

	31 December 2024				
	Subordinated loans £m	Loan backed securities £m	Other borrowings and derivatives £m	Lease liabilities £m	Total £m
Financial liability at the start of the period	315.2	759.6	55.0	81.2	1,211.0
Interest expense per Income Statement	23.0	47.9	2.1	2.6	75.6
Cashflows relating to interest ¹	(24.2)	(47.9)	(2.1)	(2.4)	(76.6)
Cashflows relating to principal - payments	(55.1)	(194.1)	(115.0)	(12.7)	(376.9)
Cashflows relating to principal - receipts	–	372.2	177.7	–	549.9
Other foreign exchange and non-cash movements	–	–	7.9	10.9	18.8
Financial liability at the end of the period	258.9	937.7	125.6	79.6	1,401.8

¹ Cashflows relating to interest are shown within finance costs paid, including expense paid on funding for loans

Subordinated notes

Financial liabilities are inclusive of £250.0 million subordinated notes issued on 6 July 2023 at a fixed rate of 8.5% per annum with a redemption date of 6 January 2034.

On 24 July 2024, the remaining 27.55% (£55.1 million) of subordinated loan notes issued on 25 July 2014 were repaid on maturity.

The notes are unsecured subordinated obligations of the Group and rank pari passu without any preference among themselves. In the event of a winding-up or bankruptcy, they are to be repaid only after the claims of all other senior creditors have been met.

There have been no defaults on any of the notes during the year. The Group has the requirement to defer interest payments on the notes in certain circumstances but to date none of these circumstances has arisen.

The fair value of subordinated notes (level one valuation based on quoted prices in active markets) at 31 December 2025 is £288.5 million (2024: £276.4 million).

The Group's subordinated loan notes deed requires confirmation there is non-existence of the event of default or potential event of default. The Group monitors compliance and there are no indicators that the default covenants will be breached in the foreseeable future.

Notes to the consolidated financial statements continued

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Other borrowings

The Group holds various revolving credit facilities including a £300.0 million facility which expires in April 2028 and a €100.0 million facility which expires in August 2027. As at 31 December 2025, £200.3 million was drawn under these facilities (2024: £117.4 million), which is shown within other borrowings in the table above. This is made up of £175.0 million from the sterling facility expiring April 2028 (2024: £105.0 million) and £25.3 million from the euro facility expiring August 2027 (2024: £12.4 million).

The carrying value is a reasonable approximation of fair value.

The Group's revolving credit facility agreement includes a covenant requiring that a percentage of the Group's debt does not exceed an adjusted net assets valuation as well as confirmation of no default. The Group monitors compliance and there are no indicators that the covenants will be breached in the foreseeable future.

Loan backed securities

The Group has securitised certain loans and advances to customers by the transfer of the loans to special purpose entities (SPEs) controlled by the Group. Securitisation enables a subsequent issuance of debt by the SPEs to investors who gain the security of the underlying assets as collateral.

In connection with this securitisation, the Group and the SPE have granted a fixed and floating charge over, and assigned by way of security, substantially all of their present and future assets to a Security Trustee. The Security Trustee holds this security for itself and as trustee for the senior lenders and other secured creditors under the facility. The charged assets include the receivables held by the SPE, the associated cash collections, and certain related bank accounts and contractual rights.

At 31 December 2025, receivables with a carrying amount of £1,523.5 million (2024: £1,061.8 million) were pledged as collateral under these arrangements.

Asset backed senior loan note facilities of £1,563.0 million have been established in relation to the Admiral Money business. As at the year end, £1,352.9 million (2024: £937.7 million) of these facilities had been utilised. During the year, an asset backed senior loan note facility of €100.0 million has also been established in relation to the Italian loans business. As at the year end, €31.3 million (2024: €nil) of this facility had been utilised.

The carrying value is a reasonable approximation of fair value.

Lease liabilities

The Group leases various properties, with rental contracts typically for fixed periods of 5 to 25 years although these may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

For each lease, a right-of-use asset and corresponding lease liability is recognised at the date at which the leased asset becomes available for use by the Group.

The lease liability is initially measured at the present value of remaining lease payments, which include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment, with similar terms and conditions. Generally, the Group uses its incremental borrowing rate as the discount rate.

Subsequently, lease payments are allocated to the lease liability, split between repayments of principal and interest. A finance cost is charged to the profit and loss so as to produce a constant period rate of interest on the remaining balance of the lease liability.

Whereby a change in lease term is identified, the lease liability is recalculated based on the present value of the remaining lease payments.

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For the year ended 31 December 2025

7. Loans and Advances to Customers

7a. Accounting policies

Loans and advances to customers consist of unsecured personal loans and secured loans.

Classification

Loans and advances to customers are measured at amortised cost, except for those originated for sale under the forward flow agreement which are measured at FVTPL. This is because assets are held in order to collect contractual cashflows and the contractual terms of the financial asset demand cash inflows which are solely payments of principal and interest on the principal amount outstanding.

Interest income and expense

Interest income received in relation to loans and advances to customers is calculated using the effective interest method which allocates interest, direct and incremental fees and costs over the expected lives of the assets and liabilities.

Interest expense is calculated using the effective interest rate appropriate to each source of funding.

Finance leases

Included within loans and advances to customers are personal contract purchase (PCP) and hire purchase (HP) arrangements which are classified as finance leases under IFRS 16. A receivable equal to the net investment in the lease has been recognised. The net investment is equal to the gross investment in the lease discounted at the rate implicit in the lease.

Lease interest income is recognised within interest income in the income statement over the term of the lease using the effective interest rate method.

The title to the underlying vehicle remains with the Group until the lessee has made all contractual payments, at which point ownership is transferred to the lessee. In the event of breach of contract, such as non-payment, the vehicle itself acts as collateral for the finance lease, becoming available for repossession in most cases. When vehicles are repossessed, they are sold at auction to release the value and settle the obligation. The difference between the net investment in the lease and the proceeds from the sale of the vehicle is recognised immediately in profit and loss. At 31 December 2025, the carrying amount of finance lease receivables subject to collateral arrangements was £186.8 million (2024: £18.1 million).

Some of the ways in which the Group maintains its rights to the vehicle, and thus manages the risk of loss associated with the finance lease, include:

- The Group sets a maximum loan-to-value for the origination of financial leases, reducing the risk of shortfall on termination of the contract
- The Group requires the lessee to insure the underlying vehicle at all times, reducing the risk of non-recovery if the asset is stolen or destroyed
- The estimated future value of each vehicle, which is sourced externally, is considered in the pricing of the lease contracts to provide protection against deterioration in that value.

Secured homeowner loans

Included within loans and advances to customers are second-charge mortgages, secured by a second-ranking charge over residential property. These assets are classified as financial assets at amortised cost under IFRS 9.

Second-charge mortgages are recognised when funds are advanced, initially measured at fair value plus directly attributable transaction costs.

Interest income is recognised within interest income in the income statement over the term of the lease using effective interest rate method.

Loans are secured by a second-ranking charge against residential property. External appraisals of security collateral are obtained at origination and reviewed periodically to mitigate credit risk.

Upon borrower default, the property collateral for both first and second charges may be repossessed. Recoveries are applied in the order of senior ranking, with any residual benefit accruing to the Group for second-charge exposure.

Based on information obtained at origination and updated through normal servicing activities, the Group expects that the majority of the homeowner loan portfolio is supported by residential property with loan-to-value ratios of less than 100%, after taking into account the first-charge lender's priority position.

At 31 December 2025, the carrying amount of homeowner loans subject to collateral arrangements was £219.0 million (2024: £nil).

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Forward Flow Agreement

In 2025, the Group completed a sale of back book loans with a carrying value of £146.4 million to an external third party under a forward flow agreement. This sale generated a net gain of £9.8 million, comprised of:

- origination fee income of £5.9 million which has been recognised within Other revenue and profit commission;
- a credit provision release of £4.9m due to the derecognition of the underlying loans;
- immediate recognition of £1.0m of unamortised acquisition costs.

Based on management's assessment, the sale is consistent with the hold to collect business model as the transaction is considered infrequent. Furthermore, as the Group transferred substantially all the risks and rewards of ownership to the third party, the loans sale met the derecognition requirements under IFRS 9 and the loans sold have been derecognised from the Statement of Financial Position as at 31 December 2025.

Loans sold as part of the front book sales through the forward flow agreement are considered to fall under a new business model under IFRS 9, given they are originated with the express intention of being sold shortly thereafter to an external third party. These assets are therefore initially recognised and subsequently measured at FVTPL. Loan sales are completed on average twice per month, with the external third party providing prefunding to be used for the origination of loans sold under the agreement, which removes the liquidity impact of originating these loans. £279.5 million of loans were originated under this business model in 2025 which, due to the way in which the forward flow arrangement is structured, have been derecognised in full and have a carrying value of £nil in the Statement of Financial Position as at 31 December 2025. The sale of loans under this business model has generated origination fee income of £9.7 million, recognised within Other revenue and profit commission.

The Group's continuing involvement is limited to servicing arrangements, i.e. collecting the contractual cash flows of the underlying loans and remitting these to the external third party. The collected cash flows are remitted by the Group at market rate which relates solely to the servicing activity. A receivable is recognised in respect of the amounts outstanding in relation to servicing fees. As at 31 December 2025, the outstanding receivable totals £0.1 million (2024: £nil) and is recognised within accrued income.

The Group is entitled to receive additional consideration ('commission') in respect of (i) loans sold as part of the back-book forward flow arrangement, and (ii) loans sold to the third-party purchaser under the Group's ongoing new business model. This commission represents variable consideration and is contingent on the credit performance of the transferred loan portfolios over the 24-month period following each sale. At 31 December 2025, the Group has estimated the commission receivable to be £1.5 million (2024: £nil), which has been recognised to the extent that it is highly probable that a significant reversal will not occur.

7b. Loans and advances to customers

	31 December 2025 £m	31 December 2024 £m
Loans and advances to customers – gross carrying amount	1,459.0	1,174.0
Loans and advances to customers – provision	(100.8)	(84.3)
Total loans and advances to customers – Admiral Money	1,358.2	1,089.7
Loans and advances to customers – gross carrying amount	274.6	18.6
Loans and advances to customers – provision	(4.1)	(1.4)
Total loans and advances to customers – Other¹	270.5	17.2
Total loans and advances to customers	1,628.7	1,106.9

1 Other includes alternative loan products offered by the Group in which the lines of business are classified within the 'Other' segment. Loans and advances to customers are comprised of the following:

	31 December 2025 £m	31 December 2024 £m
Unsecured personal loans - Admiral Money	1,268.7	1,155.6
Secured loans ²	410.0	18.4
Unsecured personal loans - Other	54.9	18.6
Total loans and advances to customers, gross	1,733.6	1,192.6

2 Secured loans include finance leases amounting to £190.3 million (2024: £18.4 million).

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Fair value measurement

The loans and advances are recognised at fair value at the point of origination and then subsequently on an amortised cost basis. This carrying value is deemed a reasonable approximation of fair value, which is calculated based on estimates using the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Expected credit losses – Admiral Money

The expected credit loss (ECL) model is a three-stage model based on forward looking information regarding changes in the credit quality since origination. Credit risk is measured using a Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) defined as follows:

- Probability of Default (PD): The likelihood of an account defaulting; calibrated through analysis of historic customer behaviour. Where customers have already met the definition of default this is 100%. For customers that are not in default the PD is determined through analysis of historic default data using external and internal data sources available at the reporting date.
- Exposure at Default (EAD): The amount of balance at the time of default. For loans that are in arrears the EAD is taken as the current balance plus any expected interest arrears. For up-to-date loans the EAD is calculated as the expected balance 3 months prior to each period, plus 3 months of interest arrears to account for the time it takes to default following falling into arrears.
- Loss Given Default (LGD): The amount of the asset not recovered following a borrower's default, determined through analysis of historic recovery performance.

The PD is applied to the EAD to calculate the expected loss excluding recoveries. The LGD is then applied to this loss to calculate the total expected loss including recoveries. A forward-looking provision is also calculated, as set out later in this note.

Loan assets are segmented into three stages of credit impairment:

- Stage 1 – no significant increase in credit risk of the financial asset since inception
- Stage 2 – significant increase in credit risk of the financial asset since inception
- Stage 3 – financial asset is credit impaired.

For assets in stage 1, the allowance is calculated as the ECLs from events within 12 months after the reporting date. For assets in stages 2 and 3 the allowance is calculated as the ECL from events in the remaining lifetime of each asset. The allowance is calculated for each loan at an individual level.

Significant increase in credit risk (SICR) (stage 2)

As explained above, stage 1 assets have an ECL allowing for losses in the next twelve months, and stage 2 or 3 assets have an ECL allowing for losses over the remaining lifetime of the contract. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not prescribe a definition of significant increase in credit risk but does include a rebuttable presumption that this does occur for loan assets which are 30 days past due (which the Group does not rebut).

For Admiral Money loans, the Group has deemed a significant increase in credit risk to have occurred where:

- The loan is in arrears, or
- The behavioural PD at reporting date has moved outside a specified threshold from the origination PD
- The customer is identified as being one or more payments in arrears on a credit product with a third party and reported to the credit reference agency
- The customer has hit a watchlist of high-risk statuses.

The Group maintains two probation periods:

- where a customer is up to date but previously has been 30+ days past due they will be held in stage 2 for 6 months
- where a customer is up to date but previously credit impaired (stage 3) they will be held in stage 2 for 12 months.

A range of metrics including accuracy rates, false positive rates, oscillation rates and the Mathews correlation are monitored to ensure the SICR criteria is effective.

Notes to the consolidated financial statements continued

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Credit impaired (stage 3)

The Group does not rebut the presumption within IFRS 9 that default has occurred when an exposure is greater than 90 days past due, which is consistent with a customer being three or more payments in arrears. In addition, a loan is deemed to be credit impaired where:

- There is an Individual Voluntary Arrangement (IVA) agreement confirmed or proposed, or
- Customer has started or progressed bankruptcy action, or
- An external repayment plan is in place, or
- A customer is deceased.

As at 31 December 2025, Admiral Money had 10,200 loans totalling £62.7 million that were subject to forbearance (2024: 8,400 loans totalling £48.5 million). Of these, 10,100 loans totalling £61.3 million are included within Stage 3 (2024: 7,800 loans totalling £47.4 million). Significant categories of forbearance arrangements include Bankruptcy, Debt Management Plans and Individual Voluntary Arrangements.

Judgements required – Post Model Adjustments ('PMA's)

As at 31 December 2025, the ECL allowance for Admiral Money included PMAs totaling £3.8 million (2024: £4.6 million).

	31 December 2025 £m	31 December 2024 £m
Post Model Adjustments		
Model performance	–	1.5
Cost of Living	–	1.3
UPL Settlement	1.0	–
Developing portfolios	1.1	–
Economic scenarios	1.7	1.8
	3.8	4.6

PMAs are calculated using management judgement and analysis. The key categories of PMAs are as follows:

Model performance

As at 31 December 2024, a potential shortfall was identified in the Loss Given Default (LGD) model for customers progressing directly through arrears to write-off. A fix was implemented in the model by 30 June 2025 to address this issue, resulting in the full release of the associated LGD PMA.

Cost of Living

This PMA captures the risk of customers falling into a negative affordability position, whereby customers are no longer able to meet their credit commitments due to higher expenditure driven by increased mortgage payments, when their standard variable or fixed term rate comes to an end. A refresh of the data was conducted for 31 December 2025 which has resulted in the full release of the PMA.

UPL Settlement

Management has identified a limitation with UPL ECL model regarding the way early settlements are treated. Currently there is no forward-looking adjustment to the expected settlement rate, which can over or understate expected default rates depending on the economic scenario. Typically, it is expected that settlement rates have an inverse relationship with default rates. A PMA has been raised to account for this limitation.

Developing Portfolios

The provision for the motor finance portfolio is calculated using the UPL engine while the portfolio is immature. Management accepts that there is a significant difference in provisioning approaches for a secured motor finance portfolio and a UPL portfolio. To account for this, adjustments have been made to the UPL model output for the following areas:

1. Calibration of UPL PD model to motor finance outcomes.
2. The inclusion of 'Voluntary Terminations' as potential defaults.
3. An adjustment to LGDs based on market implied recoveries.

The net impact of applying these adjustments has been held as a PMA.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Economic scenarios

The model is sensitive to the timing of forecasted peaks in, for example, unemployment rates. A PMA is held equivalent to the peak impacts of each scenario occurring earlier in the forecast horizon, to address the risk of mistiming of the economic impacts of each scenario leading to an understatement of the required provision. This approach has been refreshed for 31 December 2025 and is resulting in a release of £0.1 million to this PMA.

Write off policy

Loans are written off where there is no reasonable expectation of recovery. The Group considers there to be no reasonable expectation of recovery where an extensive set of collections processes has been completed, the debt is statute barred, the debtor cannot be traced or is deceased, or in situations involving significant financial hardship. The Group's policy is to write down balances to their estimated net realisable value. Write offs are actioned on a case-by-case basis taking into account the operational position and the collections strategy.

Forward-looking information

Under IFRS 9 the provision must reflect an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The means by which the Group has determined this is to run scenario analysis.

Management judgment has been used to define the weighting and severity of the different scenarios based on available data.

As at 31 December 2025 there are three key economic drivers of credit losses factored into the scenarios used for the Admiral Money portfolio, as follows:

- UK Unsecured Debt to Income ('DTI') - the amount of unsecured borrowing held by households relative to their gross disposable income, indicating the level of indebtedness and ability to repay,
- UK Employment Hazard Rates - probability that an individual employed at the start of a given period will exit employment during that period,
- Annual UK GDP % Change - this is used as an indicator of overall macroeconomic conditions.

The variables are combined using a statistical model which will estimate the relative change in the probability of default (PD) of an account for each scenario over the life of the loan. The Group utilises a model containing three drivers in recognition of the fact that there are multiple macroeconomic drivers which can influence the direction of default rates.

The scenario weighting assumptions used by Admiral Money are detailed below, along with the annual peak for each economic driver assumed in each scenario at 31 December 2025.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

	For the Forecast Year Ended				
	2026	2027	2028	2029	2030
At 31 December 2025	%	%	%	%	%
Base - 50%					
Gross domestic product	1.6	1.6	1.6	1.6	1.7
Unemployment rate	5.2	5.1	4.7	4.4	4.3
UK Household Unsecured Debt to Income	12.6	13.3	13.9	14.2	14.5
Upside - 5%					
Gross domestic product	2.5	2.5	1.8	1.9	1.9
Unemployment rate	4.8	4.1	4.1	4.1	4.1
UK Household Unsecured Debt to Income	12.2	11.9	12.0	12.2	12.4
Downside - 30%					
Gross domestic product	0.3	0.9	2.4	2.4	2.3
Unemployment rate	6.0	6.2	5.9	5.3	5.0
UK Household Unsecured Debt to Income	13.1	14.0	14.6	15.0	15.2
Severe - 15%					
Gross domestic product	0.1	(0.6)	2.1	2.2	2.7
Unemployment rate	6.9	8.0	8.0	7.5	6.5
UK Household Unsecured Debt to Income	13.5	14.9	15.7	16.1	16.2
Probability-weighted					
Gross domestic product	1.0	1.1	1.9	1.9	2.0
Unemployment rate	5.7	5.8	5.5	5.1	4.8
UK Household Unsecured Debt to Income	12.9	13.7	14.3	14.6	14.8

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For the year ended 31 December 2025

	For the Forecast Year Ended				
	2025	2026	2027	2028	2029
At 31 December 2024	%	%	%	%	%
Base - 50%					
Gross domestic product	1.6	1.6	1.6	1.7	1.7
Unemployment rate	4.4	4.3	4.1	4.1	4.1
UK Household Unsecured Debt to Income	13.2	13.7	14.1	14.4	14.5
Upside - 10%					
Gross domestic product	2.7	3.0	1.8	1.6	1.8
Unemployment rate	4.2	3.8	3.8	3.8	3.8
UK Household Unsecured Debt to Income	12.6	12.3	11.9	12.2	12.3
Downside - 30%					
Gross domestic product	0.9	0.1	3.0	3.0	2.7
Unemployment rate	5.6	6.0	5.6	4.9	4.6
UK Household Unsecured Debt to Income	13.4	14.5	15.0	15.1	15.1
Severe - 10%					
Gross domestic product	0.8	(1.1)	2.6	3.4	3.1
Unemployment rate	6.6	8.0	7.9	6.8	6.1
UK Household Unsecured Debt to Income	13.6	15.0	15.7	15.9	16.1
Probability-weighted					
Gross domestic product	1.4	1.0	2.1	2.3	2.1
Unemployment rate	5.0	5.1	4.9	4.6	4.4
UK Household Unsecured Debt to Income	13.2	13.9	14.3	14.5	14.6

The economic scenarios and forecasts have been updated in conjunction with a third party economics provider. The probability weightings reflect the view that there is a probability of 45% attached to recessionary outcomes.

Sensitivities to key areas of estimation uncertainty

The key areas of estimation uncertainty identified for Admiral Money loan book, as per note 2 to the financial statements, are in the PD and the forward-looking scenarios. The following balances exclude EIR assets of £17.0 million (31 December 2024: £5.5 million). During the year, the Group has enhanced the following disclosures by presenting additional information around the gross exposures and ECL for each stage, under each scenario. This change enables more detailed analysis of the impact of changes in forward looking information. Prior year comparatives have been represented to enable better comparison of balances year on year.

31 December 2025	Scenarios				
	Weighted	Base	Downturn	Severe	Upturn
Stage 1 gross exposure (£m)	1,257.2	1,263.5	1,248.8	1,223.1	1,264.4
Stage 1 ECL (£m)	(18.7)	(17.7)	(19.3)	(19.2)	(17.3)
Stage 1 coverage (%)	1.5	1.4	1.5	1.6	1.4
Stage 2 gross exposure (£m)	110.1	103.8	118.5	144.2	102.9
Stage 2 ECL (£m)	(18.2)	(16.6)	(20.1)	(25.5)	(15.4)
Stage 2 coverage (%)	16.5	16.0	17.0	17.7	15.0
Stage 3 gross exposure (£m)	74.7	74.7	74.7	74.7	74.7
Stage 3 ECL (£m)	(58.8)	(58.8)	(58.8)	(58.8)	(58.8)
Stage 3 coverage (%)	78.7	78.7	78.7	78.7	78.7
Total gross exposure (£m)	1,442.0	1,442.0	1,442.0	1,442.0	1,442.0
Total ECL (£m)¹	(95.7)	(93.1)	(98.2)	(103.5)	(91.5)

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For the year ended 31 December 2025

31 December 2024	Scenarios				
	Weighted	Base	Downturn	Severe	Upturn
Stage 1 gross exposure (£m)	1,006.9	1,011.2	997.2	982.1	1,012.8
Stage 1 ECL (£m)	(15.0)	(14.5)	(15.3)	(15.1)	(14.1)
Stage 1 coverage (%)	1.5	1.4	1.5	1.5	1.4
Stage 2 gross exposure (£m)	97.6	93.3	107.3	122.4	91.7
Stage 2 ECL (£m)	(17.3)	(16.0)	(19.7)	(23.4)	(14.9)
Stage 2 coverage (%)	17.7	17.1	18.4	19.1	16.2
Stage 3 gross exposure (£m)	64.0	64.0	64.0	64.0	64.0
Stage 3 ECL (£m)	(46.9)	(46.9)	(46.9)	(46.9)	(46.9)
Stage 3 coverage (%)	73.3	73.3	73.3	73.3	73.3
Total gross exposure (£m)	1,168.5	1,168.5	1,168.5	1,168.5	1,168.5
Total ECL (£m)¹	(79.2)	(77.4)	(81.9)	(85.4)	(75.9)

1 Weighted ECL excludes PMAs of £3.8 million (2024: £4.6 million) and other loss allowance of £1.3 million (2024: £0.5 million) that are not allocated to stages.

The above tables show the gross exposure, ECL and coverage for each stage of the loan book based on the weighted position the provision is based on. Additionally, the tables demonstrate the same metrics of the base case, downturn, upturn or severe scenarios unfolded. At 31 December 2025 the implied weighted peak unemployment rate is 5.8%: the table shows that in a downturn scenario with a 6.2% peak unemployment rate the provision would increase by £2.5 million, whilst the upturn would reduce the provision by £4.2 million, base case reduce by £2.6 million and severe increase the provision by £7.8 million.

Stage 1 assets represent 87.3% of the total loan assets; 0.1% increase in the stage 1 PD, i.e. from 2.4% to 2.5% would result in a £0.8 million increase in ECL.

Amounts arising from ECL: loans and advances to customers

The following table sets out information about the credit quality of the loans and advances to customers measured at amortised cost. During the year, the Group has enhanced the following disclosures by presenting probability of default bandings rather than credit grades. This change aligns the reported information with methodology used in the measurement of ECLs and provides more granular and up to date information. Prior year comparatives have been represented to enable better comparison of balances year on year.

The Group does not have any purchased or originated credit impaired assets. These tables are inclusive of the finance lease assets which are held by the Group. Further analysis of these balances can be found in note 7c.

All probability of default figures included in this paragraph allow for forward-looking information, i.e. the PDs are a weighted average from the economic scenarios considered and relate to the Admiral Money consumer lending business. The average probability of default for stage 1 assets is 2.4% (2024: 3.3%) reflecting the expectation of defaults within 12 months of the reporting date. The average PD for assets in stage 2 is 32.9% (2024: 29.9%) reflecting expected losses over the remaining life of the assets. The PD for assets in stage 3 is 100% (2024: 100%) as these assets are deemed to have defaulted.

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For the year ended 31 December 2025

	PD range %	Gross carrying amount				ECL ²			Coverage	
		Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Total %
Band 1	0 to 0.250	63.2	0.2	–	63.4	0.1	–	–	0.1	0.2
Band 2	0.251 to 0.500	54.1	0.2	–	54.3	0.1	–	–	0.1	0.2
Band 3	0.501 to 1.500	437.1	2.7	–	439.8	2.4	–	–	2.4	0.5
Band 4	1.501 to 5.000	566.4	23.7	–	590.1	9.1	1.1	–	10.2	1.7
Band 5	5.01 to 20.000	151.6	58.7	–	210.3	6.9	8.2	–	15.1	7.2
Band 6	20.001 to 99.999	0.6	25.6	–	26.2	0.1	8.9	–	9.0	34.4
Band 7	100	–	–	74.9	74.9	–	–	58.8	58.8	78.5
Total Admiral Money		1,273.0	111.1	74.9	1,459.0	18.7	18.2	58.8	95.7	6.6
Total Other		268.3	4.4	1.9	274.6	2.1	0.4	1.6	4.1	1.5
As at 31 December 2025		1,541.3	115.5	76.8	1,733.6	20.8	18.6	60.4	99.8	5.8

	PD range %	Gross carrying amount				ECL ²			
		Stage 1 % OT ¹	Stage 2 % OT	Stage 3 % OT	Total % OT	Stage 1 % OT	Stage 2 % OT	Stage 3 % OT	Total % OT
Band 1	0 to 0.250	4.2	0.2	–	3.7	0.4	–	–	0.1
Band 2	0.251 to 0.500	3.5	0.2	–	3.1	0.6	–	–	0.1
Band 3	0.501 to 1.500	28.4	2.3	–	25.4	11.6	0.2	–	2.4
Band 4	1.501 to 5.000	36.7	20.5	–	34.0	43.6	5.8	–	10.2
Band 5	5.01 to 20.000	9.8	50.8	–	12.1	33.3	44.1	–	15.1
Band 6	20.001 to 99.999	–	22.1	–	1.5	0.4	47.7	–	9.0
Band 7	100	–	–	97.5	4.3	–	–	97.4	58.9
Total Admiral Money		82.6	96.2	97.5	84.2	89.9	97.8	97.4	95.9
Total Other		17.4	3.8	2.5	15.8	10.1	2.2	2.6	4.1
As at 31 December 2025		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1 %OT (Percentage of Total) represents the proportion that each PD band contributes to the total gross carrying amount or ECLs within each credit-impairment stage and in total. Percentages are calculated separately for balances and ECL and therefore sum to 100% within each stage.

2 Excludes PMAs of £3.8 million (2024: 4.6 million) and other loss allowance of £1.3 million (2024: £0.5 million)

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For the year ended 31 December 2025

	PD range %	Gross carrying amount				ECL			Coverage	
		Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Total %
Band 1	0 to 0.250	35.8	0.3	–	36.1	0.1	–	–	0.1	0.3
Band 2	0.251 to 0.500	29.5	0.1	–	29.6	0.1	–	–	0.1	0.3
Band 3	0.501 to 1.500	375.5	3.0	–	378.5	2.2	0.1	–	2.3	0.6
Band 4	1.501 to 5.000	457.2	19.8	–	477.0	7.4	1.0	–	8.4	1.8
Band 5	5.01 to 20.000	113.2	51.3	0.0	164.5	5.1	7.6	0.0	12.7	7.7
Band 6	20.001 to 99.999	0.4	23.5	0.0	23.9	0.1	8.6	0.0	8.7	36.4
Band 7	–	–	0.0	64.4	64.4	0.0	0.0	46.9	46.9	72.8
Total Admiral Money		1011.6	98.0	64.4	1174.0	15.0	17.3	46.9	79.2	6.7
Total Other		17.7	0.3	0.6	18.6	1.1	–	0.3	1.4	7.5
As at 31 December 2024		1029.3	98.3	65.0	1192.6	16.1	17.3	47.2	80.6	6.8

	PD range %	Gross carrying amount				ECL			
		Stage 1 % OT	Stage 2 % OT	Stage 3 % OT	Total % OT	Stage 1 % OT	Stage 2 % OT	Stage 3 % OT	Total % OT
Band 1	0 to 0.250	3.5	0.3	–	3.0	0.6	–	–	0.1
Band 2	0.251 to 0.500	2.9	0.1	–	2.5	0.6	–	–	0.1
Band 3	0.501 to 1.500	36.5	3.1	–	31.7	13.7	0.6	–	2.9
Band 4	1.501 to 5.000	44.4	20.1	–	40.0	46.0	5.8	–	10.4
Band 5	5.01 to 20.000	11.0	52.2	–	13.8	31.7	43.9	–	15.8
Band 6	20.001 to 99.999	–	23.9	–	2.0	0.6	49.7	–	10.8
Band 7	–	–	–	99.1	5.4	–	–	99.4	58.2
Total Admiral Money		98.3	99.7	99.1	98.4	93.2	100.0	99.4	98.3
Total Other		1.7	0.3	0.9	1.6	6.8	–	0.6	1.7
As at 31 December 2024		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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The following tables reconcile the opening and closing gross carrying amount and ECL allowance. Loans originated in the year are initially classified as Stage 1. In the following tables, the loans are presented in line with their staging as at each year end. During the year, the Group has enhanced the following disclosures by presenting gross balances and ECL within one table, with this information being presented separately in the previous year. The net movement relating to the remeasurement of ECL and to the movement in PMA's is now also presented separately within the tables to assist with understanding of the movements in the ECL provision. Prior year comparatives have been represented to enable better comparison of balances year on year.

	Performing assets Subject to 12-Month ECL Stage 1		Underperforming assets Subject to lifetime ECL Stage 2		Non-performing assets Subject to lifetime ECL Stage 3		Total	
	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m) ¹
2025								
As at 1 January 2025	1,029.3	(16.7)	98.3	(19.8)	65.0	(48.7)	1,192.6	(85.2)
Stage transfers								
Transfers from stage 1 to stage 2	(57.1)	1.3	57.1	(1.3)	–	–	–	–
Transfers from stage 2 to stage 1	29.4	(3.4)	(29.4)	3.4	–	–	–	–
To stage 3	(21.9)	0.5	(13.1)	4.1	35.0	(4.6)	–	–
From stage 3	0.3	(0.2)	1.4	(1.1)	(1.7)	1.3	–	–
Net remeasurement of ECL	–	1.4	–	(2.5)	–	(1.8)	–	(2.9)
Net movement	(49.3)	(0.4)	16.0	2.6	33.3	(5.1)	–	(2.9)
Net assets originated in period	1,354.7	(13.7)	52.8	(8.6)	9.0	(6.9)	1,416.5	(29.2)
Forward flow of new assets	(279.3)	–	(0.1)	–	(0.1)	–	(279.5)	–
Net new assets	1,075.4	(13.7)	52.7	(8.6)	8.9	(6.9)	1,137.0	(29.2)
Repayments and change in risk parameters	(394.4)	7.1	(40.9)	2.6	(13.5)	(17.7)	(448.8)	(8.0)
Forward flow – back book sale	(134.3)	2.3	(11.3)	2.2	(0.8)	0.5	(146.4)	5.0
Net write-offs	–	–	0.1	–	(16.0)	16.2	(15.9)	16.2
Net movements in PMAs	–	(1.0)	–	–	–	1.7	–	0.7
EIR adjustment	12.8	–	0.5	–	0.1	–	13.4	–
Foreign exchange differences	1.8	–	0.1	–	(0.2)	(0.2)	1.7	(0.2)
Total other movements	(514.1)	8.4	(51.5)	4.8	(30.4)	0.5	(596.0)	13.7
As at 31 December 2025	1,541.3	(22.4)	115.5	(21.0)	76.8	(60.2)	1,733.6	(103.6)
Net carrying amount	–	1,518.9	–	94.5	–	16.6	–	1,630.0

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	Performing assets Subject to 12-Month ECL Stage 1		Underperforming assets Subject to lifetime ECL Stage 2		Non-performing assets Subject to lifetime ECL Stage 3		Total	
	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m)	Balance (£m)	ECL (£m) ¹
2024								
As at 1 January 2024	779.6	(12.7)	126.0	(29.3)	55.6	(39.3)	961.2	(81.3)
Stage transfers								
Transfers from stage 1 to stage 2	(50.1)	1.5	50.1	(1.5)	–	–	–	–
Transfers from stage 2 to stage 1	45.4	(8.2)	(45.4)	8.2	–	–	–	–
To stage 3	(20.7)	0.7	(17.5)	7.9	38.2	(8.6)	–	–
From stage 3	0.3	(0.1)	1.2	(0.7)	(1.5)	0.8	–	–
Net remeasurement of ECL	–	3.6	–	(2.6)	–	0.2	–	1.2
Net movement	(25.1)	(2.5)	(11.6)	11.3	36.7	(7.6)	–	1.2
Net assets originated in period	629.6	(9.9)	34.0	(6.3)	5.1	(3.7)	668.7	(19.9)
Forward flow of new assets	–	–	–	–	–	–	–	–
Net new assets	629.6	(9.9)	34.0	(6.3)	5.1	(3.7)	668.7	(19.9)
Repayments and change in risk parameters	(355.9)	6.2	(49.9)	–	(7.0)	(22.7)	(412.8)	(16.5)
Forward flow – back book sale	–	–	–	–	–	–	–	–
Net write-offs	–	–	–	–	(25.4)	26.1	(25.4)	26.1
Net movements in PMAs	–	1.9	–	4.2	–	(1.5)	–	4.6
EIR adjustment	1.1	–	(0.2)	–	–	–	0.9	–
Total other movements	(354.8)	8.1	(50.1)	4.2	(32.4)	1.9	(437.3)	14.2
As at 31 December 2024	1,029.3	(17.0)	98.3	(20.1)	65.0	(48.7)	1,192.6	(85.8)
Net carrying amount	–	1,012.3	–	78.2	–	16.3	–	1,106.8

¹ Excludes other loss allowance of £1.3 million (2024: £0.5 million)

Of the amounts written off during the year, £11.9 million related to loans which were still subject to enforcement activity (2024: £13.6 million). The loss allowance in place in relation to these loans at the time of writing off totalled £11.9 million (2024: £13.6 million).

The EIR adjustment represents incremental acquisition costs incurred when advancing loans. These costs are spread over the expected economic lives of the loans under the effective interest rate method.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

The following table sets out the Stage 2 credit-impaired assets for Admiral Money unsecured personal loans and secured loans, analysed by the primary reasons for their classification within stage 2.

31 December 2025	PD movement	Forbearance support provided	Probationary period	Other qualitative reasons	Backstop	Total
Gross carrying amount (£m)	67.9	1.1	5.0	25.2	13.6	112.8
ECL (£m)	12.0	0.5	0.7	2.5	5.1	20.8
Coverage (%)	17.7	45.5	14.0	9.9	37.5	18.4

31 December 2024	PD movement	Forbearance support provided	Probationary period	Other qualitative reasons	Backstop	Total
Gross carrying amount (£m)	61.2	2.4	4.4	18.8	11.2	98.0
ECL (£m)	11.4	1.2	0.6	1.8	4.8	19.8
Coverage (%)	18.6	50.0	13.6	9.6	42.9	20.2

7c. Finance lease receivables

Loans and advances to customers include the following finance leases. The Group is the lessor for leases of cars. During the year, the Group has enhanced the following disclosures by presenting the maturity profile split by year, rather than grouping years. Prior year comparatives have been represented to enable better comparison of balances year on year.

	31 December 2025 £m	31 December 2024 £m
Gross investment in finance leases, receivable		
Less than 1 year	48.9	7.8
One to two years	46.7	5.8
Two to three years	46.0	3.5
Three to four years	55.1	2.4
Four to five years	22.6	1.7
More than 5 years	7.1	–
Total gross finance lease receivables	226.4	21.2
Less: unearned finance income	(36.1)	(2.8)
Net investment in lease receivables	190.3	18.4
Less: allowance for expected credit losses	(3.4)	(0.3)
	186.9	18.1
Net investment in finance leases, receivable		
Less than 1 year	37.1	6.4
One to two years	36.7	5.1
Two to three years	38.1	3.2
Three to four years	50.4	2.2
Four to five years	21.4	1.5
More than 5 years	6.6	–
	190.3	18.4

The net investment in finance leases shown above is net of the unguaranteed residual value of £0.7 million (2024: £0.2 million).

The Group's net investment in finance leases changed during the year, primarily due to new finance leases disbursed and interest accruing on the Group's loan book, offset by the collection of lease payments which reduce the receivable.

Notes to the consolidated financial statements continued

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7d. Interest income

	31 December 2025 £m	31 December 2024 £m
From loans and advances to customers	135.9	107.9
Finance income on the net investment in finance leases	7.2	1.2
From bank interest	4.2	4.4
	147.3	113.5

Interest income receivable is recognised in the income statement using the effective interest method, which calculates the amortised cost of the financial asset and allocates the interest income over the expected product life.

7e. Interest expense

	31 December 2025 £m	31 December 2024 £m
Interest payable on loan backed securities	47.9	32.0
Interest payable on other credit facilities	10.4	5.2
Total interest expense¹	58.3	37.2

¹ Interest paid in total net of swaps during the year was £55.7 million (2024: £42.7 million).

8. Other revenue and co-insurer profit commission

8a. Accounting policies

(i) Composition of Other revenue and co-insurer profit commission

Other revenue falling within the scope of IFRS 15 *Revenue from Contracts with Customers* is generated from:

- Fee and commission revenue related to the sale of insurance contracts (see note 5).

Where additional fee and commission revenue is generated from the sale of insurance contracts, but that revenue is separable from the host insurance contract in accordance with the principles of IFRS 17, and the goods or services provided to the policyholder are distinct, the revenue is recognised applying IFRS 15.

- Revenue from the Group's law firm
- Servicing fee income.

Other revenue also includes instalment income on insurance premium paid via instalments, where it is not recognised under IFRS 17 (see note 5) due to the income being separable from the host insurance contract. This instalment income is recognised over time in line with the provision of the service.

Co-insurer profit commission revenue falling within the scope of IFRS 15 *Revenue from Contracts with Customers* relates primarily to a contractual arrangement between the Group's insurance intermediary EUI Limited, and an external co-insurer (Great Lakes, a subsidiary of Munich Re) which underwrites a share of the UK Car Insurance business generated by EUI Limited.

Gain on de-recognition of assets relates to origination fee income recognised on sale of Admiral Money loan balances under the forward flow agreement. The loans sold under the arrangement are derecognised from the balance sheet because substantially all risks and rewards are transferred. The difference between the carrying amount of the loans and the consideration received in the form of premium is recognised as a gain on derecognition of financial assets. This falls under the scope of IFRS 9 *Financial Instruments*.

(ii) Nature of goods and services

The following is a description of the principal activities within the scope of IFRS 15 from which the Group generates its other revenue.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Fee and commission revenue, including instalment income and administration fees: where the income is separable from the underlying insurance contract	<p>The performance obligation is the provision of insurance intermediary services, being a successful sale of ancillary product at which point the performance obligation is met, and in the case of instalment income, the provision of credit. Revenue for intermediary services is therefore recognised at a point in time, whilst revenue for the provision of credit is recognised over time, matching the Group's provision of services. Where the Group has no remaining obligations, the revenue is recognised immediately. An allowance is made for expected cancellations where the customer may be entitled to a refund of amounts charged.</p> <p>Payment from revenue generated from policyholders is due immediately, or in line with direct debit instalments. Payments from external parties is due within 30 days of the period close.</p>
Revenue from law firm	<p>The performance obligation is the pursuit of the compensation from the at fault party's insurer on behalf of the customer. Once the case is settled the performance obligation is fully satisfied. Revenue is therefore recognised over time using the expected value method. This method values revenue by multiplying hours incurred on open cases by a 12-month realisable rate. The realisable rate is a probability weighted transaction price based on closed cases. The expected value method therefore results in revenue recognised being constrained to that where there is a high probability of no significant reversal.</p> <p>Revenue is recognised over time because the Group has an enforceable right to payment for performance completed to date and the work performed to date has no alternative use to the Group.</p> <p>A contract asset is recognised equal to the work performed up to the balance sheet date. Refer to note 6h for further detail of this balance. Deferred revenue is recognised when payment has been received in advance of work completed. Payment is due within 28 days of invoice.</p>
Servicing fee income	<p>The performance obligation is servicing of the loans transferred under the forward flow arrangement, in exchange for a fee based on the balance of loans being serviced. Revenue is recognised on a straight-line basis over the servicing period, as the services are provided evenly over time and the benefits are simultaneously received and consumed by the other party.</p>
Profit commission from co-insurers	<p>Profit commission is generated if an individual year is profitable, based on the premiums written and expenses and claims costs incurred. Given that the ultimate outcome of the claims cost is uncertain for a period of time until final settlement, profit commission is therefore variable.</p> <p>The cumulative profit commission recognised at each point in time is calculated in aggregate across the contract, in line with contract terms, based on a number of detailed inputs for each individual underwriting year, the most material of which are as follows:</p> <ul style="list-style-type: none"> • Premiums, defined as gross premiums ceded including any instalment income, less reinsurance premium (for excess of loss reinsurance). • Insurance expenses incurred. • Claims costs incurred. <p>Whilst the premiums and insurance expenses related to an underwriting year are typically fixed at the conclusion of each underwriting year and are not subject to judgement, the claims cost is subject to inherent uncertainty. This results in the co-insurer profit commission recognised under IFRS 15 being a variable amount.</p> <p>As such:</p> <ul style="list-style-type: none"> • The Group uses the expected value method for the initial calculation of profit commission revenue, based on known premiums and expenses, and the best estimate of claims costs. • The variable revenue estimated using the expected value method above is constrained through the inclusion of the risk adjustment within the claims cost element of the calculation, with the profit commission recognised aligned to the IFRS 17 booked loss ratios, discounted at locked-in rates, and inclusive of finance expense. The inclusion of the risk adjustment constrains the cumulative profit commission revenue recognised to a level where there is a high probability of no significant reversal. <p>The key methods, inputs and assumptions used to estimate the variable consideration of profit commission are therefore in line with those used for the calculation of claims liabilities, as set out in note 3 to the financial statements, with further detail also included in note 5. There are no further critical accounting estimates or judgements in relation to the recognition of profit commission.</p>

Notes to the consolidated financial statements continued

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Profit commission from reinsurers is within the scope of IFRS 17, and not within the scope of IFRS 15 Revenue from Contracts with Customers due to the nature of the income.

Under IFRS 17 a significant proportion of "Other revenue" is recognised as insurance revenue given that it is not separable from the underlying insurance contract.

8b. Disaggregation of revenue

In the following tables, other revenue is disaggregated by major products/service lines and timing of revenue recognition. The total revenue disclosed in the table of £233.5 million (2024: £189.6 million) represents total other revenue and co-insurer profit commission and is disaggregated into the segments included in note 4.

	31 December 2025				
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Total Group £m
Continuing operations					
Major products/service line					
Fee and commission revenue	109.5	0.1	0.3	1.0	110.9
Revenue from law firm	22.7	–	–	–	22.7
Gain on de-recognition of assets	–	–	17.1	–	17.1
Servicing fee income	–	–	1.1	–	1.1
Other	5.8	–	1.0	0.4	7.2
Total other revenue	138.0	0.1	19.5	1.4	159.0
Profit commission from co-insurers	74.5	–	–	–	74.5
Total other revenue and co-insurer profit commission	212.5	0.1	19.5	1.4	233.5
Timing of revenue recognition					
Point in time	151.7	0.1	0.3	1.0	153.1
Over time	55.0	–	1.1	–	56.1
Revenue outside the scope of IFRS 15	5.8	–	18.1	0.4	24.3
	212.5	0.1	19.5	1.4	233.5
	31 December 2024				
	UK Insurance £m	European Insurance £m	Admiral Money £m	Other £m	Total Group £m
Continuing operations					
Major products/service line					
Fee and commission revenue	119.5	0.1	0.2	0.2	120.0
Revenue from law firm	16.3	–	–	–	16.3
Comparison income	–	–	–	–	–
Total other revenue	135.8	0.1	0.2	0.2	136.3
Profit commission from co-insurers	53.3	–	–	–	53.3
Total other revenue and co-insurer profit commission	189.1	0.1	0.2	0.2	189.6
Timing of revenue recognition					
Point in time	139.0	0.1	0.2	0.2	139.5
Over time	50.1	–	–	–	50.1
	189.1	0.1	0.2	0.2	189.6

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Profit commission analysis

	31 December 2025 £m	31 December 2024 £m
Underwriting year		
2021 & prior	8.7	51.7
2022	–	–
2023	–	–
2024	65.8	1.6
2025	–	–
Total UK Motor profit commission	74.5	53.3

9. Directly attributable and other expenses

9a. Accounting policies

(i) Directly attributable insurance expenses

Directly attributable expenses are cashflows that are directly attributable to a portfolio of insurance contracts and recognised as incurred insurance service expenses. See note 5a for details of the types of expenses recognised as directly attributable insurance expenses.

(ii) Other operating expenses

All other operating expenses are charged to the Income Statement in the period that they are incurred.

(iii) Employee benefits

The key elements of employee remuneration are:

- Base salaries and pension contributions
- Share-based incentive plans
- A discretionary bonus, (the 'DFSS Bonus'), rather than an annual cash bonus, that is based on the number of DFSS awards held and actual dividends paid out to shareholders.

Within note 9b, the charges for base salaries and pension contributions (and the related social security costs) are recognised within Administration and acquisition expenses, Expenses relating to additional products and fees and Other expenses based on the role of the employee.

Charges for the share-based incentive plans (and related social security costs) and discretionary bonus are included within share scheme charges. These charges are not shown as part of the result for each reportable segment, or within the expense ratio, due to them being materially comprised of an accounting charge in line with IFRS 2 *Share-based payments* which does not result in a cash payment to employees but instead results in an issue of new shares (resulting in a dilution of existing shares).

The rules of the share schemes ensure that the actual dilution level does not exceed 10% in any rolling ten-year period.

Base salaries and pension contributions

Base salaries and the related employer social security costs are charged to the Income Statement in the period that they are incurred.

The Group contributes to defined contribution personal pension plans for its employees. The contributions payable to these schemes are charged in the accounting period to which they relate.

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Share-based incentive plans and related social security costs

The Group operates a number of equity and cash-settled compensation schemes for its employees, the main ones being:

- A Share Incentive Plan ('SIP'), which is in place for all UK employees encouraging wide share ownership across employees; and
- The Discretionary Free Share Scheme ('DFSS'). DFSS shares are typically awarded to managers, and for the majority of employees, 50% of DFSS shares awarded are subject to financial and non-financial performance conditions. The financial performance conditions are Earnings per Share growth, Return on Equity and Total Shareholder Return vs. the FTSE 350 (excluding investment companies) over a three-year period. The non-financial performance conditions include measures for Group net promoter scores, diversity and inclusion. The other 50% of DFSS shares awarded are guaranteed with continued employment.

For both schemes, employees must remain in employment three years after the award date (i.e. at the vesting date), otherwise the shares are forfeited.

The majority of these schemes are classed as equity settled under IFRS 2, due to the employees receiving shares (rather than cash) as consideration for the services provided.

For equity-settled schemes, the charge which represents the fair value of the employee services received and to which is measured by reference to the fair value of the shares granted, is recognised as an expense, with a corresponding increase in equity, as shown in Consolidated Statement of Changes in Equity (2025: £75.0 million; 2024: £67.8 million).

For the cash-settled schemes, the expense recognised for the fair value of services received results in a corresponding increase in liabilities.

The key drivers and assumptions used to calculate the charge for the schemes over the three-year vesting period are:

- The number of shares awarded, which is set at the start of each scheme. Details of the number of shares awarded for each scheme where shares remain unvested is set out in note 9f(iii)
- The fair value of the shares:
 - For the SIP, the fair value of the shares awarded is the share price at the award date. Awards under the SIP are entitled to receive dividends, and hence no adjustment is made to this fair value
 - For the DFSS equity settled awards, awards are not eligible for dividends, although a discretionary bonus is currently paid equivalent to the dividend that would have been paid on the shareholding, hence the fair value of the shares is revised downwards to take account of these expected dividends
 - For the DFSS cash settled awards, the fair value is based on the share price at the vesting date. The closing share price at the end of each reporting period is used as an approximation for the closing price at the end of the vesting period.
- Employee attrition rates, which impact the ultimate number of shares that vest.
- In the case of the DFSS, the vesting rates based on the performance conditions, which also impact the ultimate number of shares that vest.

The number of shares that have ultimately vested compared to those originally awarded is set out in note 9f(iv).

At each balance sheet date, the Group revises its assumptions on the number of shares which will ultimately vest based on the latest forecast information for attrition rates and, for the DFSS, the extent to which the performance conditions are met.

The financial impact as a result of any change in the assumptions is recognised through the Income Statement.

Any significant changes in assumptions may therefore result in an increased / decreased charge in an accounting period as a result of this true-up of the expected cumulative charge required.

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Social security costs on share-based incentive plans

Social security costs are incurred by the Group in respect of the share-based incentive plans, with the expense recognised over the vesting period for each share scheme. For the SIP, these costs are paid when the employees sell the shares after vesting (typically three to five years after the grant date). For the DFSS, the costs are paid immediately upon vesting.

The total social security costs are calculated based on the following:

- The taxable value of the shares, being:
 - For the SIP, the lower of the share price at award date and the share price at the balance sheet date
 - For the DFSS, the share price at the balance sheet date
- The number of shares expected to vest for each scheme, driven by the number of shares awarded, attrition rates and, for the DFSS, the vesting rate based on performance conditions
- The appropriate social security rate.

These assumptions are updated at the end of each reporting period. The financial impact as a result of any change in the assumptions is recognised through the Income Statement. Any significant changes in assumptions may therefore result in an increased / decreased charge in an accounting period as a result of this true-up of the expected cumulative charge required.

Discretionary bonus on shares allocated but unvested

The cost of the DFSS bonus is recognised and paid in each period equivalent to the dividends on shares allocated to employees that are still entitled to vest but have not yet vested. The cost shown also includes the social security costs on the discretionary bonus. No accrual is made for future discretionary bonus payments due to there being no contractual obligation for such a bonus at the balance sheet date.

9b. Operating expenses and share scheme charges

	31 December 2025		
	Directly attributable expenses £m	Other operating expenses £m	Total expenses £m
Continuing operations			
Administration and acquisition expenses	1,007.5	123.4	1,130.9
Expenses relating to additional products and fees	–	48.7	48.7
Share scheme expenses	75.9	36.9	112.8
Loan expenses (excluding movement on ECL provision)	–	38.4	38.4
Movement in expected credit loss provision	–	29.8	29.8
Other ¹	–	74.1	74.1
Total	1,083.4	351.3	1,434.7
	31 December 2024		
	Directly attributable expenses £m	Other operating expenses £m	Total expenses £m
Continuing operations			
Administration and acquisition expenses	947.4	121.3	1,068.7
Expenses relating to additional products and fees	–	46.2	46.2
Share scheme expenses	56.1	35.3	91.4
Loan expenses (excluding movement on ECL provision)	–	29.9	29.9
Movement in expected credit loss provision	–	34.6	34.6
Profit on disposal of Insurify share option	–	(12.5)	(12.5)
Other ¹	–	73.3	73.3
Total	1,003.5	328.1	1,331.6

1 Other includes centralised costs primarily for employees and projects (2025: £ 56.0 million; 2024: £ 49.9 million), business development costs, including expenses relating to new loan ventures (2025: £20.1 million, 2024: £19.9 million) and other costs (2025: £ 0.7 million; 2024: £3.5 million), offset by deferred consideration income (2025: £2.7 million, 2024: £nil).

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9c. Employee costs and other expenses

	31 December 2025 £m	31 December 2024 £m
Salaries	508.1	470.7
Social security charges on salaries	64.5	49.3
Pension costs	21.2	17.4
Share scheme charges (see note 9f)	115.7	93.9
Total employee expenses¹	709.5	631.3
Depreciation charge:		
– Owned assets	8.1	10.0
– ROU assets	7.8	8.8
Amortisation charge:		
– Software, customer contracts, relationships and brand	59.1	61.6
Auditor's remuneration (including VAT) (total Group):		
– Fees payable for the audit of the Company's annual accounts	0.7	0.5
– Fees payable for the audit of the Company's subsidiary accounts	2.6	2.5
– Fees payable for audit-related assurance services pursuant to legislation or regulation	1.2	1.2

¹ Total employee costs above includes £29.3 million (2024: £35.7 million) relating to discontinued operations.

£9,600 (inclusive of VAT) (2024: £141,600) was payable to the auditor for other services in the year.

Refer to the Corporate Governance Report for details of the Audit Committee's policy on fees paid to the Company's auditor for non-audit services. Audit fees are 74% (2024: 71%) of total fees and 26% (2024: 29%) of total fees are for non-audit services, which are classed as audit related assurance services under the FRC rules on non-audit services.

The majority of amortisation of software is charged to directly attributable expenses in the income statement.

9d. Employee numbers (including Directors)

	Average for the year	
	31 December 2025 Number	31 December 2024 Number
Direct customer contact employees	9,626	9,754
Support employees	5,372	4,766
Total	14,998	14,520

Total average employees in 2025 shown above includes 372 relating to Elephant Insurance (2024: 467).

9e. Directors' remuneration

(i) Directors' remuneration

	31 December 2025 £m	31 December 2024 £m
Directors' emoluments	1.3	1.2
Amounts receivable under SIP and DFSS share schemes	6.6	5.3
Company contributions to money purchase pension plans	0.1	0.1
Total¹	8.0	6.6

¹ Directors' remuneration is stated as that of the Executive Directors. For information on Non-Executive Directors' remuneration see the remuneration report.

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(ii) Number of Directors

	2025 Number	2024 Number
Retirement benefits are accruing to the following number of Directors under:		
– Money purchase schemes	2	2

9f. Employee share schemes

Total share scheme charges for the Group excluding discontinued operations are analysed below:

	31 December 2025		
	SIP charge (i) £m	DFSS charge (ii) £m	Total charge £m
Continuing operations			
IFRS 2 charge for equity-settled share schemes	21.7	50.4	72.1
IFRS 2 charge for cash-settled share schemes	–	4.1	4.1
Total IFRS 2 charge	21.7	54.5	76.2
Social security costs on IFRS 2 charge	2.3	11.8	14.1
Discretionary bonus on shares allocated but unvested	–	22.5	22.5
Total share scheme charges¹	24.0	88.8	112.8
Amounts recovered from co-and reinsurance arrangements			(40.9)
Net share scheme charges			71.9

	31 December 2024		
	SIP charge (i) £m	DFSS charge (ii) £m	Total charge £m
Continuing operations			
IFRS 2 charge for equity-settled share schemes	18.8	47.9	66.7
IFRS 2 charge for cash-settled share schemes	–	2.1	2.1
Total IFRS 2 charge	18.8	50.0	68.8
Social security costs on IFRS 2 charge	1.6	8.7	10.3
Discretionary bonus on shares allocated but unvested	–	12.3	12.3
Total share scheme charges¹	20.4	71.0	91.4
Amounts recovered from co-and reinsurance arrangements			(30.7)
Net share scheme charges			60.7

1 Total share scheme charges for the Group including discontinued operations were £115.7 million (2024: £93.9 million, see note 9c). The IFRS 2 charge for equity-settled share schemes for discontinued operations was £1.1 million (2024: £1.2 million) and the IFRS 2 charge for cash-settled share schemes for discontinued operations was £1.5 million (2024: £1.1 million).

Share scheme charges are presented on a net basis within the Strategic Report, after allocations to co-insurers (in the UK and Italy) and reinsurers, in line with internal management reporting. The proportion of net to gross share scheme charges would be expected to be consistent in each period, at approximately 65%.

Notes to the consolidated financial statements continued

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Financial year ended 31 December 2025					
	2022 & prior £m	2023 £m	2024 £m	2025 £m	Total cumulative charge to date £m
Analysis of gross cost					
Year of share scheme - SIP					
2021	9.8	5.3	3.1	–	18.2
2022	3.1	5.3	5.8	3.5	17.7
2023 ¹	–	3.3	6.0	6.4	15.7
2024 ¹	–	–	3.9	7.2	11.1
2025 ¹	–	–	–	4.6	4.6
Gross IFRS 2 costs – SIP			18.8	21.7	
Year of share scheme - DFSS					
2021	17.4	18.1	11.5	–	47.0
2022	3.2	14.1	15.4	8.9	41.6
2023 ²	–	5.0	17.2	18.1	40.3
2024 ²	–	–	5.9	21.1	27.0
2025 ²			–	6.4	6.4
Gross IFRS 2 costs - DFSS			50.0	54.5	
Total IFRS 2 costs			68.8	76.2	

1 Awards are made in March and September of each year, and vest over 36 months from award date. On the 2023 schemes, an average of 5 months' charge remains outstanding, on the 2024 schemes an average of 17 months' charge remains outstanding, and on the 2025 schemes an average of 29 months' charge remains outstanding.

2 The main award is made in September of each year, with smaller awards made at other points through the year. The shares vest over 36 months from award date. On the 2023 main DFSS, 9 months' charge remains outstanding; on the 2024 main DFSS 21 months' charge remains outstanding, and on the 2025 main DFSS, 33 months' charge remains outstanding.

(i) The Approved Share Incentive Plan (the SIP)

Eligible UK based employees qualify for awards under the SIP based upon the performance of the Group in each half-year period. The maximum award for each year is £3,600 per employee and the maximum number of shares that can vest relating to the 2025 schemes is 877,968 (2024 schemes: 929,237; 2023 schemes: 1,045,697).

The awards are made at the discretion of the Remuneration Committee, taking into account the Group's performance.

(ii) The Discretionary Free Share Scheme (the DFSS)

Under the DFSS, details of which are contained in the remuneration policy section of the Directors' Remuneration Report, individuals receive an award of free shares at no charge.

The maximum number of shares that can vest relating to the 2025 schemes is 3,173,981 (2024 scheme: 3,516,290; 2023 scheme: 3,360,665).

The vesting percentage for most employees for the 2022 DFSS scheme which vested during 2025 was 84.8% (2021 DFSS scheme: 68.6%).

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(iii) Number of free share awards committed at 31 December 2025

	Awards outstanding ¹
SIP 2023 ²	1,045,697
SIP 2024 ²	929,237
SIP 2025 ²	877,968
DFSS 2023 ³	3,360,665
DFSS 2024 ³	3,516,290
DFSS 2025 ³	3,173,981
Total awards committed	12,903,838

1 Being the maximum number of awards committed before accounting for expected employee attrition and vesting conditions

2 Shares are awarded in March and September of each year, and vest three years later

3 The main award is made in September of each year, with smaller awards made at other points through the year

(iv) Number of free share awards vesting during the year ended 31 December 2025

During the year ended 31 December 2025, awards under the SIP H1 2021 and H2 2021 schemes and the DFSS 2021 schemes vested. The total number of awards vesting for each scheme is as follows.

	Original awards	Awards vested
SIP 2022 schemes	872,728	755,357
DFSS 2022 schemes	3,070,323	2,352,085

The difference between the original and vested awards reflects employee attrition (SIP schemes) and both employee attrition and the vesting outcomes based on performance conditions noted above (DFSS schemes).

The weighted average fair value of the shares granted in the year was £28.23 (2024: £23.54).

The weighted average market share price at the date of exercise for shares exercised during the year was £32.58 (2024: £27.94).

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

10. Taxation

10a. Accounting policies

Income tax on the profit or loss for the periods presented comprise of current and deferred tax.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates that have been enacted or substantively enacted by the balance sheet date, and includes any adjustment to tax payable in respect of previous periods.

Current tax related to items recognised in other comprehensive income is also recognised in other comprehensive income and not in the Income Statement.

(ii) Deferred tax

Deferred tax is provided in full using the balance sheet liability method, providing for temporary differences arising between the carrying amount of assets and liabilities for accounting purposes and the amounts used for taxation purposes.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the balance sheet date and that are expected to apply in the period when the liability is settled, or the asset is realised.

The principal temporary differences arise from IFRS recognition differences due timing differences in the recognition of intragroup profit commission across subsidiaries, carried forward losses, differences between tax capital allowances and depreciation of property, plant and equipment, reserve movements and share scheme charges.

The resulting deferred tax is charged or credited to the Income Statement, except to the extent it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets (including those relating to carried forward losses) are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit, other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill. For the recognition of deferred tax assets, the probability of the availability of future taxable profits is determined by a combination of the existence of taxable temporary differences and reviewing future profit projections for the businesses.

10b. Taxation

	31 December 2025 £m	31 December 2024 £m
Continuing operations		
Current tax		
Corporation tax on profits for the year	222.6	139.1
Under provision relating to prior periods	(2.3)	1.8
Pillar Two income taxes	6.6	15.3
Current tax charge	226.9	156.2
Deferred tax		
Current period deferred taxation movement	(15.7)	15.7
Under provision relating to prior periods	1.4	3.4
Total tax charge per Consolidated Income Statement	212.6	175.3

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Factors affecting the total tax charge are:

	31 December 2025 £m	31 December 2024 £m
Continuing operations		
Profit before tax	957.9	826.5
Corporation tax thereon at effective UK corporation tax rate of 25% (2024: 25%)	239.5	206.6
Expenses and provisions not deductible for tax purposes	1.8	4.1
Non-taxable income	(10.7)	(21.3)
Adjustments relating to prior periods	0.6	5.2
Impact of Pillar Two income taxes	5.1	15.3
Impact of different overseas tax rates	(27.5)	(44.9)
Unrecognised deferred tax	3.8	10.3
Total tax charge	212.6	175.3

Corporation tax assets as at 31 December 2025 totalled £ 18.1 million, with corporation tax liabilities of £69.3 million (2024: £ 18.1 million assets and £35.0 million liabilities). Corporation tax liabilities includes £22.0 million (2024: £15.4 million) relating to Pillar Two income taxes.

The UK corporation tax rate for 2025 is 25% (2024: 25%).

Pillar Two income taxes included above relates to estimated top-up tax payable under the OECD Pillar Two rules which establish a global minimum effective tax rate of 15%. The Group has continued to apply the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

10c. Deferred income tax asset / (liability)

Analysis of deferred tax asset / (liability)

	Tax treatment of share schemes £m	Capital allowances £m	Carried forward losses £m	Fair value reserve £m	Hedging reserve £m	Insurance finance reserve £m	IFRS recognition difference £m ¹	Other differences £m	Total £m
Balance brought forward at 1 January 2024	7.2	(3.9)	53.5	1.2	(2.5)	(10.1)	–	0.7	46.1
Reallocation of brought forward deferred tax	–	–	(15.1)	–	–	–	15.1	–	–
Tax treatment of share scheme charges through income or expense	(0.9)	–	–	–	–	–	–	–	(0.9)
Tax treatment of share scheme charges through reserves	3.2	–	–	–	–	–	–	–	3.2
Capital allowances - deferred tax acquired in business combination	–	(9.1)	–	–	–	–	–	–	(9.1)
Capital allowances	–	4.8	–	–	–	–	–	–	4.8
Carried forward losses	–	–	(38.4)	–	–	–	–	–	(38.4)
Movement in fair value reserve	–	–	–	2.4	–	–	–	–	2.4
Movement in hedging reserve	–	–	–	–	1.0	–	–	–	1.0
Movement in insurance finance reserve	–	–	–	–	–	(3.8)	–	–	(3.8)
Movement in IFRS recognition differences	–	–	–	–	–	–	14.0	–	14.0
Other differences	–	–	–	–	–	–	–	0.5	0.5
Balance carried forward at 31 December 2024	9.5	(8.2)	–	3.6	(1.5)	(13.9)	29.1	1.2	19.8
Tax treatment of share scheme charges through income or expense	(5.5)	–	–	–	–	–	–	–	(5.5)
Tax treatment of share scheme charges through reserves	8.8	–	–	–	–	–	–	–	8.8
Capital allowances	–	(0.3)	–	–	–	–	–	–	(0.3)
Movement in fair value reserve	–	–	–	(2.8)	–	–	–	–	(2.8)
Movement in hedging reserve	–	–	–	–	3.4	–	–	–	3.4
Movement in insurance finance reserve	–	–	–	–	–	7.4	–	–	7.4
Movement in IFRS recognition differences	–	–	–	–	–	–	19.8	–	19.8
Other differences	–	–	–	–	–	–	–	0.1	0.1
Balance carried forward at 31 December 2025	12.8	(8.5)	–	0.8	1.9	(6.5)	48.9	1.3	50.7

1 Deferred tax on IFRS recognition differences is separately disclosed with a £15.1 million reallocation of the brought forward deferred tax asset at 1 January 2024 included above, as presented in the prior year financial statements. The majority of deferred tax on IFRS recognition differences relates to timing differences in the recognition of intragroup profit commission across subsidiaries in different tax jurisdictions.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Positive amounts presented above relate to a deferred tax asset position.

The deferred tax asset has increased during the year, mainly relating to the IFRS recognition differences. Deferred tax assets are recognised where it is considered probable that there are sufficient future taxable profits available against which the assets can be utilised.

At 31 December 2025, the Group's continuing operations had unused tax losses amounting to £78.1 million (2024 excluding US operations: £75.9 million) and other deductible timing differences of £71.7 million (2024 excluding US operations: £60.0 million), relating primarily to the Group's business in Spain, for which no deferred tax assets have been recognised. This is due to uncertainty over the availability and timing of future taxable profits against which to utilise these deferred tax assets. There is no expiry date for these tax losses, however annual utilisation may be subject to a restriction.

11. Other Assets and Other Liabilities

11a. Accounting policies

(i) Property and equipment, and depreciation

All property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method to write off the cost less residual values of the assets over their useful economic lives. These useful economic lives are as follows:

Improvements to short leasehold buildings	– four to ten years
Computer equipment	– two to four years
Office equipment	– four years
Furniture and fittings	– four years
Right-of-use assets	– two to twenty years, aligned to lease agreement

As set out further in note 6i to the financial statements, a right-of-use asset is established in relation to the Group's lease arrangements.

The right-of-use asset is measured at cost, which comprises the following:

- The amount of the initial measurement of lease liability (note 6i to the financial statements)
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

The right-of-use asset is subsequently depreciated over the shorter of the lease term and the asset's useful life on a straight-line basis.

The Group does not have any significant leases which qualify for the short-term leases or leases of low-value assets exemption.

(ii) Impairment of property and equipment

In the case of property and equipment, carrying values are reviewed at each balance sheet date to determine whether there are any indicators of impairment. If any such indicators exist, the asset's recoverable amount is estimated and compared to the carrying value. The carrying value is the higher of the fair value of the asset less costs to sell and the asset's value in use. Impairment losses are recognised through the income statement.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(iii) Intangible assets

Goodwill

All business combinations are accounted for using the acquisition method. Goodwill has been recognised on acquisitions of trade and assets representing a business and/or acquisition of subsidiaries and represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units (CGUs) according to business segment and is reviewed every six months for evidence of impairment and tested annually for impairment.

The goodwill held on the balance sheet at 31 December 2025 includes goodwill from acquisition of EUI Limited which has been allocated to the UK insurance segment, and goodwill arising from the acquisition of Home and Pet renewal rights from RSA Insurance Group Limited which has been allocated to the UK Pet and Household CGUs.

Impairment of goodwill

The annual impairment review involves comparing the carrying amount to the estimated recoverable amount (by allocating the goodwill to CGUs) and recognising an impairment loss if the recoverable amount is lower. Impairment losses are recognised through the income statement and are not subsequently reversed.

The recoverable amount is the greater of the fair value of the asset less costs to sell and the value in use of the CGU.

The value in use calculations use cashflow projections based on financial budgets approved by management covering a period of up to five years.

The key assumptions used in the value in use calculations are those regarding revenue growth, along with expected changes in pricing and expenses incurred during the forecast period. Management estimates revenue growth rates and changes in pricing based on past practices and expected future changes in the market.

Renewal Rights (included within Customer contracts, relationships and brand)

Renewal rights are recognised as an intangible asset and amortised using the reducing balance method over an expected useful life determined as ranging between nine and fourteen years. Renewal rights on initial recognition have been recognised at fair value arising through an acquisition.

The carrying value of renewal rights is reviewed every six months for evidence of impairment, with the value being written down if any impairment exists. Impairment may be reversed if conditions subsequently improve.

Brand (included within Customer contracts, relationships and brand)

Brand rights are recognised as an intangible asset and amortised using the straight line method over an expected useful life of fifteen years. Brand rights on initial recognition have been recognised at its fair value arising through an acquisition.

The carrying value of brand rights is reviewed every six months for evidence of impairment, with the value being written down if any impairment exists. Impairment may be reversed if conditions subsequently improve.

Software

Purchased software is recognised as an intangible asset and amortised on a straight-line basis over its expected useful life (generally the license term which is typically between 2 and 4 years). Internally generated software is recognised as an intangible asset, with directly attributable costs incurred in the development stage capitalised. The internally generated software assets are amortised on a straight-line basis over the expected useful life of the systems (generally between 3 and 4 years) and amortisation commences when the software is available for use.

The carrying value of software is reviewed every six months for evidence of impairment, with the value being written down if any impairment exists. Impairment may be reversed if conditions subsequently improve.

(iv) Provisions, contingent liabilities and contingent assets

Provisions are recognised when a legal or constructive obligation arises as a result of an event that occurred before the balance sheet date, when a cash-outflow relating to this obligation is probable and when the amount can be estimated reliably.

Where a material obligation exists, but the likelihood of a cash outflow or the amount is uncertain, or where there is a possible obligation arising from a past event that is contingent on a future event, a contingent liability is disclosed.

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of future events. Where it is probable that a cash inflow will arise from a contingent asset, this is disclosed.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

11b. Property and equipment

£m	Improvements to short leasehold buildings	Computer equipment	Office equipment	Furniture and fittings	ROU Asset – Leasehold buildings	Total
Cost						
At 1 January 2024	29.7	57.3	18.3	9.6	99.9	214.8
Additions	2.6	5.4	0.5	0.2	17.4	26.1
Impairment	(0.6)	(3.2)	(0.6)	–	–	(4.4)
Disposals	(15.5)	(16.4)	(8.2)	(2.5)	(8.5)	(51.1)
Foreign exchange and other movements	(0.3)	(0.3)	(0.1)	(0.2)	(0.8)	(1.7)
At 31 December 2024	15.9	42.8	9.9	7.1	108.0	183.7
Depreciation						
At 1 January 2024	21.6	45.8	17.2	8.4	31.7	124.7
Charge for the year	2.8	6.3	0.5	0.4	8.8	18.8
Impairment	(0.5)	(2.8)	(0.4)	–	–	(3.7)
Disposals	(15.5)	(16.4)	(8.1)	(2.5)	(0.2)	(42.7)
Foreign exchange and other movements	(0.2)	(0.2)	(0.1)	(0.1)	(0.6)	(1.2)
At 31 December 2024	8.2	32.7	9.1	6.2	39.7	95.9
Net book amount						
At 31 December 2024	7.7	10.1	0.8	0.9	68.3	87.8
Cost						
At 1 January 2025	15.9	42.8	9.9	7.1	108.0	183.7
Additions	2.4	3.6	0.5	0.1	3.5	10.1
Impairment	–	(1.2)	–	–	–	(1.2)
Disposals	–	(0.1)	–	–	–	(0.1)
Disposals on sale of subsidiary	–	(1.4)	–	(0.6)	(1.1)	(3.1)
Foreign exchange and other movements	(0.6)	(0.3)	0.2	0.7	(0.4)	(0.4)
At 31 December 2025	17.7	43.4	10.6	7.3	110.0	189.0
Depreciation						
At 1 January 2025	8.2	32.7	9.1	6.2	39.7	95.9
Charge for the year	2.5	4.7	0.4	0.5	7.8	15.9
Impairment	–	(1.0)	–	–	–	(1.0)
Disposals	–	–	–	–	–	–
Disposals on sale of subsidiary	–	(1.3)	–	(0.5)	(0.4)	(2.2)
Foreign exchange and other movements	0.1	–	0.2	–	(0.1)	0.2
At 31 December 2025	10.8	35.1	9.7	6.2	47.0	108.8
Net book amount						
At 31 December 2025	6.9	8.3	0.9	1.1	63.0	80.2

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

11c. Intangible assets

	Goodwill £m	Customer contracts, relationships and brand £m	Software – Internally generated £m	Software – Other £m	Total £m
At 1 January 2024	62.3	7.9	152.0	20.7	242.9
Additions	49.8	44.5	48.8	3.1	146.2
Amortisation charge	–	(2.8)	(54.5)	(4.3)	(61.6)
Disposals	–	–	(0.3)	(0.4)	(0.7)
Impairment	–	–	(3.5)	(0.9)	(4.4)
Transfers	–	–	6.2	(6.2)	–
Foreign exchange movement & other movements	–	(0.3)	(0.6)	(0.5)	(1.4)
At 31 December 2024	112.1	49.3	148.1	11.5	321.0
Additions	–	–	64.7	3.0	67.7
Amortisation charge	–	(7.4)	(48.3)	(3.4)	(59.1)
Disposals	–	–	(0.3)	–	(0.3)
Impairment	–	–	(3.6)	–	(3.6)
Foreign exchange movement & other movements	–	0.4	0.7	0.8	1.9
At 31 December 2025	112.1	42.3	161.3	11.9	327.6

Customer contracts and relationships includes Home and Pet renewal rights which has a net carrying value of £28.1 million as at 31 December 2025 and an amortisation period of 9 years for Home renewal rights and 14 years for Pet renewal rights. See note 13 for further information.

Goodwill relates to the acquisition of Group subsidiary EUI Limited (formerly Admiral Insurance Services Limited) in November 1999, and on the purchase of the direct Home and Pet renewal rights from the RSA Insurance Group Limited ('RSA') in April 2024. The carrying amount of goodwill as at 31 December 2025 is £112.1 million (2024: £112.1 million), of which £62.3 million (2024: 62.3 million) is allocated to UK insurance, £41.2 million (2024: £41.2 million) to UK Pet and £8.6 million (2024: £8.6 million) to UK Household CGUs.

Goodwill is tested for impairment annually and whenever there is an indication of impairment at the level of the CGU to which it is allocated. Annual impairment reviews have indicated that the estimated recoverable value of the asset is greater than the carrying amount and therefore no impairment losses have been recognised.

Only one year of forecasts is required to support the recoverable value of goodwill from EUI acquisition. Given the short time period used to support the recoverable amount, no terminal growth rate or discounting is applied.

With regards to the goodwill arising from RSA acquisition, the recoverable amount of the CGU has been determined based on a value in use calculation using discounted cash flow projections based on financial budgets approved by the board of directors covering a five-year period and a pre-tax discount rate of 13%. Cash flows beyond the five year period are extrapolated into perpetuity as the fifth year represents a reasonable estimate of a steady state of business. No long term growth rate has been applied to the perpetuity calculations.

The key assumptions on which the cash flow projections are based on forecast growth in premiums written, related expenses and claims costs. The forecasts are based on past experience adjusted for market trends and strategic decisions made in respect of the Pet and Household lines of business.

Refer to the accounting policy for goodwill for further information.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

11d. Trade and other payables

	31 December 2025 £m	31 December 2024 £m
Trade payables	57.3	52.4
Other tax and social security	12.3	12.5
Amounts owed to co-insurers	22.0	–
Other payables	42.1	34.0
Accruals and deferred income	83.5	76.4
Total trade and other payables	217.2	175.3
Analysis of accruals and deferred income		
Accruals	59.2	48.2
Deferred income	24.3	28.2
Total accruals and deferred income as above	83.5	76.4

11e. Leases

The Group occupies various properties under leasing arrangements that are now recognised as right of use assets and lease liabilities.

Amounts recognised in the Statement of Financial Position are as follows:

	31 December 2025 £m	31 December 2024 £m
Lease liabilities		
Current	7.4	8.6
Non-Current	66.2	71.0
Total	73.6	79.6

See note 11b for right of use assets depreciation and the carrying amount of right of use asset at the end of the reporting period. Only one class of underlying assets is identified as leasehold buildings. Total cash outflows in relation to leases is disclosed under 6i.

Under IFRS16 the Group has no significant financial commitments in relation to leases other than those accounted for as right of use assets and lease liabilities.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

11f. Contingent liabilities and assets

The Group's legal entities operate in numerous tax jurisdictions and continue to engage on a regular basis with the relevant tax authority on matters of review and enquiry.

In addition, the Group is, from time to time, subject to threatened or actual litigation and/or legal and/or regulatory disputes, investigations or similar actions both in the UK and overseas. The Group extensively engages with its regulators as part of normal operations and participates in industry wide regulatory reviews.

All potentially material matters are assessed, with the assistance of external advisors where appropriate, and in cases where it is concluded that it is more likely than not that a payment will be made, a provision is established to reflect the best estimate of the liability. In some cases it will not be possible to form a view, for example if the facts are unclear or because further time is needed to properly assess the merits of the case or form a reliable estimate of its financial effect. In these circumstances, specific disclosure of a contingent asset/ liability and an estimate of its financial effect will be made where material, unless it is not practicable to do so.

Other than the amounts held in within insurance contract liabilities within the Statement of Financial Position in respect of UK motor total loss claims as set out in the Strategic Report, no material provisions are currently held.

One of the Group's previously owned subsidiaries was subject to a Spanish Tax Audit which concluded with the Tax Authority denying the application of the VAT exemption relating to insurance intermediary services. The Company has appealed this decision via the Spanish Courts and in December 2025 won the appeal in relation to two of the periods under enquiry and is confident in defending its position in relation to the other open periods. Whilst the Company is no longer part of the Admiral Group, the contingent liability, which the Company is exposed to, has been indemnified by the Admiral Group up to a cap of €24 million.

A number of the Group's contractual arrangements with reinsurers include features that, in certain scenarios, allow for reinsurers to recover losses incurred to date. The overall impact of such scenarios would not lead to an overall net economic outflow from the Group.

No further contingent assets or liabilities are disclosed in relation to any ongoing matters such as those set out above given the uncertainty over whether the asset or liability will crystallise and the quantum of any resulting impact.

12. Dividends, Earnings and Related Parties

The Group's capital includes share capital and the share premium account, other reserves which are comprised of the fair value reserve, insurance finance reserve, hedging reserve and foreign exchange reserve, and retained earnings.

12a. Accounting policies

(i) Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

(ii) Fair value reserve

For investments recognised as fair value through other comprehensive income (FVOCI), changes in fair value are accumulated within the fair value reserve within equity except for impairment gains and losses which are recognised in the income statement. The accumulated changes in fair value are transferred to profit or loss when the investment is derecognised or reclassified.

(iii) Hedging reserve

The hedging reserve includes the cash flow hedge reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently reclassified to profit or loss as appropriate.

(iv) Insurance finance reserve

The insurance finance reserve relates to the impact of changes in market interest rates on the value of the insurance and reinsurance assets and liabilities. These changes are reflected in the insurance finance reserve in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. See note 5e for details of the composition of the insurance finance reserve.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

(v) Dividends

Dividends are recorded in the period in which they are declared and paid.

(vi) Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to equity holders of the Group Parent Company, Admiral Group plc by the weighted average number of ordinary shares during the period.

Diluted earnings per share is calculated by dividing profit or loss attributable to equity holders of the Group Parent Company by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

12b. Dividends

Dividends were proposed, approved and paid as follows:

	31 December 2025 £m	31 December 2024 £m
Proposed March 2024 (52.0 pence per share, approved April 2024 and paid June 2024)	–	156.2
Declared August 2024 (71.0 pence per share, paid October 2024)	–	213.6
Proposed March 2025 (121.0 pence per share, approved April 2025 and paid May 2025)	366.5	–
Declared August 2025 (115.0 pence per share, paid October 2025)	348.9	–
Total dividends	715.4	369.8

The dividends proposed in March (approved in April) represent the final dividends paid in respect of the 2023 and 2024 financial years. The dividends declared in August are interim distributions in respect of 2024 and 2025.

A 2025 final dividend of 90.0 pence per share (approximately £274.6 million) has been proposed. Refer to the financial narrative for further detail.

12c. Earnings per share

	31 December 2025	31 December 2024
Profit for the financial year after taxation attributable to equity shareholders - continuing operations (£m)	745.6	651.6
Profit/(Loss) for the financial year after taxation attributable to equity shareholders - discontinued operations (£m)	(3.0)	11.7
Profit for the financial year after taxation attributable to equity shareholders - continuing and discontinued operations (£m)	742.6	663.3
Weighted average number of shares – basic ¹	301,407,475	306,304,676
Unadjusted earnings per share (pence per share) – basic - continuing operations	247.4	212.8
Unadjusted earnings per share (pence per share) – basic - discontinued operations	(1.0)	3.8
Unadjusted earnings per share (pence per share) – basic - continuing and discontinued operations	246.4	216.6
Weighted average number of shares – diluted	307,190,136	306,304,676
Unadjusted earnings per share (pence per share) – diluted - continuing operations	242.7	212.8
Unadjusted earnings per share (pence per share) – diluted - discontinued operations	(1.0)	3.8
Unadjusted earnings per share (pence per share) – diluted - continuing and discontinued operations	241.7	216.6

¹ Shares held in employee benefit trusts as at 31 December 2025 are excluded from the weighted average number of shares, following a change in the funding structure during the year that resulted in the consolidation of the trusts into the Group.

The difference between the basic and diluted number of shares at the end of 2025 (being 5.8 million; 2024: nil) relates to share awards set to vest in the future subject only to continued employment. Refer to note 9 for further detail.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

12d. Share capital

	31 December 2025 £m	31 December 2024 £m
Authorised		
500,000,000 ordinary shares of 0.1 pence	0.5	0.5
Issued, called up and fully paid		
306,304,676 ordinary shares of 0.1 pence	0.3	0.3

The Group satisfies its obligations under the share schemes primarily through shares purchased in the market and held in the Employee Benefit Trust ('EBT'). Prior to 2025, new shares were issued to the EBT to meet these obligations. During 2025, the Group has committed to provide a loan facility to the EBT to fund the purchase of shares for future scheme settlements. The resulting exposure and the ability to influence the EBT's activities has led to the conclusion that the Group now controls the Trust when assessed under IFRS 10 criteria. Consequently, the EBT has been consolidated in the Group's financial statements.

During 2025, 1,000,000 (2024: nil) ordinary shares were purchased from the market by the EBT and 791,372 (2024: 817,386) existing shares were transferred from the EBT to the Admiral Group Share Incentive Plan Trust ('SIP').

The cumulative shares issued and transferred into the SIP at 31 December 2025 is 16,109,007 (2024: 15,317,635). Of the shares issued or transferred, 4,125,372 shares remain in the Trust at 31 December 2025 (2024: 4,078,403). These shares are entitled to receive dividends.

The cumulative shares issued to the EBT by way of new issue or market purchase net of transfers to the SIP is 32,600,269 (2024: 32,391,641). Of the shares issued, 1,180,801 remain in the Trust at 31 December 2025 (2024: 3,324,258) to be used for future vesting.

The balance of awards made to employees under the Discretionary Free Share Scheme that have not either vested or lapsed is 9,569,622 (2024: 9,357,119).

The Trustees have waived the right to dividend payments, other than to the extent of 0.001 pence per share, unless and to the extent otherwise directed by the Company from time to time.

There is one class of share with no unusual restrictions.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

12e. Group related undertakings

The Parent Company's subsidiaries are as follows:

Subsidiary	Class of shares held	% Ownership	Principal Activity
Incorporated in England and Wales			
Registered office: Tŷ Admiral, David Street, Cardiff, United Kingdom, CF10 2EH			
Admiral Law Limited	Ordinary	95	Legal Company
Able Insurance Services Limited	Ordinary	100	Insurance Intermediary
EUI Limited ¹	Ordinary	100	Insurance Intermediary
Admiral Insurance Company Limited	Ordinary	100	Insurance Company
Admiral Financial Services Limited	Ordinary	100	Company
Incorporated in Gibraltar			
Registered office: 2Aa 2nd Floor, Leisure Island Business Centre, 23, Ocean Village Promenade, Gibraltar, GX11 1AA			
Admiral Insurance (Gibraltar) Limited	Ordinary	100	Insurance Company
Incorporated in France			
Registered office: 128 Rue la Boétie, 75008 Paris			
Pioneer Intermediary Europe Services	Ordinary	100 (indirect)	Insurance Intermediary
Incorporated in Italy			
Registered office: Via Della Bufalotta 374, 00139 Roma			
Admiral Financial Services Italia S.P.A.	Ordinary	100	Financial Services
Incorporated in Spain			
Registered office: Calle Rodríguez Marín 61 1ª Planta, 28016 Madrid			
Admiral Europe Compañía de Seguros, S.A.	Ordinary	100	Insurance Company
Registered office: Calle Albert Einstein, 10 41092 Sevilla			
Admiral Intermediary Services S.A. ²	Ordinary	100	Insurance Intermediary
Subsidiaries by virtue of control			
The related undertakings below are subsidiaries in accordance with IFRS 10, as Admiral can exercise dominant influence or control over them:			
Registered office: 10th Floor, 5 Churchill Place, London, E14 5HU			
Seren One Limited	n/a	0	Special Purpose Entity
Seren Two Limited	n/a	0	Special Purpose Entity
Seren Three Limited	n/a	0	Special Purpose Entity
Registered office: Via San Prospero n. 4, 20121, Milan, Italy			
Contigo SPV S.r.l	n/a	0	Special Purpose Entity
Employee Benefit Trusts:			
Admiral Group plc Employee Benefit Trust	n/a	0	Employee Benefit Trust
Admiral Group plc HMRC Share Incentive Plan	n/a	0	Employee Benefit Trust

1 EUI Limited has branches in India and Canada.

2 Admiral Intermediary Services S.A. has branches in Italy and France.

For further information on how the Group conducts its business across the UK and Europe, refer to the Strategic Report.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

12f. Related party transactions

The Board considers that only the Executive and Non-Executive Directors of Admiral Group plc are key management personnel.

A summary of the remuneration of key management personnel is as follows, with further detail relating to the remuneration and shareholdings of key management personnel set out in the Directors' Remuneration Report in the Group's 2025 Annual Report.

Key management personnel received a total of £9,357,365 (2024: £7,970,605) consisting of short term employee benefits in the year of £4,945,979 (2024: £5,038,734), post-employment benefits of £77,533 (2024: £63,255) and share based payments of £4,333,853 (2024: £2,868,616). Key management personnel are able to obtain discounted motor insurance at the same rates as all other Group employees, typically at a reduction of 15%.

12g. Post balance sheet events

As announced in February 2026, the Group has reached an agreement to acquire 100% of the shares of Flock Limited, a digital commercial fleet insurance provider. The transaction values the equity in Flock at £80 million and is subject to regulatory approval. The acquisition is expected to be completed in Q2 2026 and will be funded through existing resources and/or credit facilities. As at 31 December 2025, the Group had a 3% investment in Flock.

No further events have occurred since the reporting date that materially impact these financial statements.

13. Discontinued Operations

13a. Accounting policy

Disposal groups are classified as held for sale in accordance with IFRS 5 if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. A discontinued operation is a component of the business that has been disposed of, or is classified as held for sale and represents a separate major line of business or is part of a single co-ordinated plan to dispose of such a line of business.

The assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Statement of Financial Position. Non-current assets within a disposal group are not depreciated or amortised from the point of classification as held for sale. The results of discontinued operations are presented separately in the Consolidated Income Statement. In the period in which an operation is first classified as discontinued, the Income Statement and applicable notes are represented to present those operations as discontinued.

13b. Description

On the 22nd April 2025, the Group announced that it had reached an agreement with J.C. Flowers & Co. ("J.C. Flowers"), a global private investment firm to sell the US Motor Insurance business, including Elephant Insurance Company and Elephant Insurance Services ("Elephant"). The Group's internal reinsurance arrangement of Elephant was ceased after underwriting year 2024. The liability for incurred claims in relation to the reinsurance arrangement have remained within the Group post completion.

Elephant and the respective internal reinsurance arrangement are considered to meet the definition of a discontinued operation, and Elephant to meet the definition of a disposal group as set out under IFRS 5 above. The disposal group is included within the discontinued operations operating segment as stated in note 4.

On 5 January 2026, the Group announced that, following regulatory approval, J.C. Flowers had completed the purchase of Elephant as at 31 December 2025. The transaction value included a cash consideration of approximately \$30 million and deferred consideration receivable after the completion of the sale.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

13c. Financial performance

Financial information relating to the discontinued operations for the financial period ending 31 December 2025 and 31 December 2024 are presented below. The results for the financial year ending 31 December 2025 relates to the profit earned prior to completion, and the loss recognised on disposal.

£m	31 December 2025	31 December 2024
Insurance service result before reinsurance	20.6	25.0
Net expense from reinsurance contracts held	(3.7)	(16.8)
Insurance service result	16.9	8.2
Investment return	4.5	4.7
Net insurance and investment result	21.4	12.9
Other income and expenses	–	(0.1)
Operating profit	21.4	12.8
Net finance costs	–	–
Loss on disposal	(24.5)	–
Loss before tax from discontinued operations	(3.1)	12.7
Taxation expense	0.1	(1.0)
Loss after tax from discontinued operations	(3.0)	11.7

13d. Assets disposed of

The carrying amount of assets and liabilities as at the date of sale are outlined below. All assets and liabilities previously held for sale have been disposed of as at 31 December 2025.

£m	31 December 2025 Gross
Property and equipment	0.7
Intangible assets	–
Reinsurance contract assets	15.6
Other receivables	2.3
Intercompany receivables	5.2
Financial investments	106.3
Cash and cash equivalents	19.6
Assets associated with disposal group held for sale	149.7
Insurance contract liabilities	81.8
Trade and other payables	8.6
Intercompany payables	4.8
Lease liabilities	0.6
Liabilities directly associated with disposal group held for sale	95.8

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

13e. Cashflow

The net cashflows incurred by the disposal group are as follows:

	31 December 2025 £m	31 December 2024 £m
Net cash (outflow)/ inflow from operating activities	(3.9)	14.6
Net cash (outflow) from investing activities	–	(0.3)
Net cash (outflow) from financing activities	(1.1)	(0.1)
Net cash (outflow)/ inflow from discontinued operations	(5.0)	14.2

13f. Loss on disposal

	31 December 2025 £m
Cash consideration	22.8
Deferred consideration	10.6
Costs to sell incurred by seller	(12.5)
Proceeds, net of transaction costs	20.9
Net assets held for sale	53.9
Other adjustments	(9.6)
Foreign exchange difference	1.1
Loss on disposal of Elephant entities held for sale¹	(24.5)

1 Loss on disposal is included within profit before tax from discontinued operations on the Consolidated Income Statement.

14. Reconciliation of turnover to reported insurance premium and other revenue as per the financial statements

The following table reconciles turnover, a significant Key Performance Indicators (KPIs) and non-GAAP measure presented within the Strategic Report, to insurance revenue, as presented in note 4 to the financial statements.

	Note	31 December 2025 £m	31 December 2024 £m
Insurance revenue related movement in liability for remaining coverage	5b	4,979.3	4,553.4
Less other insurance revenue		(282.2)	(270.6)
Insurance premium revenue		4,697.1	4,282.8
Movement in unearned premium and cancellations		(51.9)	369.4
Premiums written after coinsurance		4,645.2	4,652.2
Co-insurer share of written premiums		671.9	778.3
Total premiums written		5,317.1	5,430.5
Other insurance revenue	5b	282.2	270.6
Other revenue	8	153.1	136.3
Interest income on loans to customers		143.1	109.1
Turnover as per note 4 of financial statements		5,895.5	5,946.5

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Appendix 1 to the Group Financial Statements (unaudited)

The following tables reconcile significant Key Performance Indicators (KPIs) and non-GAAP measures included in the Strategic Report to items included in the financial statements.

1a: Reconciliation of reported loss and expense ratios: Group (continuing operations)

£m	31 December 2025				
	Consolidated Financial Statement Note	Core product	Ancillary income	Total gross	Total, net of XoL reinsurance
Insurance premium revenue		4,516.0	181.1	4,697.1	4,545.7
Administration fees, instalment income and non-separable ancillary commission		–	282.2	282.2	282.2
Insurance revenue (A)	5b/5d	4,516.0	463.3	4,979.3	4,827.9
Insurance expenses (B)	5c	(938.8)	(68.7)	(1,007.5)	(1,007.5)
Claims incurred (C)	5c/5d	(3,250.3)	(60.3)	(3,310.6)	(3,245.9)
Claims releases (D)	5c/5d	418.4	5.5	423.9	386.4
Quota share reinsurance result ¹					(127.3)
Onerous loss component movement ²					1.2
Underwriting result (E)					834.8
Net share scheme costs ³					(48.4)
Insurance service result					786.4
Reported loss ratio ((C+D)/A)					59.2%
Reported expense ratio (B/A)					20.9%
Insurance service margin (E/A)					17.3%

£m	31 December 2024				
	Consolidated Financial Statement Note	Core product	Ancillary income	Total gross	Total, net of XoL reinsurance
Insurance premium revenue		4,118.2	164.6	4,282.8	4,119.0
Administration fees, instalment income and non-separable ancillary commission		–	270.6	270.6	270.6
Insurance revenue (A)	5b/5d	4,118.2	435.2	4,553.4	4,389.6
Insurance expenses (B)	5c	(882.9)	(64.5)	(947.4)	(947.4)
Claims incurred (C)	5c/5d	(2,846.4)	(61.1)	(2,907.5)	(2,850.0)
Claims releases (D)	5c/5d	553.0	3.2	556.2	421.3
Quota share reinsurance result ¹					(277.6)
Onerous loss component movement ²					1.5
Underwriting result (E)					737.4
Net share scheme costs ³					(35.3)
Insurance service result					702.1
Reported loss ratio ((C+D)/A)					55.3%
Reported expense ratio (B/A)					21.6%
Insurance service margin (E/A)					16.8%

1 Quota share reinsurance result excludes quota share reinsurers' share of share scheme costs and movement in onerous loss-recovery component.

2 Onerous loss component movement is shown net of all reinsurance.

3 Net share scheme costs of £48.4 million (2024: £35.3 million), being gross costs of £75.9 million (2024: £56.1 million, see note 5c) less reinsurers' share of share scheme costs of £27.5 million (2024: £20.8 million) are excluded from the underwriting result.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

1b. Reconciliation of reported loss and expense ratios: UK Motor

£m	31 December 2025					
	Consolidated Financial Statement Note	Core product	Ancillary income ¹	Total gross	Total, net of XoL reinsurance	Core product, net of XoL
Total premiums written		3,697.2	163.0	3,860.2	3,782.0	3,619.0
Gross premiums written		3,033.2	163.0	3,196.2	3,132.0	2,969.0
Insurance premium revenue		3,148.3	157.9	3,306.2	3,224.3	3,066.4
Instalment income		–	155.1	155.1	155.1	–
Administration fees & non-separable ancillary commission		–	50.2	50.2	50.2	–
Insurance revenue (A)	5b/5d	3,148.3	363.2	3,511.5	3,429.6	3,066.4
Insurance expenses (B)	5c	(543.5)	(56.7)	(600.2)	(600.2)	(543.5)
Claims incurred (C)	5c/5d	(2,264.7)	(52.4)	(2,317.1)	(2,283.9)	(2,231.5)
Claims incurred excluding Ogden (D)		(2,284.7)	(52.4)	(2,337.1)	(2,303.9)	(2,251.5)
Claims releases (E)	5c/5d	330.5	5.2	335.7	310.4	305.2
Insurance service result, gross of quota share reinsurance		670.6	259.3	929.9	855.9	596.6
Quota share reinsurance result ²					(60.7)	(60.7)
Onerous loss component movement					–	–
Underwriting result (F)					795.2	535.9
Current period loss ratio (C/A)					66.6%	72.8%
Claims releases (E/A)					(9.1%)	(10.0%)
Reported loss ratio ((C+E)/A)					57.5%	62.8%
Reported expense ratio (B/A)					17.5%	17.7%
Insurance service margin (F/A)					23.2%	17.5%
Current period loss ratio excluding Ogden (D/A)					67.2%	73.5%
Reported loss ratio excluding Ogden ((D+E)/A)					58.1%	63.5%

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

31 December 2024						
£m	Consolidated Financial Statement Note	Core product	Ancillary income ¹	Total gross	Total, net of XoL reinsurance	Core product, net of XoL
Total premiums written		4,006.6	151.1	4,157.7	4,033.3	3,882.2
Gross premiums written		3,234.1	151.1	3,385.2	3,284.7	3,133.6
Insurance premium revenue		3,020.7	139.8	3,160.5	3,062.4	2,922.5
Instalment income		–	155.9	155.9	155.9	–
Administration fees & non-separable ancillary commission		–	53.1	53.1	53.1	–
Insurance revenue (A)	5b/5d	3,020.7	348.8	3,369.5	3,271.4	2,922.5
Insurance expenses (B)	5c	(530.9)	(55.9)	(586.8)	(586.8)	(530.9)
Claims incurred (C)	5c/5d	(2,051.5)	(55.6)	(2,107.2)	(2,078.1)	(2,022.5)
Claims incurred excluding Ogden (D)		(2,078.5)	(55.6)	(2,134.1)	(2,105.1)	(2,049.5)
Claims releases (E)	5c/5d	493.4	2.7	496.1	374.6	371.9
Claims releases excluding Ogden (F)		414.2	2.7	416.9	295.4	292.7
Insurance service result, gross of quota share reinsurance		931.7	240.0	1,171.7	981.1	741.0
Quota share reinsurance result ²					(228.8)	(228.8)
Onerous loss component movement					1.1	1.1
Underwriting result (G)					753.4	513.3
Current period loss ratio (C/A)					63.5%	69.2%
Claims releases (E/A)					(11.4%)	(12.7%)
Reported loss ratio ((C+E)/A)					52.1%	56.5%
Reported expense ratio (B/A)					17.9%	18.2%
Insurance service margin (G/A)					23.0%	17.6%
Current period loss ratio excluding Ogden (D/A)					64.3%	70.1%
Claims releases excluding Ogden (F/A)					(9.0%)	(10.0%)
Reported loss ratio excluding Ogden (D+F)/A)					55.3%	60.1%

1 Ancillary income combined with other net income is presented as part of UK Motor Insurance other revenue in reporting 'Other revenue per vehicle'. Total other revenue was £333.3 million (31 December 2024: £321.8 million).

2 Net share scheme costs of £40.7 million (31 December 2024: £29.6 million), being gross costs of £56.1 million (31 December 2024: £40.7 million, see note 5c) less reinsurers' share of share scheme costs of £15.4 million (31 December 2024: £11.1 million) are excluded from the underwriting result.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

1c. Reconciliation of reported loss and expense ratios: UK Other Personal Lines

£m	31 December 2025					
	Consolidated Financial Statement Note	UK Household	UK Travel & Pet	UK Other Personal lines	UK Household, net of XoL reinsurance	UK Travel & Pet, net of XoL reinsurance
Insurance revenue (A)	5b/5d	521.0	189.1	710.1	494.6	188.3
Insurance expenses (B)	5c	(114.0)	(73.1)	(187.1)	(114.0)	(73.1)
Claims incurred in the period (C)	5c/5d	(334.9)	(117.2)	(452.1)	(321.3)	(117.5)
Changes in liabilities for incurred claims (releases) (D)	5c/5d	26.6	7.0	33.6	19.2	7.0
Insurance service result, gross of quota share reinsurance		98.7	5.8	104.5	78.5	4.7
Quota share reinsurance result ¹					(35.3)	–
Onerous loss component movement					–	–
Underwriting result (E)					43.2	4.7
Current period loss ratio (C/A)					65.0%	62.4%
Claims releases (D/A)					(3.9%)	(3.7%)
Reported loss ratio ((C+D)/A)					61.1%	58.7%
Reported expense ratio (B/A)					23.0%	38.8%
Insurance service margin (E/A)					8.7%	2.5%

£m	31 December 2024					
	Consolidated Financial Statement Note	UK Household	UK Travel & Pet	UK Other Personal lines	UK Household, net of XoL reinsurance	UK Travel & Pet, net of XoL reinsurance
Insurance revenue (A)	5b/5d	399.6	104.3	503.9	376.4	103.4
Insurance expenses (B)	5c	(102.9)	(56.0)	(158.9)	(102.9)	(56.0)
Claims incurred in the period (C)	5c/5d	(233.7)	(64.5)	(298.2)	(225.7)	(65.0)
Changes in liabilities for incurred claims (releases) (D)	5c/5d	46.3	5.1	51.4	37.0	5.1
Insurance service result, gross of quota share reinsurance		109.3	(11.1)	98.2	84.8	(12.5)
Quota share reinsurance result ¹					(61.2)	–
Onerous loss component movement					–	–
Underwriting result (E)					23.6	(12.5)
Current period loss ratio (C/A)					60.0%	62.9%
Claims releases (D/A)					(9.9%)	(4.9%)
Reported loss ratio ((C+D)/A)					50.1%	57.9%
Reported expense ratio (B/A)					27.3%	54.2%
Insurance service margin (E/A)					6.3%	(12.1%)

¹ Net share scheme costs of £2.5 million (31 December 2024: £1.6 million), being gross costs of £8.7 million (31 December 2024: £5.4 million, see note 5c) less reinsurers' share of share scheme costs of £6.2 million (31 December 2024: £3.8 million) are excluded from the underwriting result.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

1d. Reconciliation of reported loss and expense ratios: European Insurance

£m	31 December 2025		
	Consolidated Financial Statement Note	Total gross	Total, net of XoL reinsurance
Insurance revenue (A)	5b/5d	654.5	623.5
Insurance expenses (B)	5c	(175.0)	(175.0)
Claims incurred in the period less changes in liabilities for incurred claims (C)	5c/5d	(419.7)	(414.0)
Insurance service result, gross of quota share reinsurance		59.8	34.5
Quota share reinsurance result ¹			(31.3)
Onerous loss component movement			1.2
Underwriting result (D)			4.4
Reported loss ratio (C/A)			66.4%
Reported expense ratio (B/A)			28.1%
Insurance service margin (D/A)			0.7%

£m	31 December 2024		
	Consolidated Financial Statement Note	Total gross	Total, net of XoL reinsurance
Insurance revenue (A)	5b/5d	606.7	572.7
Insurance expenses (B)	5c	(168.0)	(168.0)
Claims incurred in the period less changes in liabilities for incurred claims (C)	5c/5d	(445.9)	(437.7)
Insurance service result, gross of quota share reinsurance		(7.2)	(33.0)
Quota share reinsurance result ¹			12.4
Onerous loss component movement			0.4
Underwriting result (D)			(20.2)
Reported loss ratio (C/A)			76.4%
Reported expense ratio (B/A)			29.3%
Insurance service margin (D/A)			(3.5%)

¹ Net share scheme costs of £3.5 million (2024: £2.8 million), being gross costs of £9.8 million (2024: £8.6 million, see note 5c) less reinsurers' share of share scheme costs of £6.3 million (2024: £5.8 million) are excluded from the underwriting result.

Notes to the consolidated financial statements continued

For the year ended 31 December 2025

Appendix 2 to the Group financial statements (unaudited)

The following table of non-GAAP measures illustrates the sensitivity of profit and loss (before tax) arising from the impact of 100 and 200 basis point increases and decreases in interest rates over the financial year 2025.

2a. Additional sensitivities to interest rate risk

£m	31 December 2025		
	Insurance contract liabilities and reinsurance contract assets		Cash and investments
	Impact on profit before tax gross of reinsurance	Impact on profit before tax net of reinsurance	Impact on profit before tax
Increase of 100 basis points	27.8	25.6	26.3
Decrease of 100 basis points	(30.2)	(27.8)	(26.3)
Increase of 200 basis points	53.7	49.4	52.5
Decrease of 200 basis points	(63.4)	(58.5)	(52.5)

Changes impact profit before tax as follows:

- Interest revenue and other finance costs on floating-rate financial instruments (assuming that interest rates had varied by 100 basis points during the year)
- Changes in fixed-rate financial instruments measured at FVTPL
- Changes in the discounted fulfilment cashflows of onerous contracts
- Insurance claims expenses, reinsurance claims recoveries and finance income or expenses recognised in profit or loss, as a result of discounting future cashflows at a revised locked-in rate for the current period (i.e. assuming that interest rates had varied by 100 basis points during the year).

Parent Company financial statements

For the year ended 31 December 2025

Parent Company Income Statement

	Note	Year ended	
		31 December 2025 £m	31 December 2024 £m
Recharge of administration expenses		11.0	–
Administrative expenses	2	(66.6)	(51.4)
Operating loss		(55.6)	(51.4)
Investment and other interest income	3	718.5	592.8
Impairment expense	4	(11.0)	(29.7)
Gain/(loss) on disposal of subsidiaries		3.2	12.5
Interest payable	6	(23.4)	(26.1)
Profit before tax		631.7	498.1
Taxation credit	7	14.2	14.8
Profit after tax		645.9	512.9

Parent Company Statement of Comprehensive Income

	Note	Year ended	
		31 December 2025 £m	31 December 2024 £m
Profit for the period		645.9	512.9
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Movement in fair value reserve		1.8	(10.8)
Deferred tax in relation to movement in fair value reserve	7	(0.4)	2.7
Other comprehensive income for the period, net of income tax		1.4	(8.1)
Total comprehensive income for the period		647.3	504.8

Parent Company financial statements continued

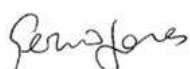
For the year ended 31 December 2025

Parent Company Statement of Financial Position

	Note	As at	
		31 December 2025 £m	31 December 2024 £m
ASSETS			
Investments in group undertakings	4	444.8	445.2
Intangible assets	5	–	–
Financial investments	6	431.3	263.2
Corporation tax asset	7	–	–
Deferred tax asset	7	0.8	0.9
Trade and other receivables	8	429.8	306.8
Cash and cash equivalents	6	1.9	3.6
Total assets		1,308.6	1,019.7
EQUITY			
Share capital	10	0.3	0.3
Share premium account		13.1	13.1
Fair value reserve		1.7	0.3
Retained earnings	10	318.9	348.3
Total equity		334.0	362.0
LIABILITIES			
Subordinated and other financial liabilities	6	459.3	376.3
Trade and other payables	9	515.3	281.4
Total liabilities		974.6	657.7
Total equity and total liabilities		1,308.6	1,019.7

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Directors on 4 March 2026 and were signed on its behalf by:



Geraint Jones

Chief Financial Officer
Admiral Group plc

Company Number: 03849958

Parent Company financial statements continued

For the year ended 31 December 2025

Parent Company Statement of Changes in Equity

	Note	Share capital £m	Share premium account £m	Fair value reserve £m	Retained earnings £m	Total equity £m
At 1 January 2024		0.3	13.1	8.4	137.2	159.0
Profit for the period		–	–	–	512.9	512.9
Other comprehensive income						
Movements in fair value reserve	10	–	–	(10.8)	–	(10.8)
Deferred tax charge in relation to movements in fair value reserve	7	–	–	2.7	–	2.7
Total comprehensive income/ (expense) for the period		–	–	(8.1)	512.9	504.8
Transactions with equity holders						
Dividends	10	–	–	–	(369.8)	(369.8)
Issues of share capital	10	–	–	–	–	–
Share scheme credit		–	–	–	67.8	67.8
Deferred tax on share scheme credit		–	–	–	0.2	0.2
Total transactions with equity holders		–	–	–	(301.8)	(301.8)
As at 31 December 2024		0.3	13.1	0.3	348.3	362.0
At 1 January 2025		0.3	13.1	0.3	348.3	362.0
Profit for the period		–	–	–	645.9	645.9
Other comprehensive income		–	–	–	–	–
Movements in fair value reserve	10	–	–	1.8	–	1.8
Deferred tax charge in relation to movements in fair value reserve	7	–	–	(0.4)	–	(0.4)
Total comprehensive income/ (expense) for the period		–	–	1.4	645.9	647.3
Transactions with equity holders						
Dividends	10	–	–	–	(715.4)	(715.4)
Issues of share capital	10	–	–	–	–	–
Shares acquired by employee benefit trusts		–	–	–	(35.3)	(35.3)
Share scheme credit		–	–	–	74.9	74.9
Deferred tax on share scheme credit		–	–	–	0.5	0.5
Total transactions with equity holders		–	–	–	(675.3)	(675.3)
As at 31 December 2025		0.3	13.1	1.7	318.9	334.0

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

1. Accounting policies

1.1. Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). The financial statements are prepared on the historical cost basis except for the revaluation of financial assets classified as fair value through the profit or loss or as fair value through other comprehensive income. The Parent Company financial statements are presented alongside the consolidated financial statements, which can be found on page 206.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ('Adopted IFRSs') but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Admiral Group plc is considered to be the parent entity and the ultimate Parent Company of the Group.

1.2. Changes to accounting policies

No changes to accounting policies have been made in the period, which have a material impact.

1.3. Disclosure exemptions applied under FRS 101

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- FRS 101.8 (a): the requirements of paragraph 45(b) and 46 to 52 of IFRS 2 Share-based payment
- FRS 101.8 (d): the requirement of IFRS 7 Financial Instruments: Disclosure regarding financial instruments
- FRS 101.8 (e): the requirement in paragraphs 91 to 99 of IFRS 13 Financial Instruments: Disclosure regarding financial instruments
- FRS 101.8 (f): the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of: paragraph 118(3) of IAS 38 Intangible Assets
- FRS 101.8 (g): the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements to produce a cashflow statement, a third balance sheet and to make an explicit and unreserved statement of compliance with IFRSs
- FRS 101.8 (h): the requirements of IAS 7 Statements of Cashflows to produce a cashflow statement
- FRS 101.8 (i): the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to include a list of new IFRSs that have been issued but that have yet to be applied
- FRS 101.8 (k): the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to transaction is wholly owned by such a member.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.4. Going concern

The financial statements have been prepared on a going concern basis. In considering the appropriateness of this assumption, the Board have reviewed the Company's projections for the next 12 months and beyond, including cashflow forecasts and regulatory capital surpluses.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

1.5. Critical accounting judgements and key source of estimation uncertainty

In applying the Company's accounting policies as described below, management consider there to be a key source of estimation uncertainty within the impairment testing of the Company's investments in group undertakings. Management recognises the estimation involved in determining whether the carrying value of the investment may be supported by the recoverable amount calculation based on the 'value in use' of the asset (the net present value of future cashflows arising from the asset).

In calculating the net present value of future cashflows, Management has made assumptions over the timing and amount of underlying profit projections of the relevant undertakings, long-term growth rates in those projections and the discount rate applied to these projections that is appropriate to reflect the market's view of the risk of the relevant investment. Sensitivity of these assumptions is also considered in calculating the net present value and suitably incorporated in Management's valuations.

No key accounting judgements have been made in the process of applying the Company's accounting policies.

1.6. Shares in Group undertakings

Shares in Group undertakings are valued at cost less any provision for impairment in value.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Company's investments in subsidiaries. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases. See note 4 to these financial statements for further detail.

1.7. Employee share schemes

The Company operates a number of share schemes for employees of the Group's subsidiaries. For equity-settled schemes, the fair value of the employee services received in exchange for the grant of free shares under the schemes is recognised as an increase in equity in the Company. A corresponding intercompany charge is made to the subsidiaries whose employees receive the free shares. For further detail, see note 9 in the consolidated financial statements.

1.8. Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.9. Financial assets and financial liabilities

Under IFRS 9, classification and subsequent measurement of financial assets depend on:

- The Company's business model for managing the asset; and
- The cashflow characteristics of the asset.

Based on these factors, the Company classifies its financial assets into one of the three categories below:

- Amortised cost: assets held for collection of contractual cashflows where the cashflows represent solely payments of principal and interest, that are not designated as FVTPL
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cashflows and selling the assets, where the assets' cashflows represent solely payments of principal and interest, and that are not designated at FVTPL
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI, or which are designated as FVTPL at initial recognition.

In line with the above:

- Corporate debt securities, gilts and government debt securities are measured at FVOCI. Unrealised changes in the fair value of these assets are recognised in Other Comprehensive Income (OCI). The recognition of impairment gains or losses and interest revenue are recognised in the profit or loss
- Investments measured at FVTPL are primarily money market funds. Interest income is recognised in the Income Statement.

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

The ECL model is used to calculate any impairment to be recognised for all assets measured at amortised cost, as well as financial investments measured at FVOCI.

Cash and cash equivalents include cash in hand and deposits held at call with banks. All cash and cash equivalents are measured at amortised cost.

The Company's financial liabilities comprise of subordinated notes and revolving credit facilities, which are held at amortised cost using the effective interest method.

1.10. Intangible Assets

Purchased software licences are classified as an intangible asset and stated in the balance sheet at a cost less accumulated amortisation. Software is amortised from the point at which the asset is operational and is amortised over the licence period.

1.11. Trade and other receivables

Trade and other receivables are measured at amortised cost, less any impairment.

1.12. Trade and other payables

Trade and other payables are measured at amortised cost.

2. Administrative expenses

Recharge of administration expenses relates to re-charges of management services to subsidiaries.

No employees are directly employed by the Company. Administrative expenses include recharges of £26.4 million (2024: £12.6 million) in respect of employees contractually employed by subsidiary entities. Of this amount, £8.3 million, included within recharged administrative expenses, has been allocated to other Group subsidiaries.

3. Investment and interest income

	31 December 2025 £m	31 December 2024 £m ¹
Dividend income from subsidiary undertakings	699.9	578.0
Interest income - other	6.9	3.2
Interest income at effective interest rate ¹	11.7	11.6
Total investment and interest income	718.5	592.8

¹ Interest income at effective interest rate is presented net of an intercompany arrangement whereby the related interest income (2025:£8.2 m; 2024: £6.0m) is offset by an equal interest expense arising from the same underlying transaction.

4. Investments in Group undertakings

	£m
Investments in subsidiary undertakings:	
At 1 January 2024	426.2
Additions	48.7
Disposals	–
Impairments	(29.7)
As at 31 December 2024	445.2
Additions	28.3
Disposals	(17.7)
Impairments	(11.0)
As at 31 December 2025	444.8

A full list of the Company's subsidiaries is disclosed in note 12 of the consolidated financial statements.

The additions to investments in the period of £28.3 million relate to the following:

- Further investment in Admiral Europe Compañía de Seguros ('AECS') (£20.3 million)
- Further investment in Able Insurance Services Limited ('Able') (£2 million)
- Further investment in Admiral Financial Services Italia S.P.A ('AFSI') (£6million).

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

An annual impairment review is performed over the carrying value of the investments in subsidiary undertakings, which involves comparing the carrying amount to the estimated recoverable amount. The recoverable amount is the greater of the fair value of the asset less costs to sell, and the value in use of the subsidiary, calculated using cashflow projections based on financial budgets approved by the Group Board.

AFSI

In 2025, a non-cash impairment loss of £8.2 million (2024: £6.9 million) has been recognised by the Parent Company in respect of its investment in the Group's Italian loans business AFSI. The impairment charge is to reflect the loss incurred during 2025 to bring the value of the investment to its recoverable amount, being its fair value less costs to sell (equivalent of net asset value), of £4.0 million (2024: £6.2 million).

Able

In 2025, a non-cash impairment loss of £2.8 million (2024: £3.2 million) has been recognised by the Parent Company in respect of its investment in the Group's UK based insurance business Able. The impairments charge is to bring the value of the investment to its recoverable amount, being its fair value less costs to sell (equivalent of net asset value), of £7.1 million (2024: £7.9 million)

The Board continues to explore new adventures and is committed to supporting Able and AFSI in its diversification strategy.

The carrying value of Able and AFSI is based on fair value less costs of disposal, for which the net assets has been used as a reasonable approximation, using tier 3 of the fair value hierarchy. Due to limitations on evidential market information and restrictions in readily available information, net assets have been used to estimate fair value less costs to sell.

Impairment charges is presented within the 'Impairment losses' line of the Parent Company Income Statement.

5. Intangible Assets

	Software £m	Total £m
Cost		
At 1 January 2025	0.4	0.4
Additions	–	–
Disposal	–	–
At 31 December 2025	0.4	0.4
Amortisation		
At 1 January 2025	0.4	0.4
Charge for the year	–	–
Disposal	–	–
At 31 December 2025	0.4	0.4
Net Book Value		
At 31 December 2024	–	–
At 31 December 2025	–	–

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

6. Financial assets and liabilities

The Company's financial instruments can be analysed as follows:

	31 December 2025 £m	31 December 2024 £m
Investments classified as FVOCI		
Gilts and government debt securities	197.1	128.0
Corporate debt securities	59.4	75.7
	256.5	203.7
Investments classified as FVTPL		
Money market and other similar funds (level 1 of the IFRS 13 hierarchy)	174.8	59.5
	431.3	263.2
Financial assets held at amortised cost		
Trade and other receivables (note 8) ¹	424.1	301.9
Cash and cash equivalents	1.9	3.6
	857.3	568.7
Financial liabilities		
Subordinated notes	259.0	258.9
Other borrowings	200.3	117.4
Trade and other payables (note 9)	515.3	281.4
	974.6	657.7

1 Trade and other receivables exclude prepayments of £5.7 million. The balance as at 31 December 2024 has been re-presented to exclude prepayments of £4.9 million.

The table below compares the carrying value of subordinated notes (as per the Statement of Financial Position) with the fair value of the subordinated notes using a level one valuation:

	31 December 2025 £m		31 December 2024 £m	
	Carrying amount £m	Fair value £m	Carrying amount £m	Fair value £m
Financial liabilities				
Subordinated notes	259.0	288.5	258.9	276.4

On 24 July 2024, the remaining 27.55% (£55.1 million) of subordinated loan notes issued on 25 July 2014 was repurchased.

The subordinated notes balance at 31 December 2025 consists of notes issued on 6 July 2023 at a fixed rate of 8.5%, with a total value of £250 million and redemption date 6 January 2034.

Total interest payable of £23.4 million (2024: £26.1 million) was recognised, of which £21.3 million (2024: £23 million) was in relation to the subordinated loan notes. See note 6i to the consolidated financial statements for further information.

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

7. Taxation

7a. Taxation credit

	31 December 2025 £m	31 December 2024 £m
Current tax		
Corporation tax credit on profits for the year	14.5	26.2
Change in provision relating to prior periods	(0.2)	0.6
Current tax credit	14.3	26.8
Deferred tax		
Current period deferred taxation movement	(0.1)	(12.0)
Change in provision relating to prior periods	–	–
Total tax credit per Income Statement	14.2	14.8

The UK corporation tax rate for 2025 is 25% (2024: 25%).

Factors affecting the total tax credit are:

	31 December 2025 £m	31 December 2024 £m
Profit before tax	631.7	498.1
Corporation tax thereon at effective UK corporation tax rate of 25%	157.9	124.5
Expenses and provisions not deductible for tax purposes	3.5	9.0
Adjustments relating to prior periods	0.2	(0.6)
Non-taxable income	(175.8)	(147.7)
Total tax credit for the period as above	(14.2)	(14.8)

At the year end, the corporation tax asset was £nil (2024: £nil).

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

7b. Deferred income tax (asset)/ liability

Analysis of deferred tax (asset)/ liability

	Tax treatment of share schemes £m	Carried forward losses £m	Fair value reserve £m	Other differences £m	Total £m
Balance brought forward at 1 January 2024	(0.6)	(12.2)	2.8	–	(10.0)
Tax treatment of share scheme charges through income or expense	(0.2)	–	–	–	(0.2)
Tax treatment of share scheme charges through reserves	(0.2)	–	–	–	(0.2)
Carried forward losses	–	12.2	–	–	12.2
Movement in fair value reserve	–	–	(2.7)	–	(2.7)
Balance carried forward at 31 December 2024	(1.0)	–	0.1	–	(0.9)
Tax treatment of share scheme charges through income or expense	0.3	–	–	–	0.3
Tax treatment of share scheme charges through reserves	(0.5)	–	–	–	(0.5)
Carried forward losses	–	–	–	–	–
Movement in fair value reserve	–	–	0.4	–	0.4
Movement in other temporary differences	–	–	–	(0.1)	(0.1)
Balance carried forward at 31 December 2025	(1.2)	–	0.5	(0.1)	(0.8)

The recognition of deferred tax assets is supported by the expected future taxable profits of the UK Group.

Legislation to introduce a global minimum effective tax rate of 15% known as the Pillar Two rules was substantively enacted in the UK on 20 June 2023 under Finance (No.2) Act 2023. The rules introduce a domestic top-up tax and multinational top-up tax effective for accounting periods starting on or after 31 December 2023. Although the rules are in effect for the year ended 31 December 2025, there is no current tax impact for the Parent Company as it is not expected to be liable for any top-up taxes. The Group has continued to apply the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

8. Trade and other receivables

	31 December 2025 £m	31 December 2024 £m
Trade and other receivables	32.9	–
Amounts owed by subsidiary undertakings	391.2	301.9
Prepayments and accrued income	5.7	4.9
Total trade and other receivables	429.8	306.8

Held within amounts owed by subsidiary undertakings is £391.2 million (2024: £301.9 million), which relate to loans with formal agreements in place including interest rates set with reference to external funding arrangements, between the parent and the subsidiary. The loans are unsecured and will be settled by cash in accordance with the repayment terms specified in the agreement. The estimated credit losses of these loans has been considered and any ECL is considered to immaterial due to the assessment of credit risk being low due to the positive net value of assets of the subsidiaries and future trading projections.

Of the above amount, £185.3 million is due in greater than one year (2024: £175.7 million).

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

9. Trade and other payables

	31 December 2025 £m	31 December 2024 £m
Trade and other payables	18.3	11.8
Amounts owed to subsidiary undertakings	497.0	269.6
Total trade and other payables	515.3	281.4

Held within amounts owed to subsidiary undertakings is £153.5 million (2024: £199.8 million), which relate to loans with formal agreements in place including interest charges between the parent and the subsidiary.

Of the the above amount, £153.5 million is due in greater than one year (2024: £155.6 million)

10. Share capital and reserves

Capital within the Company is comprised of share capital and the share premium account, the fair value reserve (which reflects movements in the fair value of assets classified as FVOCI) and retained earnings. Further information can be found within note 12 of the consolidated financial statements.

10a. Share capital

	31 December 2025 £m	31 December 2024 £m
Authorised		
500,000,000 ordinary shares of 0.1 pence	0.5	0.5
Issued, called up and fully paid		
306,304,680 (2024: 306,304,680) ordinary shares of 0.1 pence	0.3	0.3
	0.3	0.3

At 31 December 2025, 3,851,220 (2024: 5,948,410) ordinary shares with a nominal value of £31.7 million (2024: £ nil) are held in the Employee Benefit Trust to satisfy share scheme obligations.

10b. Dividends

Dividends were proposed, approved and paid as follows:

	31 December 2025 £m	31 December 2024 £m
Proposed March 2024 (52.0 pence per share, approved April 2024, Paid June 2024)		156.2
Declared August 2024 (71.0 pence per share, paid October 2024)		213.6
Proposed March 2025 (121.0 pence per share, approved April 2025, paid May 2025)	366.5	–
Declared August 2025 (115.0 pence per share, paid October 2025)	348.9	–
Total dividends	715.4	369.8

The dividends proposed in March (approved in April) represent the final dividends paid in respect of 2023 and 2024 financial years. The dividends declared in August are interim distributions in respect of 2024 and 2025.

A final dividend of 90.0 pence per share (£274.6 million) has been proposed in respect of the 2025 financial year. Refer to the Chair's Statement and Strategic Report for further detail.

The profit and loss account of the Parent Company does not include any unrealised profits, therefore the amount available for distribution by reference to these accounts is £318.9 million. Interim accounts will be laid before Companies House prior to payment of the 2025 Final Dividend in order to demonstrate that profits are available for distribution.

The Group also has substantial retained profits in its subsidiary companies which are expected to flow up to the Parent Company in due course, such that surplus cash generated can continue to be returned to shareholders.

Notes to the Parent Company Financial Statements

For the year ended 31 December 2025

11. Related party transactions

The Company has taken advantage of the exemptions permitted by Financial Reporting Standard 101.8 (k) and not disclosed details of transactions with other wholly owned group undertakings.

The Board considers that only the Executive and Non-Executive Directors of Admiral Group plc are key management personnel. See note 12 to the consolidated financial statements for further information.

12. Guarantees and contingent liabilities

The Admiral Money business has Special Purpose Entities ('SPEs') set up in order to secure additional funding through its securitisation arrangements. The Company acts as guarantor for certain operational performance conditions of its subsidiary, Admiral Financial Services Limited (AFSL), as seller and servicer for the SPEs, and indemnifies AFSL in respect of any amount that would have been payable by AFSL for non-compliance with such performance conditions.

See note 11f of the consolidated financial statements further information regarding contingent assets/liabilities in relation to the parent company.

13. Post balance sheet events

As announced in February 2026, the Group has reached an agreement to acquire 100% of the shares of Flock Limited, a digital commercial fleet insurance provider. The transaction values the equity in Flock at £80m and is subject to regulatory approval. The acquisition is expected to be completed in Q2 2026. The Company will provide funding to support the acquisition within the Group.

14. Continued application of Financial Reporting Standard (FRS) 101 - Reduced Disclosure Framework

Following the first time application of FRS 101 Reduced Disclosure Framework in 2015, the Board considers that it is in the best interests of the Group for Admiral Group plc to continue to apply the FRS 101 Reduced Disclosure Framework in future periods. A shareholder or shareholders holding in aggregate 5% or more of the total allotted shares in Admiral Group plc may serve objections to the use of the disclosure exemptions on Admiral Group plc, in writing, to its registered office (Tŷ Admiral, David Street, Cardiff CF10 2EH) no later than 30 June 2026.

Glossary

Alternative Performance Measures

Throughout this report, the Group uses a number of Alternative Performance Measures (APMs); measures that are not required or commonly reported under International Financial Reporting Standards, the Generally Accepted Accounting Principles (GAAP) under which the Group prepares its financial statements.

These APMs are used by the Group, alongside GAAP measures, for both internal performance analysis and to help shareholders and other users of the Annual Report and financial statements to better understand the Group's performance in the period in comparison to previous periods and the Group's competitors.

The table below defines and explains the primary APMs used in this report. Financial APMs are usually derived from financial statement items and are calculated using consistent accounting policies to those applied in the financial statements, unless otherwise stated. Non-financial KPIs incorporate information that cannot be derived from the financial statements but provide further insight into the performance and financial position of the Group.

APMs may not necessarily be defined in a consistent manner to similar APMs used by the Group's competitors. They should be considered as a supplement rather than a substitute for GAAP measures.

Turnover	<p>Turnover is defined as total premiums written (as below), Other insurance revenue, Other revenue and interest income from Admiral Money from continuing operations. It is reconciled to financial statement line items in note 14 to the financial statements.</p> <p>This measure has been presented by the Group in every Annual Report since it became a listed Group in 2004. It reflects the total value of the revenue generated by the Group and analysis of this measure over time provides a clear indication of the size and growth of the Group.</p> <p>The measure was developed as a result of the Group's business model. The UK Car insurance business has historically shared a significant proportion of the risks with Munich Re, a third party reinsurance Group, through a co-insurance arrangement, with the arrangement subsequently being replicated in some of the Group's European insurance operations. Premiums and claims accruing to the external co-insurer are not reflected in the Group's income statement and therefore presentation of this metric enables users of the Annual Report to see the scale of the Group's insurance operations in a way not possible from taking the income statement in isolation.</p>
Total Premiums Written	<p>Total premiums written are the total forecast premiums, net of forecast cancellations written in the underwriting year within the Group, including co-insurance. It is reconciled to financial statement line items in note 14 to the financial statements.</p> <p>This measure has been presented by the Group in every Annual Report since it became a listed Group in 2004. It reflects the total premiums written by the Group's insurance intermediaries and analysis of this measure over time provides a clear indication of the growth in premiums, irrespective of how co-insurance agreements have changed over time.</p> <p>The reasons for presenting this measure are consistent with that for the Turnover APM noted above.</p>
Underwriting result (profit or loss)	<p>For each insurance business an underwriting result is presented. This shows the insurance segment result before tax excluding investment income, finance expenses, co-insurer profit commission and other net income. It excludes both gross share scheme costs and any assumed quota share reinsurance recoveries on those share scheme costs.</p> <p>The calculations and compositions of the underwriting result are presented within Appendix 1 to these financial statements.</p>
Loss Ratio	<p>Loss ratios are reported as follows:</p> <p>Reported loss ratios are expressed as a percentage, of claims incurred, on a gross basis net of XoL reinsurance, divided by insurance revenue net of XoL reinsurance premiums ceded.</p> <p>The reported loss ratios use the total claims, and earned premium and related income (instalment income, administration fees and ancillary income where it is highly correlated to the core product). It is understood that this is consistent with the approach taken by peers, and it is considered to reflect the true profitability of products sold.</p> <p>Core product loss ratios use the total claims and earned premiums for the core product only (insurance premiums excluding instalment income, administration fees and ancillary income). This measure is more consistent with that used previously, and are reflective of the performance of the core product in a line of business.</p> <p>The calculations and compositions of the loss ratios are presented within Appendix 1 to these financial statements.</p>

Glossary continued

Expense Ratio	<p>Expense ratios are reported as follows:</p> <p>Reported expense ratios are expressed as a percentage, of expenses incurred, on a gross basis excluding share scheme costs, divided by insurance revenue net of XoL reinsurance premiums ceded. The reported expense ratios use the total expenses (excluding share scheme costs), and earned premium and related income (instalment income, administration fees and ancillary income where it is highly correlated to the core product). It is understood that this is consistent with the approach taken by peers, and it is considered to reflect the true profitability of products sold.</p> <p>Core product expense ratios use the total expenses (excluding share scheme costs) and earned premiums for the core product only (insurance premiums excluding instalment income, administration fees and ancillary income). This measure is more consistent with that used previously, and are reflective of the performance of the core product in a line of business.</p> <p>Written expense ratios are calculated using total expenses (excluding share scheme costs) and written premiums, net of cancellation provision, for the core product only.</p> <p>The calculations of the reported expense ratios are presented within Appendix 1 to the financial statements.</p>
Combined Ratio	Combined ratios are the sum of the loss and expense ratios as defined above. Explanation of these figures is noted above.
Insurance service margin	This is the reported insurance segment underwriting result, divided by insurance revenue net of excess of loss premiums ceded. Reconciliation of the calculations are provided in Appendix 1.
Quota share result	The total result (ceded premiums minus ceded recoveries) from contractual quota share arrangements, excluding the quota share reinsurer's share of share scheme expenses, finance expenses and onerous loss component. Reconciliation of the calculations are provided in Appendix 1.
Segment result	The profit or loss before tax reported for individual business segments, which exclude net share scheme costs and other central expenses.
Return on Equity	Return on equity is calculated as profit after tax for the period attributable to equity holders of the Group divided by the average total equity attributable to equity holders of the Group in the year. This average is determined by dividing the opening and closing positions for the year by two. It excludes the impact of discontinued operations.
Group Customers / Risks	<p>Group customer numbers reflect the total non-unique customers or number or risks, being the total number of cars, vans, households and pets on cover at the end of the year, across the Group, and the total number of annual travel insurance, Admiral Money and Admiral Business customers from continuing operations.</p> <p>This measure has been presented by the Group in every Annual Report since it became a listed Group in 2004. It reflects the size of the Group's customer base and analysis of this measure over time provides a clear indication of the growth. It is also a useful indicator of the growing significance to the Group of the different lines of business and geographic regions.</p> <p>The measure has been restated from 2022 onwards to exclude Veygo policies, given the significant fluctuations that can arise at a point in time as a result of the short-term nature of the product.</p>
Solvency Ratio	The Solvency UK regulatory framework requires insurers to hold funds in excess of the Solvency Capital Requirement (SCR). Own funds are available capital resources determined under Solvency UK. The SCR is calculated at a Group level using the standard formula, to reflect the cost of mitigating the risk of insolvency to a 99.5% confidence level over a one-year time horizon – equivalent to a 1 in 200 year event – against financial and non-financial shocks.
Total Shareholder Return	Total Shareholder Return is a measure of the overall financial benefit a shareholder receives from owning a company's shares over a specific time-period. It reflects the percentage change in that benefit over the period, assuming reinvestment of all income.

Glossary continued

Additional Terminology

There are many other terms used in this report that are specific to the Group or the markets in which it operates. These are defined as follows:

Accident year	The year in which an accident occurs. Claims incurred may be presented on an accident year basis or an underwriting year basis, the latter sees the claims attach to the year in which the insurance policy inception.
Actuarial best estimate	The probability-weighted average of all future claims and cost scenarios calculated using historical data, actuarial methods and judgement.
ASHE	'Annual Survey of Hours and Earnings' – a statistical index that is typically used for calculating the inflation of annual payment amounts under Periodic Payment Order ('PPO') claims settlements.
Claims reserves	A monetary amount set aside for the future payment of incurred claims that have not yet been settled, thus representing a balance sheet liability.
Co-insurance	An arrangement in which two or more insurance companies agree to underwrite insurance business on a specified portfolio in specified proportions. Each co-insurer is directly liable to the policyholder for their proportional share.
Commutation	An agreement between a ceding insurer and the reinsurer that provides for the valuation, payment, and complete discharge of all obligations between the parties under a particular reinsurance contract. The Group typically commutes UK Motor Insurance quota share contracts after 24-36 months from the start of an underwriting year where it makes economic sense to do so.
Earnings per share	Earnings per share represents the profit after tax attributable to equity shareholders, divided by the weighted average number of basic shares.
Effective Tax Rate	Effective tax rate is defined as the approximate tax rate derived from dividing the tax charge going through the Income Statement by the Group's profit before tax. It is a measure historically presented by the Group and enables users to see how the tax cost incurred by the Group compares over time and to current corporation tax rates.
EIOPA	European Insurance and Occupational Pensions Authority: EIOPA is the European supervisory authority for occupational pensions and insurance.
Expected credit loss (ECL)	Expected Credit Loss (ECL) is the probability-weighted estimate of credit losses over the expected life of a Financial Instrument.
Insurance market cycle	The tendency for the insurance market to swing between highs and lows of profitability over time, with the potential to influence premium rates (also known as the 'underwriting cycle').
Claims net of XoL reinsurance	The cost of claims incurred in the period, less any claims costs recovered via salvage and subrogation arrangements or under XoL reinsurance contracts. It includes both claims payments and movements in claims reserves.
Excess of Loss ('XoL') reinsurance	Contractual arrangements whereby the Group transfers part or all of the insurance risk accepted to another insurer on an excess of loss ('XoL') basis (full reinsurance for claims over an agreed value).
Insurance premium revenue	Insurance premium revenue reflects the expected premium receipts allocated to the period based on the passage of time, adjusted for seasonality if required. It excludes 'Other insurance revenue' as defined below.
Insurance premium revenue net of XoL	Insurance premium revenue less the ceded XoL reinsurance earned in the period.
Other Insurance revenue	Insurance revenue minus insurance premium revenue as defined above. Other insurance revenue is comprised of revenue that is considered non-separable from the core insurance product sold and therefore under IFRS 17 is reported within insurance revenue. For the Group, this is typically the instalment income, administration fees and any other non-separable income related to the Group's retained share of the underwritten products.

Glossary continued

Net promotor score	NPS is currently measured based on a subset of customer responding to a single question: On a scale of 0-10 (10 being the best score), how likely would you recommend our Company to a friend, family or colleague through phone, online or email. Answers are then placed in three groups; Detractors: scores ranging from 0 to 6; Passives/ neutrals: scores ranging from 7 to 8; Promoters: scores ranging from 9 to 10 and the final NPS score is : % of promoters - % of detractors
Ogden discount rate	The discount rate used in calculation of personal injury claims settlements in the UK. The rate changed to +0.5% across the UK in H2 2024, from -0.75% in Scotland and NI, and -0.25% in England and Wales. The +0.5% rate is expected to remain in place for up to the next five years.
Periodic Payment Order ('PPO')	A compensation award as part of a claims settlement that involves making a series of annual payments to a claimant over their remaining life to cover the costs of the care they will require.
Premium	A series of payments are made by the policyholder, typically monthly or annually, for part of, or all of, the duration of the contract. Written premium refers to the total amount the policyholder has contracted for, whereas earned premium refers to the recognition of this premium over the life of the contract.
Profit commission	A clause found in some reinsurance and co-insurance agreements that provides for profit sharing. Co-insurer profit commission is presented separately on the Income Statement, whilst reinsurer profit commissions are presented within the reinsurance result, as a part of any recovery for incurred claims.
Quota share reinsurance result	Admiral's quota share ('QS') reinsurance result reflects the net movement on ceded premiums, reinsurer margins and expected recoveries (claims and expenses, excluding share scheme charges) for underwriting years on which quota share reinsurance is in place.
Regulatory Solvency Capital Requirement ('SCR')	<p>The Group's Regulatory Solvency Capital Requirement ('SCR') is an amount of capital that it should hold in addition to its liabilities in order to provide a cushion against unexpected events. In line with the rulebook of the Group's regulator, the PRA, the Group's SCR is calculated using the Solvency II Standard Formula, and includes a fixed capital add-on to reflect limitations in the Standard Formula with respect to Admiral's risk profile (predominately in respect of co-and reinsurance profit commission arrangements and risks relating to PPOs. The Group's current fixed capital add-on of £24 million was approved by the PRA during 2023.</p> <p>The Group is required to maintain eligible Own Funds (Solvency II capital) equal to at least 100% of the Group SCR. Both eligible Own Funds and the Group SCR are reported to the PRA on a quarterly basis and reported publicly on an annual basis in the Group's Solvency and Financial Condition Report.</p> <p>Admiral separately calculates a 'dynamic' capital add-on and has used this this to report a solvency capital requirement and solvency ratio at the date of this report. A reconciliation between the regulatory solvency ratio and that calculated on a dynamic basis is included in note 3 to the Group financial statements.</p>
Reinsurance	Contractual arrangements whereby the Group transfers part or all of the insurance risk accepted to another insurer. This can be on a quota share basis (a percentage share of premiums, claims and expenses) or an excess of loss ('XoL') basis (full reinsurance for claims over an agreed value).
Scaled Agile	Scaled Agile is a framework that uses a set of organisational and workflow patterns for implementing agile practices at an enterprise scale. Scaled agile at Admiral represents the ability to drive agile at the team level whilst applying the same sustainable principles of the group.
Securitisation	A process by which a group of assets, usually loans, is aggregated into a pool, which is used to back the issuance of new securities. A Company transfer assets to a special purpose entity ('SPE') which then issues securities backed by the assets.

Glossary continued

Solvency ratio	A ratio of an entity's Solvency II capital (referred to as Own Funds) to Solvency Capital Requirement. Unless otherwise stated, Group solvency ratios include a reduction to Own Funds for a foreseeable dividend (i.e. dividends relating to the relevant financial period that will be paid after the balance sheet date).
Special Purpose Entity ('SPE')	An entity that is created to accomplish a narrow and well-defined objective. There are specific restrictions or limited around ongoing activities. The Group uses an SPE set up under a securitisation programme.
Ultimate loss ratio	A projected actuarial best estimate loss ratio for a particular accident year or underwriting year.
Underwriting year	The year in which an insurance policy was inceptioned.
Underwriting year basis	Also referred to as the written basis. Claims incurred are allocated to the calendar year in which the policy was underwritten. Underwriting year basis results are calculated on the whole account (including co-insurance and reinsurance shares) and include all premiums, claims, expenses incurred and other revenue (for example instalment income and commission income relating to the sale of products that are ancillary to the main insurance policy) relating to policies inceptioning in the relevant underwriting year.
Written/Earned basis	An insurance policy can be written in one calendar year but earned over a subsequent calendar year.



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