FBD HOLDINGS PLC

Annual Report 2024

FBD INSURANCE

SUPPORT.
IT'S WHAT WE DO.

FBD / AT A GLANCE

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

2024 PERFORMANCE HIGHLIGHTS

Profit before tax
€77.1m
(2023: €81.4m)

Insurance Revenue
€441m
(2023: €401m)

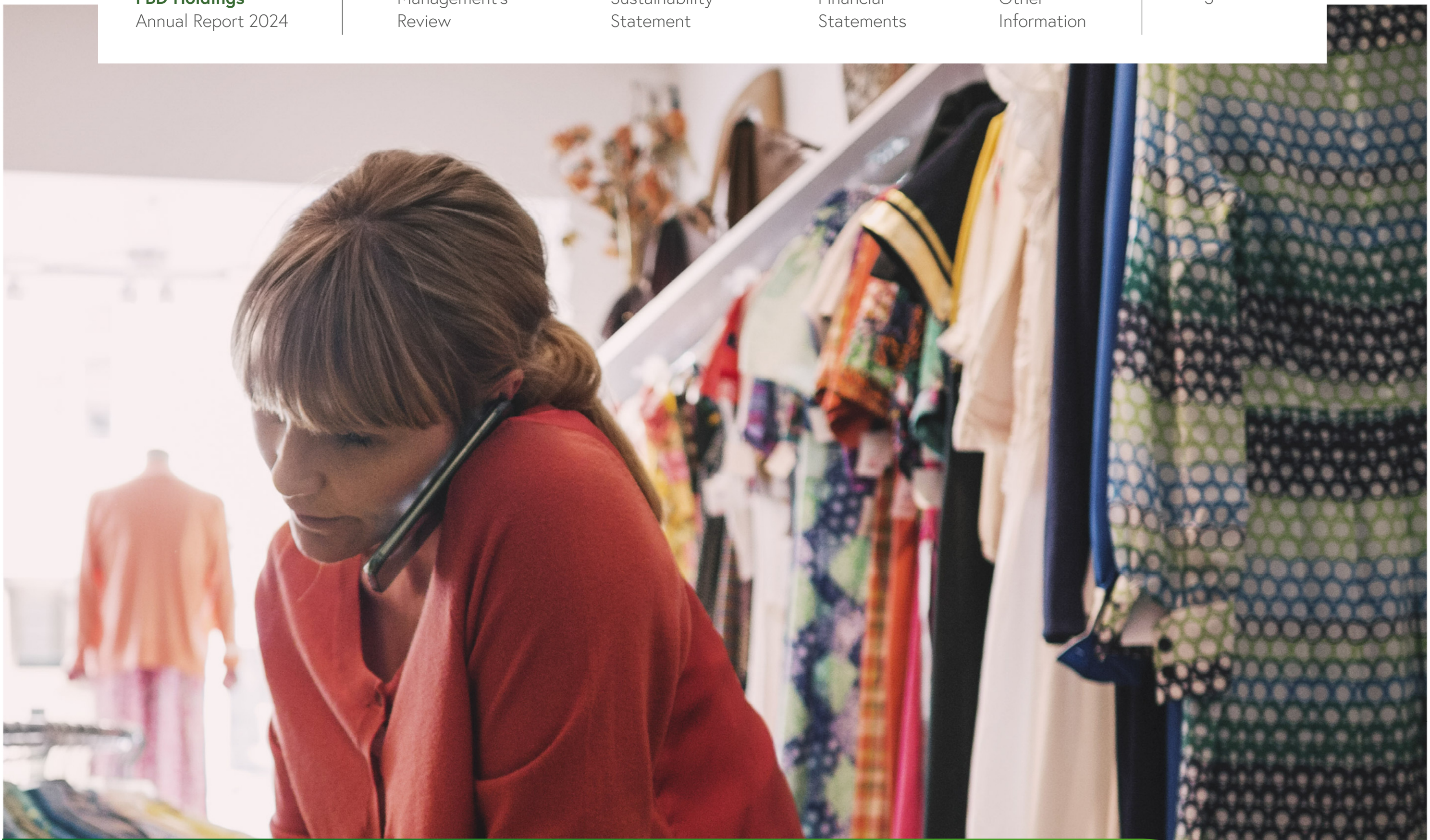
Earnings per Share
186c
(2023: 194c)

Return on Equity[1]
14%
(2023: 15%)

Net Asset Value per share[1]
1,346c
(2023: 1,330c)

Combined operating ratio[1]
84.9%
(2023: 80.9%)

[1] Further information on these measures is found in Alternative Performance Metrics on pages 282 to 288.



IN THIS REPORT

Management's Review 4
Financial Highlights 5
Our Purpose 6
Chairman's Statement 7
Review of Operations 10
Our Business Model 16
Our Strategy 17
Risk & Uncertainties Report 18
Governance 28
- Board of Directors 28
- Corporate Information 33
- Report of the Directors 34
- Corporate Governance 42
- Nomination & Governance Report 67
- Report on Directors' Remuneration 74
- Directors' Responsibilities Statement 95

Sustainability Statement 96
General 97
- Statement of Directors' Responsibilities for Sustainability Statement 97
- ESRS 2 General disclosures 101

Environmental 128
- ESRS E1 Climate Change 128
- EU Taxonomy Regulation 140

Social 146
- ESRS S1 Own Workforce 146
- ESRS S4 Consumers and end-users 157
- Entity-Specific : Farm Safety 159

Governance 163
- ESRS G1 Business Conduct 163

Appendix 169
Independent practitioners' limited assurance report 177

Funding Backing Donating 181

Financial Statements 188
Independent Auditors' Report 189
Consolidated Income Statement 198
Consolidated Statement of Comprehensive Income 199
Consolidated Statement of Financial Position 200
Consolidated Statement of Cash Flows 202
Consolidated Statement of Changes in Equity 203
Company Statement of Financial Position 204
Company Statement of Cash Flows 205
Company Statement of Changes in Equity 206
Notes to the Financial Statements 207

Other Information 282
Alternative performance measures 282

MANAGEMENT'S REVIEW

BUILDING OUT FROM OUR FARMING ROOTS

To serve the general insurance needs of farmers; businesses and retail customers throughout Ireland.

FBD BUSINESS INSURANCE CUSTOMER

Nicola: "We started with a food stall at farmer's markets and food festivals. The support of FBD has been great. When we first opened our business and we were looking for someone to insure us and someone to support us, they were the ones that backed us."

Dvir Nusery & Nicola Crowley
Mezze, Tramore, Co. Waterford.

SUPPORT.
IT'S WHAT WE DO.

Financial Highlights

	2024 €000s	2023 €000s
Insurance revenue	**441,005**	401,026
Profit before tax	**77,065**	81,410
Gross written premium[3]	**460,219**	413,593
Underwriting result[3]	**66,601**	76,459

	2024 Cent	2023 Cent
Basic earnings per share	**186**	194
Diluted earnings per share[1]	**183**	190
Net asset value per share[3]	**1,346**	1,330
Ordinary dividend per share proposed	**100**	100
Ordinary dividend per share paid[4]	**100**	100
Special dividend per share paid	**100**	100

	2024 %	2023 %
Combined operating ratio[2,3]	**84.9 %**	80.9 %
Return on equity[3]	**14 %**	15 %

[1] Diluted earnings per share reflects the potential vesting of share-based payments.
[2] Combined operating ratio includes discounting.
[3] Further information on measures referred to in our Financial Highlights is found in Alternative Performance Measures on pages 282 to 288.
[4] Ordinary dividend per share paid for previous financial year.

Financial Calendar	
Preliminary announcement	7 March 2025
Dividend record date	2 May 2025
Annual General Meeting	8 May 2025
Dividend payment date	11 June 2025

Our Purpose

FBD's purpose is to support, protect, and stand with Ireland's people, families, farmers, and businesses to enable our customers to grow and thrive.

We are proud of our roots in farming; of our Irish heritage and of FBD's proposition for this market. A proposition that has developed and evolved through our rich expertise; customer knowledge and our immersion in the communities we serve. We appreciate the trust of our customers.

We evolve to meet the changing needs of our customers and the next generation of customers.

We continue to support Ireland's people, families and businesses in the same way we have supported Ireland's farmers for generations. We continue to carefully grow our business, building the brand and securing FBD's future.

Chairman's Statement

"I am pleased to report that FBD Group has delivered another strong performance in 2024, with a proposed ordinary dividend payment to our shareholders of 100 cent per share."

Liam Herlihy
Chairman

Dear Shareholder,

PERFORMANCE

I am pleased to report that FBD Group ("Group") has delivered another strong performance in 2024, with a proposed ordinary dividend payment to our shareholders of 100 cent per share.

We have recorded a Group Profit Before Tax of €77m for 2024. Our Net Asset Value per share increased to 1,346 cent, after the payment of both ordinary and special dividends of 100c each in 2024. This result was supported by increased investment returns and reflects the profitable growth being delivered under our strategy and is a testament to the dedication and focus of our management team.

CUSTOMERS

2024 saw another year of growth across each customer sector. We have again seen an increase in the average policy holding in our Farmer sector, with almost 15,000 more policies than this time last year, this is a strong reflection of our customer focused strategy. We also saw very strong levels of new business, up materially on 2023, with our partnership offerings through An Post Insurance and Bank of Ireland, as well as our direct Retail channels contributing.

At FBD a core component of our strategy is building long term relationships with our customers through providing them with an advice, service and product proposition that is of value to them. Our continued success in this regard is evidenced through our strong retention rates which have further strengthened in 2024.

It was especially pleasing to see FBD's excellence in customer service being acknowledged through an increase in our overall ranking in the 2024 CXi Report. This report also highlighted the above average positive impact our staff have on our customers experience which would not be possible without the dedication of our employees. On behalf of the Board I would like to thank you all.

BOARD OF DIRECTORS

We lost two colleagues and friends following the sad passing of David O'Connor and John O'Dwyer. We miss their wise counsel and may they rest in peace.

Tim Cullinan stepped down as Independent Non-Executive Director in September 2024 and we thank him for his contribution to FBD.

Ms Kate Tobin joined the Board in January 2024 as Executive Director and we also welcomed three new Independent Non-Executive Directors to the Board over 2024, Ms Olive Gaughan, Mr Francie Gorman and Mr Jim Bergin. Together they bring vast experience and knowledge to the Board and we wish them well in their roles.

As reported in our 2023 Annual Report, a process was underway to identify a successor for Chair of the Board. This process positively concluded in Mr Jim Bergin being appointed as successor and he will take up this role immediately following our 2025 AGM. Jim and I are working closely together to ensure a smooth transition of this role.

FBD remains committed to ensuring that it has a high-performing Board, which is equipped to anticipate, meet and overcome future challenges and risks and to ensure alignment with the Group's long-term strategy. In 2024, Members of our Board and Executive Management Team took to the road for two customer site visits. We value the importance of understanding our customers needs which enables us to provide them with products more suitable to them. Further details can be found in the Governance section of the Annual Report.

SUSTAINABILITY

FBD is part of the first wave of reporters under the Corporate Sustainability Reporting Directive (CSRD) which aims to improve non-financial reporting and is a great showcase for all the Environmental, Social and Governance (ESG) activity FBD undertakes year after year. Our Sustainability Committee implements the Board approved ESG strategy, and we have made significant progress in 2024.

Following on from our 2023 contribution towards the Teagasc facility in Moorepark, Fermoy, FBD and University College Dublin announced a major Corporate Advocacy Initiative, an investment in a new agricultural science centre at UCD Lyons Farm, in August 2024. A contribution of €1.5 million by FBD Holdings plc will go towards construction of the new centre, which is due to commence in 2025, and will enhance UCD's ability to deliver both teaching and research to the highest international standards and will be a focal point for all users. This investment highlights our commitment to supporting Ireland's farming communities, education, agriculture as a whole and the food industry.

In 2024 FBD became a signatory of the UN Environment Programme Finance Initiative Principles for Sustainable Insurance ("UNEP FI PSI"). As part of this initiative, we will work to further embed the principles into our business and will continue to report annually on our progress in implementing them. FBD has also committed to annual reporting under the Carbon Disclosure Project (CDP) demonstrating our continued commitment to transparency around our emissions.

We are proud to continue our support of the next generation of farm leaders and innovators through our partnerships with Teagasc, UCD, Nuffield and the Agriculture Science Association. 2024 saw the first year of the Teagasc / FBD Environmental Sustainability Awards which recognise farmers who are operating sustainable, profitable farming systems, whilst incorporating the latest scientific developments and technologies on their farms.

As we know, farming is a high-risk industry which presents many challenges. While there has been a decline in the number of fatal accidents in agriculture over the last 4 years, there is no room for complacency. FBD's Farm Safety campaigns aim to encourage farmers to make small but meaningful changes to their working behaviour and we do this through seminars, communications, signage, mart awareness, training as well as live events at shows up and down the country. While farmers' attitudes to health and safety are generally positive, simple changes can make a big difference.

The National Ploughing Championships in Ratheniska was a great success in September, with the weather thankfully kinder to us than last year. The FBD leadership team and our people are always well represented at events such as this, the Tullamore Show and Beef Open Day amongst others, as they are a great opportunity to engage with our customers.

At FBD, we believe that an inclusive diverse, and equitable workforce is critical for the success of our organisation, it was therefore with great pride that we received Gold accreditation for investors in Diversity, through the Irish Centre for Diversity. We will continue, in 2025 and beyond, to build and maintain our inclusive organisation and to continue to implement measures to address our gender pay gap. FBD are a committed signatory of the Women in Finance Charter, and partner with industry initiatives such as VOiCE for Insurance. Over 2024, I am pleased to note that female membership on our Board has grown and has now reached 45%.

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

CAPITAL / DIVIDEND

The Board has set a Dividend Policy that aligns with its belief that it is in the long-term interest of all stakeholders to focus on annual dividend sustainability while maintaining a robust capital position.

In light of the strong financial performance for 2024 the Board are happy to propose an ordinary dividend of 100 cent per share. This follows a special dividend of 100 cent per share declared in August 2024. This reflects our continuing confidence in the underlying profitability and future prospects of our Group. Our capital position remains strong with a Solvency Capital Ratio of 197% (unaudited) at 31st December 2024, after ordinary dividend and an allowance for the impact of weather experience in January 2025 (2023: 213%).

CONCLUSION

Our customer focused strategy, leveraging technology and the strength of our people to deliver profitable growth, has been the foundation that has enabled us to deliver positive outcomes for all stakeholders during 2024.

I would like to thank my colleagues on the Board for their continued support, expert guidance, and hard work during the year. I would also like to thank our growing number of loyal customers, we welcome the opportunity to repay your trust and confidence in FBD over the coming years.

Finally, having served over nine years on the Board of FBD, I will retire as Chairman at the upcoming AGM. I would like to take this opportunity to thank all members of the Board, past and present, our employees and all our shareholders for their support. I wish my successor Jim Bergin the very best as he assumes the Chairmanship of the Board.

With Best Regards.

LIAM HERLIHY

Chairman

6 March 2025

Review of Operations

"2024 has been another year of strong performance. We firmly believe that our relationship focused approach, supported by a digitally enabled, data enriched organisation will continue to deliver real value for our customers and stakeholders alike."

Tomás Ó Midheach
Group Chief Executive Officer

OVERVIEW

The Group reported a profit before tax of €77.1m (2023: €81.4m), underpinned by continuing growth in Insurance revenue, positive underwriting results including favourable prior year reserve development of €26.9m (2023: €44.4m) and positive investment returns of €26.1m (2023: €19.1m).

OPERATING PERFORMANCE

Insurance Revenue

Insurance revenue is 10% higher at €441.0m (2023: €401.0m). Gross written premium is the largest part of Insurance revenue and is 12.5% higher than 2023 at €460.2m (2023: €409.1m[1]), with Farmer, Business and Retail sectors all growing in 2024. Policy count has increased by 6.3%[1] with 33,000 additional policies written in 2024. Retention rates remain consistently high in 2024, particularly in Farmer and Business sectors. New business growth has remained consistently strong in our Farmer sector. Our Retail sector has also performed well with new business growth through FBD Direct as well as with An Post Insurance and Bank of Ireland.

Average premium increased by 5.8%[1] across the portfolio, half of which relates to customers increasing their level of insurance cover and changing business mix, with some premium increases applied reflecting inflationary impacts. Private Motor average premium increased by 5.5%, in response to high levels of inflation and frequency experienced over 2022 to 2024 in relation to Damage claims. Home and Farm average premiums increased by 10.3% and 8.1% respectively, reflecting increases in property sums insured as rebuild costs continued to rise.

Insurance Service Expenses

Insurance service expenses (ISE) increased by €68.4m to €278.5m (2023: €210.1m). The table below splits the ISE into Gross incurred claims, Changes that relate to past service and Insurance acquisition expenses. The Gross incurred claims increase of €28.6m reflects increasing costs due to more normalised weather experience in 2024, Damage claims inflation, and reflects business growth in FBD. Changes that relate to past service of €72.9m include prior year reserve development, gross of reinsurance, as well as other IFRS 17 specific movements in the Risk Adjustment and Discounting. The amount of

[1] Gross written premium from 2023 has been adjusted to remove a Broker legacy scheme in run-off which has been terminated that included GWP €4.5m and 15,850 policies in 2023. There was no GWP or policies written in 2024.
Further information on measures referred to in our Review of Operations is found in our Alternative Performance Measures on pages 282 to 288.

changes to past service that relate to prior year best estimate reserve development, net of reinsurance, is €26.9m (2023: €44.4m). Expectations for future injury claims inflation have been allowed for within the reserves including an estimate of the impact of the Judicial Council's recommended increase in Damage awards under the Personal Injuries Guidelines. Insurance acquisition expenses of €84.6m form part of the ISE and are referenced below under Expenses.

Insurance Service Expenses	Year-ended 31 Dec 2024 €000s	Year-ended 31 Dec 2023 €000s
Gross incurred claims	(266,747)	(238,133)
Changes that relate to past service	72,928	103,990
Insurance acquisition expenses	(84,633)	(75,909)
Total Insurance service expenses	(278,452)	(210,052)

Claims Trends

Property notifications increased 23% compared to 2023, with Storm Isha in January 2024 and Storm Darragh in December 2024 contributing significantly to this. The average cost of Property claims increased by 20% in 2024, due to a change in mix of claims, inflation and business interruption settlements.

Injury average settlement costs remained in line with prior year, however they are 7% lower than 2020, signalling a generally positive trend since the introduction of the Personal Injury Guidelines in 2021. FBD's Injuries Resolution Board (IRB) acceptance rates are approaching pre-Guidelines levels. Injury settlement rates increased 16% year on year, driven by the closure of historical cases and an increase in activity through the litigation channel.

For Motor Damage claims we are seeing indications that these costs are beginning to stabilise in the second half of 2024. However, there is evidence of continued inflationary pressure in Commercial Motor Damage claims.

Weather and Large Claims

Net of reinsurance weather losses in 2024 were higher than that in 2023. This was primarily driven by Storm Isha and Storm Darragh, with a net cost to FBD of €14.7m.

Large injury claims, defined as a value greater than €250,000, in 2024 are slightly lower than the average of the past 10 years.

Expenses

The Group's expense ratio is 27.8% (2023: 27.4%). Insurance acquisition expenses and Non-attributable expenses are combined to calculate the total expense cost of €122.4m (2023: €109.9m). The increase includes inflationary impacts on employee expenses and IT costs along with an increase in depreciation costs as FBD increases capital investment in initiatives that support revenue growth and a more digitally enabled business.

Reinsurance

For 2024, the net expense from reinsurance contracts held reduced by €13.2m to €51.5m. In 2023, there was a significant reduction in the level of expected recoveries relating to Business Interruption claims as a result of the reduction in the associated gross best estimate. Reinsurance expense in 2024 has reduced €5.7m compared to 2023 reflecting reduced lower layer protection.

Combined Operating Ratio (COR)

The Group generated an underwriting result of €66.6m (2023: €76.5m) which translates to a Combined Operating Ratio (COR) of 84.9% (2023: 80.9%). The main driver of the increase in COR is due to higher Insurance Services Expenses as outlined above. The undiscounted COR was 86.7% (2023: 83.3%).

Other Provision Charges

Other provision charges of €6.7m included in the Income Statement (2023: €18.3m), are made up of Motor Insurers' Bureau of Ireland (MIBI) levy of €5.7m, the Motor Insurers Insolvency Compensation Fund (MIICF) contribution of €2.1m, net of small reductions in previous provisions.

Investment Return

FBD's total investment return for 2024 is 4.0% (2023: 5.3%). The investment return recognised in the Consolidated Income Statement is 2.3% (2023: 1.7%) and in the Consolidated Statement of Other Comprehensive Income (OCI) is 1.7% (2023: 3.6%).

The following table compares the Income Statement returns for 2024 to 2023:

Group Investment Assets	2024 €000s	2023 €000s	Movement €000s
Corporate Bond Income[1]	10,170	8,034	+2,136
Government Bond Income	2,274	2,183	+91
Bond realised losses[2]	(659)	(2,299)	+1,640
Deposits and Cash[3]	4,516	3,728	+788
Risk Assets[4]	11,851	12,097	(246)
Investment Property	(658)	(3,221)	+2,563
Expenses	(1,407)	(1,428)	+21
Total	**26,087**	19,094	+6,993

[1] Corporate bond income increased in 2024 as maturities were re-invested at higher interest rates and allocations increased
[2] Realised bond losses in 2024 due to book yield enhancement trading; realised losses in 2023 includes €0.95m realised loss due to sale of downgraded bond
[3] Return on Deposits and Cash has increased on higher average rates over 2024
[4] Equities major driver of Risk asset returns

Income Statement returns from cash and bonds increased in 2024 as bond maturities continue to be reinvested at higher interest rates. Some of this increased return was offset by realised losses on bonds sold to enhance longer-term yield and reduce reinvestment risk. The European Central Bank (ECB) cut interest rates four times in 2024 which, along with tightening credit spreads, contributed to the positive OCI return. Risk assets contributed €11.9m to the overall income statement return with almost all asset classes experiencing positive returns, in large part due to a robust US economy. Private markets funds had another positive year while the valuation of our investment property decreased.

Financial Services and Other Group Activities

The Group's financial services operations broke even for 2024 (2023: loss €1.1m) as revenue increased by €1.2m, and costs increased marginally by €0.1m. Costs increased in the Holding Company by €1.6m to €7.3m primarily relating to consultancy costs incurred to support preparation for the new Corporate Sustainability Reporting Directive (CSRD) reporting requirements, as well as inflation.

STATEMENT OF FINANCIAL POSITION

IFRS Capital Position

Ordinary shareholders' funds as at 31 December 2024 amounted to €483.2m (2023: €477.0m). The increase in shareholders' funds is mainly attributed to the following:

- Profit after tax for the year of €67.2m;
- OCI Profit after tax for the year of €11.4m made up of:
    - Mark to market gains on our Bond portfolio of €19.0m; Offset by:
    - Insurance finance expense for insurance and reinsurance contracts issued €5.3m;
    - A reduction in the Retirement benefit surplus of €0.7m; and
    - €1.6m of tax through Other Comprehensive Income.
- Reduced by ordinary and preference dividend payment of €36.2m related to 2023 financial performance, and special dividend payment of €35.8m, totalling €72.0m;
- Repurchase and cancellation of own shares of €4.0m offsetting dilution from the vesting of awards under the employee share schemes; and
- Increase in share-based payment reserves of €3.6m.

Net asset value per share is 1,346 cent, compared to 1,330 cent per share at 31 December 2023.

Investment Allocation

The Group adopts a conservative investment strategy to ensure that its insurance contract liabilities are matched by cash and fixed interest securities of low risk and similar duration. Cash allocations remained relatively stable while €45m was reallocated to corporate bonds and €35m divested from government bonds. Mark-to-market gains also contributed to the overall increase in bond allocations. The average credit quality of the corporate bond portfolio has remained at A- with its BBB rated bond allocation stable at circa 39%. There was €40m divested from the risk asset portfolio to fund dividends and optimise the solvency capital position. The value of the investment property reduced due to revaluation.

The allocation of the Group's investment assets is as shown in the table below.

	31 December 2024		31 December 2023	
	€m	%	€m	%
Corporate bonds	**642**	**54 %**	575	49 %
Government bonds	**250**	**21 %**	281	24 %
Deposits and cash	**152**	**13 %**	145	12 %
Risk assets	**133**	**11 %**	161	14 %
Investment property	**11**	**1 %**	12	1 %
Total investment assets	**1,188**	**100 %**	1,174	100 %

Solvency II

The latest Solvency Capital Ratio (SCR) is 197% (unaudited) after proposed ordinary dividend and weather events of January 2025 (31 December 2023: 213%). The SCR before January 2025 weather was approximately 211%,reflecting gains generated through 2024 profits, partially offset by the 2024 special dividend and the proposed ordinary dividend relating to the 2024 financial year. Our capital position remains strong, and well in excess of our target risk appetite range of 150% - 170%.

Industry Environment

Following the first review of the Personal Injuries Guidelines, the Judicial Council has recommended an overall increase of 16.7% in damages to be awarded for personal injuries. This amendment will require Oireachtas approval before being enacted. We welcome the inclusion of motor claims in the IRB mediation process. FBD fully supports the work of the Government on the insurance reform agenda.

Under road legislation, Automatic Number Plate Recognition (ANPR) details continue to be provided to An Garda Síochana on a daily basis. Enhancements to the Irish Motor Insurance Database are ongoing with insurers required to provide driver numbers for all policyholders and named drivers, on a phased basis. The initial phase is due for completion in 2025 and is for private cars only, with further phases to follow for the remaining motor portfolios.

ESG and Sustainability

Building on the launch of our Corporate Advocacy initiative in 2023 of 'The Padraig Walshe Centre for Sustainable Animal and Grassland Research', FBD and University College Dublin (UCD) announced a major investment in new agricultural research and education facilities in 2024. We continue to focus on where we can have a meaningful impact, by delivering on our ESG commitments and supporting our customers in theirs, and continue to have a strong presence at the heart of the community we serve.

FBD has prepared our first Sustainability Statement as part of meeting our reporting obligations in accordance with the EU's new Corporate Sustainability Reporting Directive (CSRD), as well as the European Sustainability Reporting Standards (ESRS). The Sustainability Statement section is included in this report on pages 96 to 176.

In January 2024 FBD became a signatory of the UNEP FI PSI and our report is available on the PSI website. As part of this initiative, we continue to embed the principles into our business and will report annually on our progress as we continue our sustainability journey.

Risks and uncertainties

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

OUTLOOK

The economic outlook for 2025 is positive with the Irish economy expected to operate at close to its sustainable capacity. The economy is at full employment which, along with budgetary spending and infrastructure constraints, could fuel overheating risks and impact competitiveness. The continued strong performance of the US economy should support the Irish economy in the short term, assuming no negative impact from the aforementioned geopolitical risks. The outlook beyond 2025 is less certain due to the potential impact of policy changes from the new US administration which may result in tariffs and trade wars, with a resultant impact on inflation.

The Judicial Council has recommended a 16.7% increase of the Personal Injury Guidelines. This amendment requires Oireachtas approval before being enacted. While there are no clear timelines for implementation we have allowed for the estimated impact in our reserves at 31 December 2024. Although we have seen some stabilisation in Motor Damage inflation, we continue to see underlying inflation in Property lines and expect this to continue, albeit at a lower level, into 2025.

Income projections on our bond portfolio have increased in the years ahead due to the impact of higher reinvestment rates as existing bonds mature. The bond portfolio still carries significant unrealised losses which are expected to unwind as the bonds approach maturity. The ECB is projected to make around four rate cuts over 2025 for a terminal rate of approximately 2%[1], with weakening growth prospects suggesting this could

[1] Bloomberg market pricing

go lower. The normalisation of the yield curve accelerates the pull-to-par effect on the short-end bonds which carry the majority of the unrealised losses. Conversely credit spreads remain close to historical lows and the medium-term expectation is for these to rise with an ensuing negative impact on mark-to-market returns.

The reinsurance programme for 2025 was successfully renegotiated with some minor changes. Exposure growth related to growth in our Property lines (e.g. Home, Farm and Commercial Multiperil) contributed to an increase in the retention and upper limit of the Property Catastrophe programme. Reinsurance market conditions were more favourable than recent years with a reduction in reinsurance rates of 1.4% for Casualty and 8.8% for Property on the comparable renewed cover.

Storm Eowyn which occurred on Friday 24 January, is set to be the single biggest storm in FBD's history. This followed the very cold spell of early January, which led to a significant amount of snow related damage. While it is still too early to determine the total number and gross cost of claims from the weather events of January 2025, FBD's reinsurance programme provides cover for extreme events, and this will mitigate the financial impact to FBD. As a result, the overall net cost (including reinstatement premium) for January 2025 weather is currently expected to be approximately €30m.

Our focus remains to be a digitally enabled, data enriched organisation that delivers an excellent customer and employee experience. Our customers are at the heart of what we do, and they stay with us for the value we offer and the support that they receive. We are committed to enhancing both our customer and employee offerings, strengthening our digital capabilities, and consistently providing an excellent service to our growing customer base. In 2025 and beyond, we are focussing on continuous improvement, to create capacity while enhancing our customer value and employee experience.

FBD continues to deliver measured profitable growth, while maintaining underwriting and expense discipline to ensure we continue to deliver for all our stakeholders.

TOMÁS Ó MIDHEACH

Group Chief Executive Officer

6 March 2025

Key Highlights

FARMER
50%
Our Farm customers represent 50% of our premium

BUSINESS
30%
Our Business customers represent 30% of our premium

RETAIL
20%
Our Retail customers represent 20% of our premium

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

SUPPORT.
IT'S WHAT WE DO.

FBD'S Business Model[1]

FBD is a leading general insurer serving the needs of farmers, business and retail customers throughout Ireland[3].

INPUTS[2]

Our Business Model is focused on creating value for all our stakeholders.

Our People
The expertise, experience and local knowledge of our 1,000+ employees provides our customers with a proposition they value based on in-depth understanding of their requirements.

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

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

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

Financial
FBD seeks to deliver measured profitable growth while maintaining a resilient and stable balance sheet. Deployment of capital is prudent and return focused. Maintaining a strong capital position is paramount.

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

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

CREATE VALUE

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

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

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

Capital Management
Deployment of capital is prudent & return focused. Maintaining a strong capital position is paramount.

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

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

OUTPUTS[4]

FBD delivers an excellent customer and employee experience at all points in their journey with us.

Our Proposition
Our proposition encompasses an excellent customer experience and protecting our customers through our range of farm, business and retail products.

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

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

STAKEHOLDER OUTCOMES[5]

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

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

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

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

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

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

SUPPORT.
IT'S WHAT WE DO.

Subject to limited assurance:
1 ESRS 2 SBM-1 42, ESRS 2 SBM-1 42c
2 ESRS 2 SBM-1 42a
3 ESRS 2 SBM-1 40 a ii
4 ESRS 2 SBM-1 40 a i
5 ESRS 2 SBM-1 42b

A digitally enabled, data enriched organisation which delivers an excellent customer and employee experience.

Our Strategy

FBD

TEAMS & COLLABORATION

OUR CUSTOMERS

DATA & TECHNOLOGY

Delivering for all our Stakeholders

Our Customers

Our People

Our Investors

Wider society & ESG

Our Regulator

STRATEGIC AMBITION

OUR CUSTOMERS

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

WIDER SOCIETY & ESG

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

OUR PEOPLE

Foster individual and organisational effectiveness.

DELIVERING MEASURED PROFITABLE GROWTH

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

CONTINUOUS IMPROVEMENT

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

PILLARS DELIVERING OUR STRATEGY

- Customer Proposition
- Data
- Continuous Improvement
- Value
- People
- Technology
- Claims
- ESG

SUPPORT.
IT'S WHAT WE DO.

A digitally enabled, data enriched organisation which delivers an excellent customer and employee experience.

Risks & Uncertainties Report

A) OVERVIEW

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

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

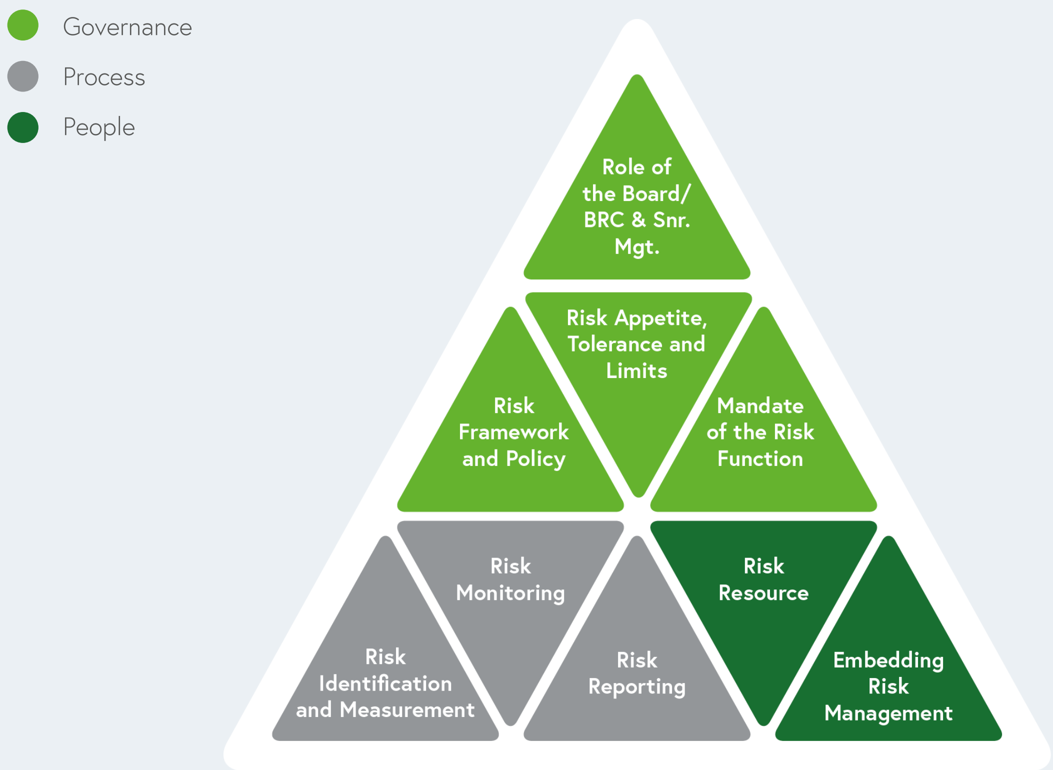
B) RISK MANAGEMENT FRAMEWORK[1]

Risk Appetite

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

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

RISK MANAGEMENT FRAMEWORK



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

Risk Governance

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

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

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

Risk Process[1]

Identify and Measure

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

Monitor and Report

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

People

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

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

Key Risks and Mitigants[2]

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

[1] ESRS 2 GOV-5 36b Description of risk assessment approach followed - subject to limited assurance
[2] ESRS 2 GOV 5 36c Description of main risks identified and their mitigation strategies - subject to limited assurance

Capital Management Risk

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

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

Underwriting Risk

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

Key Mitigants

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

Underwriting Strategy

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

Reserving

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

Market Risk

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

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

Credit & Concentration Risk

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

Key Mitigants	
	• Credit and concentration risk for investments is managed by the formulation of, and adherence to, an Investment Policy that is approved annually by the Board of Directors. The Investment Policy incorporates clearly defined investment limits and rules and ensures that there is an optimum spread and duration of investments. • The Group only places reinsurance with companies that it believes are strong financially and operationally. Credit exposures to these companies are closely monitored by senior management. All of the Group's current reinsurers have either a credit rating of A- or better from a rating Organisation such as Standard and Poor's or AM Best. The reinsurance programme structure ensures that there is no significant concentration of risk. • All of the Group's fixed term deposits are with financial institutions which have a minimum A- rating.

Liquidity Risk

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

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

Strategy Risk

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

Key Mitigants	• The Group has a strategic planning cycle which commences with a fundamental review of strategy at least every 5 years (normally every 3 years). Further supporting this is an annual review of the strategy by the Board to determine the continuing relevance. To ensure the strategy is implemented effectively, the Group engages in a robust business planning and review process that results in an annual plan including key initiatives and budget. • A Strategic Risk Policy is in place. • The Group has a 2025-2029 Strategy in place which notes the importance of a clear ESG strategy, as well as having defined metrics and targets to ensure the Group is making a meaningful impact on wider ESG considerations.

Reputational Risk

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

Key Mitigants	• The Group's Board and senior management set the ethical and behavioural tone for the Group. In support of this a number of Group policies are utilised which influence employee behaviour, including a Reputational Risk Policy, Fitness & Probity Policy, an Anti-Fraud Policy, Code of Conduct Policy, Conflicts of Interest Policy and a Speak Up Policy. • The Group has established a Corporate Governance Framework which is in full compliance with the requirements of the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings and the UK Corporate Governance Code 2018 Irish Annex. • Reputation, integrity and character of persons are key considerations in establishing business arrangements and throughout the life of the relationship. • Independent customer satisfaction research is undertaken and customer complaints are dealt with efficiently to ensure the quality of products and services offered to customers. • The Group's claims philosophy is to be "Fair to the customer and fair to FBD". This philosophy guides the Claims function in its handling of all customer claims. • The Group has aligned its Environmental, Social and Governance (ESG) initiatives to having a meaningful impact by supporting our customers and businesses as they become more climate resilient. • The Group has a Sustainability Committee that reports into the Board through the CEO and the Group has a company wide ESG strategy which they will implement over the coming years. The UN Principles for Sustainable Insurance will continue to guide our sustainability related goals, delivered by the business through the clearly defined pillars of our ESG strategy.

Operational Risk

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

Key Mitigants

Risk Management Framework

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

Information Technology Controls

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

Business Continuity Plans

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

Personnel

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

Reinsurance Risk

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

Key Mitigants	• The Group purchases reinsurance protection to limit its exposure to single claims and the aggregation of claims from catastrophic events. The Group's reinsurance programme is approved by the Board on an annual basis. FBD has purchased a reinsurance programme which has been developed to meet the local domestic risk profile and tailored to FBD's risk appetite. The programme protects Motor, Liability, Property and other classes against both individual large losses and events.

Consumer Risk

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

Key Mitigants	• The Consumer Risk Framework is a subset of the Risk Management Framework and utilises the same structures and processes in place to identify, assess, monitor, manage and report risk. The objective of the Consumer Risk Framework is to provide a systematic, effective and efficient way for managing consumer risk in the Group and to ensure it is consistent with the overall business strategy and the risk appetite of the Group. • The Group has a Consumer and Culture Committee that facilitates review and challenge on consumer and culture risk information received from the business areas. This includes but is not limited to consumer risks, consumer risk appetite, monitoring key consumer risk metrics and trends. • The Group has a 2025-2029 Strategy in place which notes that it is the Group's ambition to be a customer-led organisation, delivering quality products and levels of service to our customers. • In support of this Strategy a number of Group policies are utilised which mitigates consumer risk, including a Product Oversight and Governance Policy, Code of Conduct Policy, Vulnerable Customer Policy and Data Protection Policy.

Climate Risk

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

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

C. Inflation and Geopolitical Risk

The worst of the inflation shock appears to have passed, albeit with inflation rates expected to settle above their pre-pandemic level, with the global economy proving unusually resilient throughout the disinflationary process. Central banks have now switched their focus to a monetary easing process although the US has lagged in this regard as strong growth has been accompanied by more persistent inflation. In Ireland, headline inflation is forecast to average 1.8% over the next three years with domestically driven services inflation being the main contributor. Most measures of underlying inflation suggest that Eurozone inflation will settle at around the Governing Council's 2% medium-term target on a sustained basis. Domestic Eurozone inflation has edged down but remains high, mostly because wages and prices in certain sectors are still adjusting to the past inflation surge with a substantial delay. The ECB cut interest rates four times in 2024 and is projected to make another four cuts in 2025 for a terminal rate of 2%, although weakening growth prospects suggest this could go lower. The Group is exposed to interest rate fluctuations through the bond portfolios although the impact of any unexpected rises may be offset by the unwind of the accumulated losses from the 2022 shock as these bonds approach maturity.

The high level of inflation during 2024 has a resultant impact on reserving for future claims and pricing of written business. The Group's Actuarial team is continually monitoring the rate of inflation for the purposes of reserving and pricing. During 2024 there was significant inflation in relation to property claims. This was primarily driven by an increase in the proportion of higher value subsidence and flood claims. Following constant monthly increases post Covid-19, there was some stabilisation in average motor damage costs during 2024. The Group's Claims team are closely monitoring the effects of inflation on property and motor damage claims with reporting and analysis in monthly business review meetings and regular reporting to senior management.

Geopolitical risks and market impacts have slightly increased. The US approach to international and trade relations is a likely source of volatility while the threat of tariffs and trade wars, along with other economic policies, has the potential to increase inflation. The Eurozone faces risks from a trade war and the possibility of being forced to fund Ukraine without US assistance. Ireland as a small open economy is particularly exposed to impacts of a global trade war and the US is the largest single bi-lateral trading partner and largest source of foreign direct investment. The intent to rebalance the global taxation landscape in the US' favour poses risks to corporation tax receipts that are heavily reliant on US multi-nationals. Endeavours to end the major conflicts in the Middle East and Ukraine carry risks of escalation if agreements are not reached. An escalation in these risks may impact the Group in the form of market, economic and inflation risk.

D. Emerging Risks

An emerging risk is a risk which may or may not develop, is difficult to quantify, may have a high loss potential and is marked by a high degree of uncertainty. We have a defined process in place for the identification of and response to emerging risks, which is informed through the use of subject matter experts, workshops, Risk and Control Self-Assessments and consulting a range of external resources.

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

Key Emerging Risks include:

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

Governance

Board of Directors

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

LIAM HERLIHY

Group Chair

Date of Appointment:
1 September 2015

Nationality: Irish

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

Skills and experience:
Liam Herlihy is a farmer and was appointed Chair in May 2017. He was appointed Chair of Teagasc Authority in September 2018 and was, until May of 2015, Group Chair of Glanbia plc, a leading Irish based nutrition and ingredients group, having served in that role for seven years during which he presided over a period of significant structural change and unprecedented growth for Glanbia plc. Mr Herlihy completed the Institute of Directors Development Programme and holds a certificate of merit in Corporate Governance from University College Dublin. He brings to the Board a wealth of commercial experience and some deep insights into the farming and general agricultural industries in Ireland which, together, comprise the Group's core customer base.

External Directorships:
- Teagasc the Agriculture and Food Development Authority
- Knockskeagh Farms Limited

TOMÁS Ó MIDHEACH

Group Chief Executive Officer

Date of Appointment:
4 January 2021

Nationality: Irish

Committee Membership:
- None

Skills and experience:
Tomás Ó Midheach has over 30 years experience in the financial services industry spanning many diverse areas including finance, data, customer analytics, direct channels and digital. He spent 11 years with Citibank in the UK, Spain and Dublin, where he held several senior positions in Finance, ultimately assuming the position of CFO at Citibank Ireland. Mr Ó Midheach joined AIB in June 2006 and held a number of senior executive positions including Head of Direct Channels and Analytics, Chief Digital Officer, and Chief Operating Officer. Prior to joining FBD, Mr Ó Midheach held the position of Deputy CEO and was an Executive Board Member of AIB.

External Directorships:
- Insurance Ireland (Member Association) Company Limited by Guarantee

KATE TOBIN

Group Chief Financial Officer

Date of Appointment:
1 January 2024

Nationality:
Irish

Committee Membership:
- None

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

External Directorships:
- Johnstown Sportsfield Company Limited By Guarantee

SYLVIA CRONIN

Senior Independent Non-Executive Director

Date of Appointment:
28 November 2019

Nationality:
Irish

Committee Membership:
- Risk Committee
- Nomination and Governance Committee
- Remuneration Committee

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

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

JIM BERGIN

Independent Non-Executive Director

Date of Appointment:
19 November 2024

Nationality:
Irish

Committee Membership:
- Nomination and Governance Committee
- Remuneration Committee

Skills and experience:
Jim Bergin was formerly the Chief Executive Officer and Executive Director of Tirlán Co-Operative Society Limited (until July 2024). Mr Bergin spent a considerable part of his career in Glanbia plc in a number of senior management positions.
Mr Bergin was former Chair of the Irish Dairy Industry Association and is currently chair of the Teagasc 'Better Farming for Water' stakeholder steering committee. Mr Bergin is also an Independent Non-Executive Director of Enable Ireland and Vice Chair of the governing body of Southeast Technological University.

External Directorships:
- Dairy Industry Ireland Limited
- Enable Ireland Disability Services
- Buttercup Consulting Limited

MARY BRENNAN

Independent Non-Executive Director

Date of Appointment:
31 August 2016

Nationality:
Irish

Committee Membership:
- Audit Committee
- Risk Committee (Chair)

Skills and experience:
Mary Brennan is a Chartered Director, Certified Investment Fund Director and a Fellow of Chartered Accountants Ireland. In a career spanning over 30 years, Ms Brennan has worked internationally in audit in KPMG and in a number of publicly listed companies, including Elan plc and Occidental Petroleum Corp. She is a highly experienced Independent Non-Executive Director and currently holds the position of Chair of the Board, Chair of the Audit Committee, Chair of the Risk Committee and Chair of the Remuneration Committee in her portfolio of directorships. Ms Brennan previously served on the Boards of a number of a number of companies including BNP Paribas Ireland, Atradius Reinsurance DAC, Macquarie Capital Ireland, the Social Finance Foundation and Microfinance Ireland.

External Directorships:
- MMS Multi Euro Services DAC
- MMS Multi Market Services Ireland DAC
- Inchiaro Life DAC
- ENI Insurance DAC
- HRTEU Limited
- Western Union Payment Services Ireland Limited
- BCP Asset Management DAC

OLIVE GAUGHAN

Independent Non-Executive Director

Date of Appointment:
22 May 2024

Nationality:
Irish

Committee Membership:
- Audit Committee
- Risk Committee

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

External Directorships:
- Scottish Friendly Assurance Society Limited
- Scottish Friendly Asset Managers Limited
- Canada Life Re Ireland Designated Activity Company
- Arts And Health Ireland Company Limited By Guarantee T/A Réalta

FRANCIE GORMAN

Independent Non-Executive Director

Date of Appointment:
9 September 2024

Nationality:
Irish

Committee Membership:
- None

Skills and experience:
Francie Gorman is a beef and sheep farmer from Ballinakill in Co Laois. He is the 17th President of the Irish Farmers' Association (IFA) and commenced his four-year term in January 2024. Mr Gorman previously served as IFA Regional Chair for South Leinster, Chair of IFA Laois and represented IFA Laois on the IFA National Farm Business Committee.
Mr Gorman is a Non-Executive Director of Bord Bia which is an Irish semi state Agency whose remit is to market and promote Ireland's food, drink and horticulture industry in Ireland and abroad. He also sits on the board of The Agricultural Trust.
Mr Gorman is a Vice President of COPA (Committee of Professional Agricultural Organisations) and represents Irish farmers at EU level on COPA, which is the official umbrella representative body for European farmers.

External Directorships:
- IFA Telecom Limited
- Feirmeoiri Aontuithe Na H-Eireann Iontaobaithe Cuideachta Faoi Theorainn Ráthaíochta
- The Agricultural Trust

PATRICK MURPHY

Non-Executive Director

Date of Appointment:
1 September 2023

Nationality:
Irish

Committee Membership:
- None

Skills and experience:
Patrick Murphy is from Kilkenny where he owns and has been managing Smithstown Dairy Farm, Kilkenny for the past forty-eight years. Mr Murphy has extensive knowledge of the global food and beverage industry and has vast experience in the governance and strategic management of global and Irish businesses.
Mr Murphy is a highly experienced Non-Executive Director and currently holds the position of Chair of Farmer Business Developments plc. Mr Murphy previously served on the Board of Irish Farm Accounts Co-Operative Society Limited (IFAC) and was Non-Executive Director of Glanbia plc, and Vice Chair of Tirlán Co-operative Society Limited and was Vice President of Macra Na Feirme.

External Directorships:
- Farmnom Limited
- Farmer Business Developments plc
- Farmer Business Developments Assets Limited
- Farmer Business Developments Investments Limited
- Bulberry Properties Limited
- Bulberry Holdings Limited
- Hawridge Properties Limited
- PLL Property & Leisure Limited
- Pat and Sarah Murphy Limited

RICHARD PIKE

Independent Non-Executive Director

Date of Appointment:
18 September 2019

Nationality:
Irish

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

Skills and experience:
Richard Pike has extensive experience of working with financial institutions throughout the world, assisting companies in managing strategic and enterprise risk more efficiently while addressing local regulatory guidelines and standards. Mr Pike is currently Chair of Citadel Securities GCS (Ireland) Ltd and Citadel Securities GCS (Europe) Ltd, and Independent Non-Executive Director of Tuath House Association CLG and Cumberland Building Society. Prior to this, Mr Pike has worked in various senior banking, insurance, credit and market risk roles at Wolters Kluwer Financial Services, ABN AMRO, Bain, JP Morgan and Permanent TSB Bank. Mr Pike lectures on Risk Management and Governance at the Institute of Banking and the Smurfit Business School and was a contributing author to two books on risk management. Mr Pike has also received the designation of 'Certified Bank Director' by the Institute of Banking.

External Directorships:
- Citadel Securities GCS (Ireland) Limited
- Citadel Securities GCS (Europe) Limited
- Tuath Housing Association CLG
- The Cumberland Building Society

JEAN SHARP

Independent Non-Executive Director

Date of Appointment:
16 August 2021

Nationality:
Irish

Committee Membership:
- Audit Committee (Chair)
- Nomination and Governance Committee

Skills and experience:
Jean Sharp is a Fellow of Chartered Accountants Ireland, and is an experienced Financial Services executive. Until 2019, she was Chief Taxation Officer at Aviva and its predecessor companies, a role she had held since 1998. Ms Sharp is a former partner in EY, the Big Four accounting firm. She is an Independent Non-Executive Director of Personal Assets Trust plc, which is listed on the London Stock Exchange and is a constituent of the FTSE 250 index. She also Chairs its Audit Committee. Ms Sharp is also an Independent Non-Executive Director and Audit Committee Chair at Flood Re Limited.

External Directorships:
- Flood Re Limited
- Personal Assets Trust plc

Tribute to David O'Connor and John O'Dwyer

DAVID O'CONNOR

Independent Non-Executive Director

It is with great sadness that we acknowledge the passing of our esteemed Board member, David O'Connor. David was a highly respected and valued member of our Board, serving with distinction over the past eight years. As Chair of FBD Insurance plc. he played a pivotal role in guiding the company, doing so with wisdom and professionalism, drawing particularly on his deep actuarial expertise. A Fellow of both the Institute of Actuaries and the Society of Actuaries in Ireland, David dedicated his career to the Insurance industry, holding senior leadership roles in New Ireland Assurance, Allianz Ireland and Willis Towers Watson. His vast knowledge, strategic insight and unwavering commitment made an indelible impact to FBD.

David will be remembered as a man of great integrity, a true gentleman, and a brilliant raconteur. He was deeply respected by his colleagues and is greatly missed by all those who had the privilege of working alongside him.

Ar dheis Dé go raibh a anam

JOHN O'DWYER

Independent Non-Executive Director

We were deeply saddened by the passing of John O'Dwyer, Independent Non Executive Director of FBD Holdings plc and FBD Insurance plc since August 2021 and Senior Independent Director since August 2024. John was a highly regarded member of our Board and everyone who had the honour of working with him deeply feels his loss John brought a wealth of experience and insight to FBD, having held several senior leadership roles at BUPA, Friends First and Interamerican group (Greece). Prior to joining the Board of FBD he held the role of CEO of VHI. His Industry knowledge and strategic vision were invaluable to us at FBD.

John was a true gentleman, who led with kindness, integrity and quiet determination. He was an inspirational leader, a mentor to many and someone who always brought the best out in people. He will be remembered for his professionalism, leadership and generosity of spirit.

Ar dheis Dé go raibh a anam

Corporate Information

Registered Office and Head Office	Bankers
FBD House	Allied Irish Banks plc
Bluebell	Barclays Bank plc
Dublin 12	Close Brothers International
D12 Y0HE	Deutsche Bank AG
Ireland	KBC Bank NV

Stockbrokers	Solicitors
Davy Stockbrokers	Dillon Eustace
49 Dawson Street	33 Sir John Rogerson's Quay
Dublin 2	Dublin 2
D02 PY05	D02 XK09
Ireland	Ireland

Independent Auditors	Registrar
PricewaterhouseCoopers (PwC)	Computershare Investor Services (Ireland) Limited
Chartered Accountants and Statutory Audit Firm	3100 Lake Drive
One Spencer Dock	Citywest Business Campus
North Wall Quay	Dublin 24
Dublin 1	D24 AK82
D01 X9R7	Ireland
Ireland	

Report of the Directors

The Directors present their report and the audited financial statements for the financial year 2024.

Principal Activities

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

FBD Holdings plc is subject to the UK Corporate Governance Code 2018 (the "Code") and the Irish Corporate Governance Annex (the "Irish Annex"). FBD Insurance plc is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015 and is required to comply with the additional requirements for High Impact Designated Insurance Undertakings.

At the Annual General Meeting held on 9 May 2024 a resolution was passed by shareholders for FBD Holdings plc to apply for the cancellation of the listing of the ordinary shares of €0.60 each in the capital of the Company from the premium segment of the Official List of the Financial Conduct Authority and to remove such ordinary shares from trading on the London Stock Exchange plc's Main Market for listed securities. On 10 June 2024, the ordinary shares were removed from the Official List and were cancelled from admission to trading on London Stock Exchange. FBD Holdings plc remains listed on the Main Market of Euronext Dublin. Following the introduction by Euroxnext Dublin of the Irish Corporate Governance Code 2024, FBD Holdings plc will report under this Code for year ending 31 December 2025 and for future years.

Business Review

The review of the performance of the Group, including an analysis of financial information and the outlook for its future development, is contained in the Chairman's Statement on pages 7 to 9 and in the Group Chief Executive's Review of Operations on pages 10 to 14. Information in respect of events since the financial year end and a review of the key performance indicators are also included in these sections. The key performance indicators include insurance revenue, profit before tax, earnings per share as well as alternative performance measures (see pages 282 to 288) that include loss ratio, undiscounted loss ratio, expense ratio, combined operating ratio, undiscounted combined operating ratio, actual investment return ratio, net asset value per share, return on equity, underwriting result and gross written premium.

Results

The results for the year are shown in the Consolidated Income Statement on page 198.

Financial Instruments

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

Dividends

Please refer to note 31 for further details.

Subsequent Events

On 24 January 2025, Storm Éowyn occurred, marking the most significant storm event in FBD's history. This followed a period of extreme cold weather earlier in the month, which resulted in substantial snow-related damage.

While the total number and gross cost of claims related to these weather events remain uncertain at this stage, FBD's reinsurance programme provides coverage for extreme events, mitigating the financial impact. As a result, the estimated net cost to FBD, including the reinstatement premium, is currently expected to be approximately €30 million.

As these events occurred after the reporting date, they are non-adjusting events under IAS 10 Events after the Reporting Period, and no adjustments have been made to the financial statements in respect of these weather events.

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

Principal Risk and Uncertainties

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

Subsidiaries

The Company's principal subsidiaries, as at 31 December 2024, are listed in note 32.

Directors

The present Directors of the Company, together with a biography on each, are set out on pages 28 to 31. The Board has decided that all Directors continuing in office will submit themselves for re-election at each Annual General Meeting (AGM). As disclosed in the 2023 Annual Report, Mr Liam Herlihy will have reached nine years eight months on the Board in May 2025 and will not go forward for re-election at the 2025 AGM.

The Directors who served at any time during 2024 were as follows:

Liam Herlihy	Chair
Tomás Ó Midheach	Executive Director and Group Chief Executive Officer
Kate Tobin	Executive Director and Group Chief Financial Officer (Appointed 1 January 2024)
Sylvia Cronin	Senior Independent Non-Executive Director
Jim Bergin	Independent Non-Executive Director (Appointed 19 November 2024)
Mary Brennan	Independent Non-Executive Director
Tim Cullinan	Independent Non-Executive Director (Resigned 09 September 2024)
Olive Gaughan	Independent Non-Executive Director (Appointed 22 May 2024)
Francie Gorman	Independent Non-Executive Director (Appointed 09 September 2024)
Patrick Murphy	Non-Executive Director
David O'Connor	Independent Non-Executive Director (Passed away 12 April 2024)
John O'Dwyer	Independent Non-Executive Director (Passed away 24 November 2024)
Richard Pike	Independent Non-Executive Director
Jean Sharp	Independent Non-Executive Director

Annual General Meeting

The Annual General Meeting (AGM) is scheduled to be held on Thursday, 8 May 2025. The notice of the AGM of the Company will be sent to shareholders giving 21 clear days' notice.

Articles of Association

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

Directors' and Company Secretary's interests

The interests of the Directors and Company Secretary (together with their respective family interests) in the share capital of the Company, at 31 December 2024 (or date of departure, if earlier) and 1 January 2024 (or date of appointment, if later) were as follows:

Beneficial	Number of ordinary shares of €0.60 each	
	31 December 2024	1 January 2024
Liam Herlihy	8,000	8,000
Tomás Ó Midheach	62,900	21,337
Kate Tobin [1]	33,658	25,406
Sylvia Cronin	—	—
Jim Bergin [2]	—	—
Mary Brennan	—	—
Tim Cullinan [3]	—	—
Olive Gaughan [4]	—	—
Francie Gorman [5]	—	—
Patrick Murphy	—	—
David O'Connor [6]	1,500	1,500
John O'Dwyer [7]	—	—
Richard Pike	7,200	7,200
Jean Sharp	—	—
Company Secretary		
Nadine Conlon	—	—

There has been no change in the interests of the Directors and Company Secretary (together with their respective family interests) in the share capital of the Company from 31 December 2024 up to the date of this report.

The interests of the Directors and the Company Secretary in conditional awards over the share capital of the Company under the shareholder approved Performance Share Plans are detailed in the Report on Directors' Remuneration on pages 74 to 76.

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

For the purposes of Regulation 21 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, the information on the Board of Directors on pages 28 to 31, the Performance Share Plans in note 35 and the Report on Directors' Remuneration on pages 74 to 76 are deemed to be incorporated in this part of the Report of the Directors.

On an annual basis the Directors seek shareholder approval for certain powers relating to the Company's shares. Pursuant to shareholder resolutions passed at the Annual General Meeting held on 9 May 2024, the Directors have the authority to allot shares up to an aggregate nominal value of €7,037,072 representing approximately 33% of the issued ordinary share capital (excluding treasury shares) as at 27 March 2024.

[1] Date of appointment of Kate Tobin 1 January 2024
[2] Date of appointment of Jim Bergin 19 November 2024
[3] Date of resignation of Tim Cullinan 9 September 2024
[4] Date of appointment of Olive Gaughan 22 May 2024
[5] Date of appointment of Francie Gorman 9 September 2024
[6] Date of death of David O'Connor 12 April 2024
[7] Date of death of John O'Dwyer 24 November 2024

The Directors have authority to issue shares for cash other than strictly pro-rata to existing shareholdings in certain circumstances as approved at the AGM held on 9 May 2024. This authority is limited to the allotment of equity securities in connection with (i) specific circumstances relating to rights issues; (ii) the allotment of shares not exceeding in aggregate 5% of the nominal value of the Company's issued share capital; (iii) the allotment of equity securities pursuant to the Company's employee share schemes; and/or (iv) for the purpose of financing (or refinancing) an acquisition or other capital investment of a kind contemplated by the UK Pre-emption Group not exceeding in aggregate 5% of the nominal value of the Company's issued ordinary share capita (excluding treasury shares). This authority expires on 9 August 2025 unless renewed and resolutions to that effect are being proposed at the AGM to be held on 8 May 2025.

The Directors also have authority to make market purchases of the Company's ordinary shares up to 10% of the aggregate nominal value of the Company's issued share capital with voting rights. These authorities are due to expire on the earlier of the date of the next Annual General Meeting of the Company or 9 August 2025. These authorities are sought annually at the AGM.

Substantial Shareholdings

As at 31 December 2024 the Company has been notified of the following interests of 3% or more in its share capital:

Ordinary shares of €0.60 each	No.	% of Class	% of Total Voting Rights
Farmer Business Developments Plc	8,531,948	23.77%	20.93%
FBD Trust CLG ('FBD Trust')	5,000,435	13.93%	12.27%
Sretaw Private Equity Unlimited Company	4,099,671	11.42%	10.06%
M & G Investment Management Ltd.	1,876,620	5.23%	4.60%

Preference Share Capital			
14% Non-cumulative preference shares of €0.60 each	**No.**	**% of Class**	**% of Total Voting Rights**
Farmer Business Developments plc	1,340,000	100%	3.29%

8% Non-cumulative preference shares of €0.60 each	No.	% of Class	% of Total Voting Rights
FBD Trust	2,062,000	58.38%	5.06%
Farmer Business Developments plc	1,470,292	41.62%	3.61%

As at 3 March 2025, FBD has not been notified of any changes in substantial shareholdings.

Share Capital

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

Voting shares	Number in issue	% of Total
Ordinary shares of €0.60 each[1]	35,897,184	88.0%
14% Non-cumulative preference shares of €0.60 each	1,340,000	3.3%
8% Non-cumulative preference shares of €0.60 each	3,532,292	8.7%
Total Voting shares	**40,769,476**	**100.0%**

[1]excluding 164,005 shares held in treasury

The Company's ordinary shares of €0.60 each are listed on the Main Securities Market of Euronext Dublin. On 10 June 2024, the ordinary shares were removed from the Official List of the Financial Conduct Authority and were cancelled from admission to trading on London Stock Exchange. FBD Holdings plc remains listed on the Main Market of Euronext Dublin. Since 10 June 2024, the ordinary shares are traded on Euronext Dublin only. Neither class of preference share is traded on a regulated market.

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

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

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

Dematerialisation

Following a successful conversion on 1 January 2025, Irish corporate securities have now fully transitioned to a dematerialised format. This means that all shares and securities will now only exist in electronic format, eliminating the need for paper share certificates. Shareholders with access to Computershare's Investor Centre platform can check their balance or download a Statement of Holding (as required) on the records of the registrar at any time by either logging in or registering via www.investorcentre.com/ie.

For shareholders who do not yet have access to the above platform, it is recommended that you take steps to sign up now. Shareholders who are unable to access Investor Centre can contact Computershare to obtain a confirmation of their up-to-date balance. Contact details for Computershare are available on the Investor Section of our website www.fbdgroup.com.

Non-Financial Statement

The Sustainability Statement in accordance with Part 28 of the Companies Act 2014 including the requirements of the European Union (disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended by Statutory Instrument No. 410 of 2018) is included in pages 96 to 176 and forms part of this report.

Key Intangible Resources

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

Independent Auditors

PricewaterhouseCoopers, Chartered Accountants and Statutory Audit Firm, were appointed by the Directors in 2016 to audit the financial statements for the financial year ended 31 December 2016 and subsequent financial periods. In accordance with section 1613 of the Companies Act, 2014, the Sustainability Statement set out on pages 96 to 176 has been subject to limited assurance review by PricewaterhouseCoopers.

The period of total uninterrupted engagement is nine years, covering the financial years ended 31 December 2016 to 31 December 2024. PwC has signified their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

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

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

Please see page 50 in relation to Auditor Succession.

Accounting Records

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

Directors' Compliance Statement

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

(i) a compliance policy statement setting out the Company's policies with regard to complying with the relevant obligations under the 2014 Act has been prepared;

(ii) arrangements and structures have been put in place that they consider sufficient to secure material compliance with the Company's relevant obligations; and

(iii) a review of arrangements and structures has been conducted during the financial year to which the Directors' report relates.

Corporate Governance

The Corporate Governance Report on pages 42 to 46 forms part of this report. In the Corporate Governance Report, the Board has set out how it has applied the principles set out in the Code, which was adopted by Euronext Dublin and the Irish Annex, and the Central Bank of Ireland Corporate Governance Code requirements for Insurance Undertakings 2015.

Euronext Dublin has published the first Irish Corporate Governance Code. The Irish Code will apply to Irish-incorporated companies listed on the regulated market of Euronext Dublin for accounting years commencing on or after 1 January 2025. FBD Holdings plc will report under this Code for year ending 31 December 2025 and for future years.

Board Committees

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

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

A Disclosure Committee is in place with responsibility for overseeing the disclosure of information as required under the Irish Listing Rules, the Disclosure and Transparency Regulations, and Market Abuse Regulation (EU) 596/2014 and compliance with these obligations. A Standing Committee is also in place to assist the Board in implementing administrative actions.

Political Donations

The Group did not make any political donations during 2024.

Viability Statement

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

In 2024, the Board carried out an in-depth strategic review and focus had been given to the macro-economic outlook, and other factors potentially impacting FBD's trading environment over the strategic horizon. Strategic risk is considered within the Board's Risk Management Framework. As part of the strategy review, the Board were presented with a risk opinion on the Strategy Evolution 2025 to 2029. The Board was satisfied that the Strategy Evolution is aligned to the Risk Appetite Framework and does not introduce or promote excessive levels of risk taking. The Board reviewed and approved the Group's five-year strategy 2025 to 2029 in October 2024 and this is reviewed on an annual basis to determine continuing relevance.

The Group performs an Own Risk and Solvency Assessment ('ORSA') annually which subjects FBD's solvency capital levels to a number of extreme stress scenarios. Climate Change Risk had been considered as part of the ORSA which was approved in December 2024. The main purpose of the ORSA process is to assess, in a continuous and prospective way, the overall solvency needs related to the specific risk profile of the insurance company. The outputs from the ORSA assist the Board by outlining the implications that strategic decisions have on the risk profile, regulatory capital and overall solvency needs of the Company. As part of the 2024 ORSA process, work was carried out to consider the financial assumptions underpinning the Strategy. Based on the results of these tests, the Directors confirm that they have performed a robust assessment of the principal risks facing the Group, including those that would threaten its business model, its future performance and solvency and that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of the assessment.

Going Concern

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

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

In making this assessment the Directors considered up to date solvency, liquidity and profitability projections for the Group. The basis of this assessment was the Budget 2025 and projections for 2026 which reflect the latest assumptions used by the business, including an allowance for January 2025 weather events. The economic environment may impact on premiums including potential reductions in exposures, new business and retention levels. Expense assumptions can change depending on the level of premiums as discretionary spend and resources are adjusted. There were a number of scenario projections run as part of the ORSA process as well as a number of more extreme stress events and in all scenarios the Group's capital ratio remained in excess of the Solvency Capital Requirement and in compliance with liquidity policies.

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

Approval of Financial Statements

The financial statements were approved by the Board on 6 March 2025.

Signed on behalf of the Board

Liam Herlihy
Chair

Tomás Ó Midheach
Group Chief Executive Officer

6 March 2025

Corporate Governance[1]

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

UK Corporate Governance Code and the Irish Corporate Governance Annex

The Code) and the Irish Annex codify the governance arrangements which apply to listed companies such as FBD. Combined, these represent corporate governance standards of the highest international level.

Throughout 2024 and to the date of this report, FBD applied the principles of the Code and complied with the provisions of both the Code and the Irish Annex.

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

Location of information required pursuant to Euronext Dublin Listing Rule 6.1.80

Listing Rule	Information to be included:
6.1.77 (4)	Refer to Report on Director's Remuneration on pages 74 to 76.

No information is required to be disclosed in respect of Listing Rules 6.1.77 (1), (2), (3), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14).

The Board of Directors and its Role

The Group is managed by the Board of Directors.

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

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

- Reviewing performance in the light of the Group's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken;
- Approving of the Group's long term objectives and commercial strategy and any material changes;
- Approving of the annual operating and capital expenditure budgets and any material changes;
- Overseeing FBD Group Operations;
- Approving the Risk Appetite and the Risk Management Framework;
- Approving changes to the Group capital structure, capital projects and approval of the dividend policy;
- Approving Financial Statements and any significant change in accounting policies or practices;
- Ensuring maintenance of a sound system of internal control and risk management;

[1] ESRS G1 GOV-1 5a Role of the administrative, management and supervisory bodies related to business conduct - subject to limited assurance

- Appointing Directors and the Company Secretary;
- Reviewing the Groups overall corporate governance arrangements; and
- Ensuring adequate succession planning for its Board, executive Directors, the Company Secretary and senior Group management.

This schedule ensures that the skills, expertise and experience of the Directors are harnessed to best effect and ensures that any major opportunities or challenges for the Group come before the Board for consideration and decision. The schedule was last reviewed in December 2024.

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

Board Composition and Independence

At 31 December 2024 the Board comprised two Executive Directors[1] and nine Non-Executive Directors [2], including the Chair. This structure was deemed appropriate by the Board.

The Board deem it appropriate that it should have between eight and twelve members and that this size is appropriate, being of sufficient breadth and diversity to ensure that there is healthy debate and input.

Seven of the Non-Executive Directors in office at the end of 2024 were considered to meet all of the criteria indicating independence set out in the Code. This is representative of 64%[3] of the overall Board of Directors.

	Date first elected by shareholders	Years from first election to 2025 AGM	Considered to be independent
Liam Herlihy	29 April 2016	9 years 0 months	Yes on appointment
Sylvia Cronin	31 July 2020	4 years 9 months	Yes
Jim Bergin	Awaiting election	–	Yes
Mary Brennan	31 August 2016	8 years 8 months	Yes
Olive Gaughan	Awaiting election	–	Yes
Francie Gorman	Awaiting election	–	Yes
Pat Murphy	9 May 2024	1 year 0 months	No
Richard Pike	31 July 2020	4 years 9 months	Yes
Jean Sharp	12 May 2022	3 years 0 months	Yes

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

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

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

- is or has been an employee of the Company or the Group within the last five years;
- has, or has had within the last three years, a material business relationship with the Company either directly or indirectly;

[1] ESRS GOV-1 21a Number of executive members - subject to limited assurance
[2] ESRS GOV-1 21a Number of non-executive members - subject to limited assurance
[3] ESRS GOV-1 21e Percentage of independent board members - subject to limited assurance

- has received or receives remuneration from the Company apart from a Director's fee, participates in the Group's share plans, or is a member of the Group's pension scheme;
- has close family ties with any of the Company's advisers, Directors or senior employees;
- holds cross-directorships or has significant links with other Directors through involvement in other companies or bodies;
- represents a significant shareholder; or
- has served on the Board for more than nine years from the date of their first appointment.

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

Key Roles and Responsibilities

Chair

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

- Setting the Board's agendas and ensuring that they cover the key strategic issues confronting the business;
- Leading the Board, encourage discussions, challenge the Board's mindsets and to facilitate the appropriate level of debate, promoting a culture of openness and debate at Board meetings and ensuring that the Directors apply sufficient challenge to management proposals;
- Nurturing relationships founded on mutual respect and open communication inside and outside the Boardroom, between the Non-Executive Directors and Senior Executives;
- Facilitating the effective contribution of Non-Executive Directors in particular and ensure constructive relations between Executive and Non-Executive Directors are maintained;
- Ensuring that the Directors receive accurate, timely and clear information;
- Ensuring the Board receive adequate training about the operations and performance of the Company to ensure Non-Executive Directors make informed decisions;
- Ensuring that the performance of individual Directors and the Board as a whole and its committees is evaluated on an annual basis;
- Leading the Board appointment process in line with the Board Recruitment, Succession and Diversity Policy;
- Chairing the Annual General Meeting and deal with questions from shareholders; and
- Ensuring that there is effective communication with shareholders.

Group Chief Executive Officer

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

- Developing a clear strategy for FBD with the Board and providing a formal process for review of strategy;
- Developing clear objectives and plans along with a suitable organisational structure to implement strategy;
- Establishing Key Performance Indicators quantifying individual and organisational goals for the business and the senior management team and evaluating performance accordingly;
- Ensuring that the organisation remains flexible to the changing business environment;
- Growing and motivating a top class management team to meet the challenges of the business;
- Maximising the efficient and effective use of resources;

- Articulating, disseminating and providing leadership in relation to the vision, mission, objectives and values of FBD and maximising morale and efficiency within the organisation;
- Identifying and managing change within FBD and in the market and driving a process of continuous improvement;
- Providing career development and succession throughout the organisation, particularly at management level; and
- Representing FBD externally with shareholders, customers, regulators, media, providers and the public.

Senior Independent Director

The Senior Independent Director is responsible for:

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

Company Secretary

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

- Advising the Board, through the Chair, on all governance matters;
- Ensuring good information flows within the Board and its Committees and between Senior Management and Non-Executive Directors;
- Facilitating induction and assist with professional development as required;
- Having responsibility for ensuring that Board procedures are complied with; and
- Regularly reviewing the Board governance processes with a view to ensuring they are fit for purpose.

Board effectiveness and performance evaluation

Board effectiveness is reviewed annually as part of the Board's performance evaluation process. The Chair is responsible for ensuring that each Director receives an induction on joining the Board and that they receive any additional training they require. The induction itself is organised and delivered by the Company Secretary, other members of the Executive Management Team and by external providers where appropriate. More information on Induction and Board Training can be found on page 67.

Board Evaluation

Every year the Board evaluates its performance and that of its Committees. Directors are expected to take responsibility for identifying their own training needs and to take steps to ensure that they are adequately informed about the Group and about their responsibilities as a Director. The Board is confident that all of its members have the requisite knowledge and experience and support from within the Group to perform their role as a Director of the Group.

The last external Board Evaluation was carried out in 2023 in respect of the year ended 31 December 2022 by Board Excellence. The output of this external review found that the Board had strong board dynamics with a healthy balance of intelligent robust oversight by the Non-Executive Directors, a progressive approach to collaboration on strategy between the Executive Team and the Board and deep commitment to the highest standards of corporate governance, engagement with shareholders and stakeholders, and ethics. Recommendations from this external review were progressed and implemented over the course of 2023. The next external assessment will take place for the year ending 31 December 2025.

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

Further details of the 2024 Board Effectiveness and Performance Evaluation are set out in the Nomination and Governance Report on pages 67 to 73.

Re-election of Directors

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

Access to advice

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

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

Attendance at Board and Board Committee Meetings during 2024

	Board	Audit	Nomination and Governance	Remuneration	Risk
J Bergin [1]	1 of 1				
M Brennan	12 of 12	8 of 8			5 of 5
T Cullinan [2]	7 of 8				
S Cronin	12 of 12		9 of 9	4 of 4	5 of 5
L Herlihy	12 of 12		9 of 9	4 of 4	5 of 5
O Gaughan [3]	7 of 7	5 of 5			3 of 3
F Gorman [4]	4 of 4				
P Murphy	12 of 12				
D O'Connor [5]	0 of 4		0 of 3	0 of 1	
J O'Dwyer [6]	10 of 11	7 of 7		3 of 3	
T Ó Midheach	12 of 12				
R Pike	12 of 12		3 of 3	1 of 1	5 of 5
J Sharp	12 of 12	8 of 8	9 of 9		
K Tobin	12 of 12				

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

Each of the Committees have written terms of reference which were approved by the Board and set out the Committees' powers, responsibilities and obligations. The terms of reference are reviewed at least annually by the Board. These are available on the Group's website www.fbdgroup.com.

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

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

[1] Jim Bergin was appointed on 19 November 2024
[2] Tim Cullinan resigned on 9 September 2024
[3] Olive Gaughan was appointed on 22 May 2024
[4] Francie Gorman was appointed on 9 September 2024
[5] David O'Connor passed away on 12 April 2024
[6] John O'Dwyer passed away on 24 November 2024.

Report of the Audit Committee

JEAN SHARP
Committee Chair

Membership 1 January 2024 to 6 March 2025

Length of time served on committee at date of report		
J Sharp	Committee Chair, Independent Non-Executive Director	3 years 4 months
M Brennan	Independent Non-Executive Director	8 years 6 months
O Gaughan	Independent Non-Executive Director	0 years 9 months
J O'Dwyer[1]	Independent Non-Executive Director	2 years 8 months

Committee Composition as at 6 March 2025

Committee Membership and Experience

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

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

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

Ms Brennan is a Fellow of Chartered Accountants Ireland. She has gained international experience working in audit for KPMG and in a number of publicly listed companies including Elan plc and Occidental Petroleum Corp. Ms Brennan holds the position of Chair of the Audit Committee of FBD Insurance plc.

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

[1] John O"Dwyer passed away on 24 November 2024.

The Board recognises the benefits of cross membership among its Board Committees. Ms Sharp is a member of both the Audit and Nomination and Governance Committee. Ms Brennan is a member of both the Audit and Risk Committee. Ms Gaughan is a member of both the Audit and Risk Committee.

The Committee as a whole has the competence relevant to the General Insurance sector.

Objective of the Committee

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

Key responsibilities delegated to the Committee include:

- Reviewing the Group's financial results announcements and financial statements;
- Reviewing on an annual basis the Audit Committee Terms of Reference and recommend any change to the Board for approval;
- Reviewing and monitoring the effectiveness and adequacy of the Group's internal financial controls, and risk management systems;
- Considering any significant fraud, illegal acts, and deficiencies in internal control or similar issues;
- Reviewing of significant financial reporting judgements;
- Overseeing the relationship with the external auditors including reviewing and approving their terms of engagement and remuneration in respect of audit services;
- Reviewing and monitoring the independence and objectivity of the Statutory Auditor and the effectiveness of the audit process;
- Reviewing the findings of the audit with the Statutory Auditor;
- Approving the Internal Audit Annual Work Plan;
- Monitoring and reviewing the activities and effectiveness of the Group's Internal Audit Function;
- Reviewing the independence and scope of the Internal Audit Function;
- Reviewing and approving the Internal Audit Strategy on an annual basis, and the Internal Audit Charter periodically;
- Meeting separately with the Head of Internal Audit and the Statutory Auditor at least annually to discuss any matters that the Committee or the Head of Internal Audit consider should be dealt with privately;
- Monitoring the quality and integrity of sustainability disclosures within the Annual Report, including the effectiveness of internal control and risk management systems,
- Monitoring the CSRD reporting process, oversee assurance of CSRD reporting, review and make recommendations to the Board on the approval of the annual Sustainability Statement that form part of the Annual Report; and
- Performing detailed reviews of specific areas of financial reporting as required by the Board or the Committee.

Meetings

The Committee met on eight occasions during 2024. Attendance at the scheduled meetings held during 2024 is outlined on page 46. Meetings are attended by Committee Members. The Group Chief Financial Officer and the Group Head of Internal Audit are regular attendees at meetings. The Statutory Auditor is also invited to attend meetings on a regular basis. Additionally, the Head of Actuarial Function and the Group Chief Risk Officer are invited to attend all scheduled meetings at the request of the Committee. The Chair of the Board and the Group Chief Executive Officer are not members of the Committee and do not attend meetings of the Committee unless invited. The Chair of the Board and the Group Chief Executive Officer did not attend any Committee meetings in 2024. The

Committee regularly meets separately with the Statutory Auditor and with the Group Head of Internal Audit, without members of management present.

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

Activities of the Committee during 2024

The principal activities undertaken by the Committee during 2024 include:

- Reviewing and approving Committee Minutes;
- Considering and reviewing the Key Methodologies, Judgements and Uncertainties, reviewing the Actuarial Reserve Analysis; and Going Concern Assessment;
- Reviewing drafts of the Annual Report, Preliminary Results Announcement and the IFRS 17 Results;
- Reviewing Letters of Representation prior to their consideration by the Board;
- Reviewing all aspects of the relationship with the External Auditor, including performance, the statutory audit plan, audit findings and recommendations and consideration of the independence of the external auditors and the arrangement in place to safeguard this, including partner rotation, auditor independence, and reviewing and approving of External Audit fees for 2024 financial year;
- Reviewing the Internal IT Update and External Audit IT General Control Report;
- Reviewing and recommending to the Board for approval the Solvency and Financial Condition Report, Regular Supervisory Report, Quantitative Reporting Templates and Solvency II Reporting Policy and Director Accuracy Statement;
- Appraising the Internal Audit Function, its independence, Annual Plan, Internal Audit Strategy, Internal Audit Charter, approving the Internal Audit Budget, reports and issues arising and monitoring the scope and effectiveness of the Function;
- Reviewing the adequacy and effectiveness of controls operated by management to identify, mitigate regulatory, operational and financial risk;
- Reviewing the Annual Risk Management Report;
- Reviewing the Actuarial Reserve Analysis;
- Receiving regular updates and training on the Corporate Sustainability Reporting Directive;
- Approving the Double Materiality Assessment ('DMA');
- Reviewing the draft Sustainability Statement;
- Considering management's review of the annual IAASA publication on "Observations on Selected Financial Reporting Issues- Years ending on or after 31 December 2024";
- Reviewing policies including the Internal Control Policy, Anti-Fraud Policy, Solvency II Reporting Policy, Non-Audit Services Policy, Non-Financial Reporting Policy and Speak Up Policy;
- Overseeing a tender process for the appointment of a new External Auditor for FY2026;
- Reviewing the Committee Terms of Reference and recommended to the Board for approval; and
- Reporting to the Board on its activities and confirmed the degree to which the Committee's delegated responsibilities had been discharged through verbal reports to the Board after each meeting and a formal written report presented annually.

Corporate Sustainability Reporting Directive

A significant area of focus for the Committee throughout 2024 was the introduction of the Corporate Sustainability Reporting Directive (CSRD), which came into force on 5 January 2023. The CSRD was transposed into Irish law by the European Union (Corporate Sustainability Reporting) Regulations 2024, amending the Companies Act 2024 and the Transparency Regulations 2007. Companies subject to the CSRD are required to report according to European Sustainability Reporting Standards (ESRS) from 1 January 2024.

During 2024, the Committee members attended three internal validation workshops facilitated by our ESG consultants with key individuals within the business, the first of which facilitated the Committee members to provide feedback to management preparing the CSRD sustainability disclosures included in the Annual Report. The second workshop consisted of a detailed review of the DMA, and the third workshop comprised of a detailed review of the role of the Audit Committee in CSRD.

As part of the workshop where the DMA was reviewed, the Committee was presented with an overview of the approach to engagement with stakeholders to score the Impacts, Risks and Opportunities (IRO). This encompassed the use of surveys and interviews with internal and external stakeholders and the output of these was provided to the Committee.

The Committee also received regular updates on the CSRD Programme Status, which included management presenting draft Sustainability Statement for review, receiving an update on the progress of IRO refinement, and the presenting of an overview of the progress of the Dry-Run testing undertaken.

Auditor Independence

In 2024 the Committee considered the independence of the Auditors and acknowledged the independence and quality control safeguards operated within PwC. Annually the Committee review and approve a Non-Audit Services Policy which is in place to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of other assurance services. The review of this policy was last carried out in July 2024. No other assurance services were provided by PwC other than the audit of those elements of the Solvency and Financial Condition Report that PwC are required to audit, the limited assurance review engagement on the Sustainability Statement forming part of this Annual Report, the provision of certificates of premium amounts to the Motor Insurers Bureau of Ireland, the audit of the defined contribution pension scheme and the interim review.

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

In considering the independence and effectiveness of the external audit process, the Committee reviewed the External Audit Plan, the audit approach and objectives and Audit Findings and were satisfied with the independence, quality and performance of PwC in respect of the year ended 31 December 2024.

PricewaterhouseCoopers have been Auditors of the Group for nine years, and were re-appointed as Auditors in respect of the financial year ended 31 December 2024.

Auditor Tender Process

During the year, the Audit Committee oversaw a competitive tender process to select a new Statutory Auditor for the financial year commencing 1 January 2026. As a Public Interest Entity (PIE), FBD under Irish Auditing and Accounting Supervisory Authority ('IAASA') standards must change, via tender process, their Statutory Auditor every ten years. FBD must adhere to the EU Audit Tender Process, in particular, Article 16 of (EU) No 537/214, which provides that the Audit Committee must submit a recommendation to the Board regarding Statutory Auditor appointment, the recommendation must contain at least two choices for the Board, with a clear justified preference for one over the other for their consideration. The Audit Committee recommendation must also be free from any Third-Party influence. Any candidates invited to tender, must meet the condition that they are detailed on the IAASA list of competent authorities.

The Committee approved a management proposal that FBD would undertake a two-stage tender process. This process was supplemented by a full analysis against IAASA, Financial Reporting Council ('FRC') guidance and external best practice guidelines around the Statutory Audit Process. Stage one saw the invitation of potential providers to submit tender proposals which would be scored by a mix of key FBD stakeholders,–to determine a shortlist of candidates invited to partake in Stage two. A full scoring process, including a review of the prior three years of IAASA reports was completed with a decision made to shortlist a number of candidates for Stage two of the Audit tender process. The shortlisted candidates then presented to a panel consisting of the Audit Committee members and representatives of relevant FBD Business Functions. Deloitte emerged as the successful candidate.

Audit Transitional Plans

A decision was made by the Board, at the recommendation of the Audit Committee, following this external process that Deloitte be selected to replace PwC as Auditor of the Group. PwC will remain as Statutory Auditors for the year ending 31 December 2025.

Independence and the Provision of non-Audit Services

There are no identified independence issues preventing PwC from being appointed as FBD's Auditor for the 2025 financial year.

Deloitte cannot engage in non-audit services that would compromise its independence. As a result, Deloitte's current work for FBD on Internal Audit support and Executive Remuneration ceased on 1 January 2025.

Key Audit Issues and Critical Judgements

The significant issues, critical judgements and estimates used in the formulation of the financial statements are set out in note 3 on page 224 to 226. All are considered by the Committee, with particular focus on the following:

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

Fair, balanced and understandable

The Committee formally advises the Board on whether the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable, in accordance with Provision 27 of the Code. The Committee must ensure that the Annual Report and financial statements also provide the information necessary for shareholders to assess the performance of the Group, along with its business model and strategy and the Committee is satisfied that the above requirements have been met.

Evaluation

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

Jean Sharp

On behalf of the Audit Committee

6 March 2025

Report of the Risk Committee

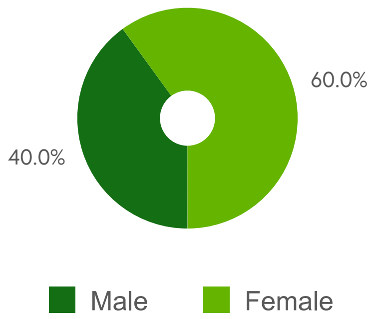
MARY BRENNAN

Committee Chair

Membership 1 January 2024 to 6 March 2025

Length of time served on committee at date of report		
M Brennan	Committee Chair, Independent Non-Executive Director	3 years 4 months
S Cronin	Senior Independent Non-Executive Director	5 years 0 months
L Herlihy	Board Chair	7 years 10 months
O Gaughan	Independent Non-Executive Director	0 years 9 months
R Pike	Independent Non-Executive Director	5 years 0 months

Committee Composition as at 6 March 2025



Committee Membership and Experience

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

Ms Brennan has notable experience in Risk and Internal Audit and she has held the position of Chair of the Risk Committee in her portfolio of financially regulated directorships. She has gained international experience working in audit for KPMG and in a number of publicly listed companies including Elan plc and Occidental Petroleum Corp.

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

Mr Herlihy has appropriate experience having been a long standing member of the Risk Committee. Mr Herlihy has gained international experience in his former role as Chair of Glanbia plc, a global food and nutritional business.

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

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

The Board recognises the benefits of cross membership among its Board Committees. Ms Brennan and Ms Gaughan are members of both the Risk Committee and Audit Committee and Mr Herlihy, Ms Cronin and Mr Pike are members of the Risk Committee, Nomination and Governance Committee and Remuneration Committee.

Objective of the Committee

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

Key responsibilities delegated to the Committee include:

- Promoting a risk awareness culture within the Group;
- Ensuring that the material risks and emerging risks facing the Group have been identified and that appropriate arrangements are in place to manage and mitigate those risks effectively;
- Advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, the amounts, types and distribution of capital adequate to cover the risks of the Group;
- Reviewing and recommending the Annual Compliance Plan and Compliance Framework to the Board for approval;
- Reviewing and recommending the Risk Management Framework to the Board for approval;
- Reviewing and challenging risk information received by the Chief Risk Officer from the business departments to ensure that the Group is not exceeding the risk limits set by the Board;
- Presenting a profile of the Group's key risks, Risk Management Framework, Risk Appetite and Tolerance and Risk policies at least annually together with a summary of the Committee's business to the Board;
- Meeting separately with the Head of Compliance, Chief Risk Officer, and the Head of Internal Audit at least annually to discuss any matters that the Committee or the Chief Risk Officer consider should be dealt with privately;
- Reviewing and ensuring that an appropriate risk culture is embedded throughout the Group; and
- Reviewing and recommending the Annual Data Protection Plan and the Annual Risk Function Plan to the Board for approval;

Meetings

The Committee met on five occasions during 2024. Meetings are attended by Committee Members. The Chief Risk Officer is an attendee at all Committee meetings. The Group Chief Executive Officer, the Group Chief Financial Officer and the Chief Underwriting Officer are regular attendees at Committee meetings.

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

Activities of the Committee during 2024

The principal activities undertaken by the Committee during 2024 include:

- Reviewing and approving Committee Minutes;
- Assisting the Board in the review, update and approval of Risk policies, including frameworks, Risk Appetite, Risk Indicators, Risk Tolerance and Emerging Risks;
- Recommending the Risk Plan and Compliance Plan for 2025 to be presented to the Board for approval;
- Reviewing the Solvency Capital Requirement throughout the year;
- Reviewing and approving Internal Reserve Peer Review Process;
- Reviewing the ORSA Update including reviewing the ORSA Plan, proposed ORSA scenarios for 2024, and approval of the ORSA Policy;
- Reviewing the Privacy and Maturity Assessment and the Data Protection Officer Half Yearly Report, reviewing the AI Update, and recommended the Data Protection Policy and Plan 2025 to the Board for approval;
- Reviewing the GDPR Update including the Mitigation Plan for the data Pseudonymisation Project, and summary of data access requests;
- Reviewing the quarterly Actuarial Reserve Analysis, and the Head of Actuarial Function Report;
- Reviewing the Deep Dives undertaken in respect of Claims Settlement Risk, Sales Operational-Sales Consumer Risk, Finance -Payment Processing, and Human Resource Risk;
- Reviewing the Report of the CRO, and the Report of the Head of Compliance,
- Assessing the effectiveness of the Business Risk Partners and recommending the Report from the Business Risk Partners Review to the Board for approval;
- Receiving an update on the status of the CSRD Implementation project and FBD's readiness for CSRD reporting;
- Receiving regular updates on Risk Culture;
- Receiving regular updates from the Chief Technology and Operations Officer on IT related risks and Operational Resilience;
- Reviewing progress in relation to the implementation of the Digital Operational Resilience Act;
- Receiving an annual update on Subsidiary Governance;
- Reviewing and recommending the 2025 Reinsurance Programme for Placement to the Board for approval;
- Reviewing the update on Investor Relations and RNS Announcements;
- Reviewing and discussing CBI correspondence and shareholder communications and considerations received throughout the year; including the Delisting and Buyback;
- Reviewing of Climate Risk Updates and the associated potential negative impacts;
- Recommending the Climate Risk: Selection of Baseline Scenario and the Climate Change Risk Assessment to the Board for approval;
- Reviewing the Internal Audit Update;
- Reviewing the Committee Terms of Reference and recommendation to the Board for approval;
- Reviewing and recommending a number of risk related policies to the Board; including the IT Disaster Recovery Policy, Business Continuity Policy, Deferred Tax Policy, Capital Management Policy, Underwriting Policy, Investment Policy, Reserving Policy, Anti Money Laundering Policy and Annual Risk Assessment , Reputational Risk Policy, Strategic Risk Policy, Liquidity Policy, Market Abuse Policy and Procedures,

- Reviewing and recommending approval of the Risk Management Framework to the Board; and
- Reviewing and recommending the Operational Resilience Framework and the Operational Resilience Self-Assessment to the Board for approval.

Evaluation

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

Mary Brennan

On behalf of the Risk Committee

6 March 2025

Report of the Nomination and Governance Committee

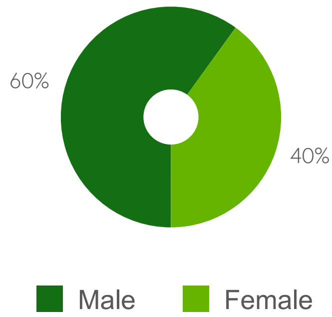
LIAM HERLIHY

Committee Chair

Membership 1 January 2024 to 6 March 2025

Length of time served on committee at date of report		
L Herlihy	Committee Chair, Board Chair	8 years 9 months
S Cronin	Senior Independent Non-Executive Director	5 years 0 months
J Bergin	Independent Non-Executive Director	0 years 1 month
D O'Connor[1]	Independent Non-Executive Director	2 years 5 months
R Pike	Independent Non-Executive Director	0 years 8 months
J Sharp	Independent Non-Executive Director	2 years 8 months

Committee Composition as at 6 March 2025



Committee Membership and Experience

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

Prior to joining the Board of FBD, Mr Herlihy was Chair of the Nomination and Governance Committee and Group Chair of the Board of Glanbia plc. Liam has gained international experience in this role. He also holds a certificate of merit in Corporate Governance from University College Dublin.

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

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

Mr Pike has a strong background in financial services, technology and operational risk. Mr Pike's areas of expertise include digital technologies, governance, risk, compliance, business management and strategy. Mr Pike lectures on Risk Management and Governance at the Institute of Banking and the Smurfit Business School. Mr Pike is the Chair of the Nomination and Governance Committee of FBD Insurance plc.

In February 2025, the Board approved the appointment of Mr Jim Bergin as member of the Committee. Jim is the former Chief Executive Officer and Executive Director of Tirlán Co-Operative Society Limited and he spent a considerable part of his career in Glanbia plc in a number of senior management

[1] David O'Connor passed away on 12 April 2024

positions. Jim is the successor to the role of Board Chair and has considerable experience working with Nomination and Governance Committee in his previous executive role.

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

Objective of Committee

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

Key responsibilities delegated to the Committee include:

- Reviewing the structure, size and composition of the Board and making recommendations to the Board for any appointments or other changes;
- Recommending changes to the Board's Committees and the Board;
- Keeping under review the leadership needs of the Group and recommending the appointment of Directors, Executive Management and the Company Secretary to the Board;
- Advising the Board in relation to succession planning both for the Board and the Senior Executives in the Group;
- Monitoring the Group's compliance with corporate governance best practice with applicable legal, regulatory and listing requirements and to recommend to the Board such changes as deemed appropriate; and
- Overseeing, in conjunction with the Board Chair, the conduct of the annual evaluation of the Board, Board Committees, Chair and individual Director Performance.

Meetings

The Committee met nine times during 2024. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate.

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

Activities of the Committee during 2024

The principal activities undertaken by the Committee during 2024 include:

- Reviewing and approving Committee Minutes;
- Reviewing the Succession Plan for the Board and Board Composition and Diversity;
- Reviewing the extension of the tenure of the Board Chair;
- Reviewing and recommending to the Board the approval of the appointment of the Chair of the Board;
- Reviewing the Board Skills matrix, the independence and time commitment of the Non-Executive Directors;
- Reviewing and recommending to the Board the approval of the appointment of Independent Non-Executive Directors;
- Reviewing updates on the Induction Training Programme for new Directors;
- Reviewing and recommending to the Board additional directorships for Non-Executive Directors;

- Reviewing the updates from the Group Chief Human Resources Officer on engagement with employees, culture and values;
- Reviewing update on the actions arising out of the 2023 Board Evaluation;
- Reviewing the approach for the 2024 Board Evaluation;
- Reviewing Director tenure;
- Reviewing and recommending the re-election of the Directors;
- Reviewing and recommending the Terms of Reference to the Board for approval;
- Reviewing and recommending to the Board the approval of the Corporate Governance Framework;
- Reviewing the Corporate Governance Annual Report;
- Reviewing and approving the Talent Management Policy; and
- Reviewing and recommending to the Board the approval of a number of policies including the Fitness and Probity Policy, Conflicts of Interest Policy, Code of Conduct Policy, Disciplinary Policy, Equal Opportunities, Diversity and Inclusion Policy, and the Board Recruitment, Succession and Diversity Policy.

Time Commitment

During 2024 the Nomination and Governance Committee reviewed the time commitment of each Director. Following this review the Committee is satisified that each Director has sufficient time available to fulfil their role as Director.

Further details of the activities of the Committee are laid out in the Nomination and Governance report on pages 67 to 73.

Evaluation

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

Liam Herlihy

On behalf of the Nomination and Governance Committee

6 March 2025

Report of the Remuneration Committee

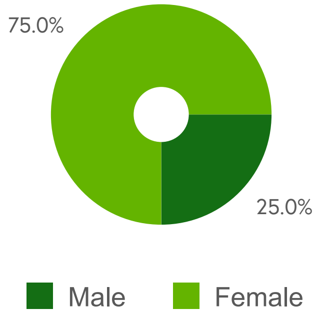
Richard Pike

Committee Chair

Membership 1 January 2024 to 6 March 2025

Length of time served on committee at date of report		
R Pike	Committee Chair, Independent Non-Executive Director	0 years and 8 months
S Cronin	Senior Independent Non-Executive Director	5 years 0 months
L Herlihy	Board Chair	3 years 4 months
J Bergin	Independent Non-Executive Director	0 years 1 month
D O'Connor[1]	Committee Chair, Independent Non-Executive Director	6 years 11 months
J O'Dwyer [2]	Independent Non-Executive Director	1 years 11 months

Committee Composition
as at 6 March 2025



Committee Membership and Experience

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

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

Mr Herlihy was appointed as a Member of the Committee in October 2021, and in accordance the UK Code, he was independent on appointment as Chair of FBD Holdings plc. Mr Herlihy was an attendee at Committee meetings, prior to becoming a Member. He was previously Group Chair and a member of the Remuneration Committee of Glanbia plc and has gained international experience in his role as former Chair of Glanbia plc. Mr Herlihy is the Chair of the Remuneration Committee of FBD Insurance plc.

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

In February 2025, the Board approved the appointment of Mr Jim Bergin as member of the Committee. Jim is the former Chief Executive Officer and Executive Director of Tirlán Co-Operative Society Limited and he spent a considerable part of his career in Glanbia plc in a number of senior management

[1] David O'Connor passed away on 12 April 2024
[2] John O"Dwyer passed away on 24 November 2024

positions. Mr Bergin has considerable experience working with Remuneration Committees in his prior executive career.

The Board recognises the benefits of cross membership among its Board Committees. Mr Herlihy, Mr Pike and Ms Cronin are members of both the Remuneration and Risk Committees.

Objective of Committee

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

Key responsibilities delegated to the Committee include:

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

Meetings

The Committee met four times during 2024. The Group Chief Executive Officer may attend meetings of the Committee but only by invitation and not at a time when individual remuneration arrangements are discussed.

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

Activities of the Committee during 2024

The principal activities undertaken by the Committee during 2024 include:

- Reviewing and approving Committee Minutes;
- Reviewing and approving the grant and release of the Long Term Incentive Plan award;
- Reviewing and approving the performance conditions on conditional awards made under the Long Term Incentive Plan award;
- Reviewing and recommending the approval of the Remuneration Policy, the Directors Remuneration Policy and the Variable Pay Policy to the Board;
- Approving the application for admission of shares to Euronext;
- Reviewing and approving Variable Remuneration for Executive Directors and other Senior Executives;

- Reviewing and approving the performance remuneration arrangements including performance conditions;
- Reviewing and approving the annual Bonus Pool;
- Receiving updates on Gender Pay; and
- Reviewing the Committee's Terms of Reference, and recommending to Board for approval.

Full details of Directors' Remuneration are set in the Report on Directors Remuneration on pages 74 to 76.

Evaluation

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

Richard Pike

On behalf of the Remuneration Committee

6 March 2025

Engagement with Stakeholders[1]

FBD has identified the following as its key stakeholders;

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

The Board is committed to ensuring that excellent lines of communication exist and are fostered between the Group and its stakeholders. The Board has approved a Stakeholder Framework which outlines FBD's approach to communicating with and hearing its stakeholders.

The Board is regularly updated on stakeholder engagement and their views. The interests of all FBD's stakeholders are outlined and considered in Board decision making.

Engagement with Investors

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

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

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

The Annual General Meeting is the main platform for shareholders to share their views with management and to ask questions. Further information on the Annual General Meeting can be found on page 64. Should a significant proportion of votes be cast against a resolution at any general meeting, the Board will endeavour to identify the shareholders concerned and will initiate contact with them with the view to understanding the reasons for the adverse vote. In 2024, no resolution had 20% or more votes cast against it.

Engagement with Own Workforce

FBD recognises the importance and value of engaging with its workforce. Throughout 2024 all employees were invited to attend regular interactive Town Halls where updates on a number of business areas and initiatives was provided.

We also conducted our Annual Employee Listening Survey (MyVoice) designed to establish employee sentiment and feedback on important topics such as Culture, Engagement, Strategy, Reward, Career Development and Leadership. This year, FBD's results exceed the Ireland norm in 7 out of the 10 benchmarked categories. We have used the results to reflect on the effectiveness of existing initiatives, identify possible areas of improvement and feed into initiative development for 2025 and 2026.

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

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

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

Director Engagement with the Workforce[1]

As Director of Engagement, Sylvia Cronin continues to play a key role in fostering Diversity and Inclusion (D&I) at FBD. In 2024, she has actively engaged with the Diversity and Inclusion Committee, on an ongoing basis.

Beyond her work with D&I, Sylvia visited multiple Branch Offices throughout the year, conducting listening sessions with employees to better understand their perspectives, gather feedback, and identify areas for improvement. These interactions provided valuable insights into the priorities and concerns of the workforce.

As part of her role, Sylvia provided regular updates to the Board ensuring that employee feedback informed key strategic decisions, including those related to employee remuneration and workplace enhancements.

Ms Sylvia Cronin was appointed as Senior Independent Director in February 2025 and Ms Olive Gaughan was appointed as Director for Engagement with the Workforce.

Engagement with Customers

FBD values its customers and engages to support them with their needs. In 2024, Members of our Board and Executive Management Team took to the road for two customer site visits. By spending time with our customers, we understand their needs better and that allows us to offer market leading services and innovative products.

Over 2024, we engaged in communications with customer on underinsurance on Home policies where customers were encouraged to review their sums insured. We continued to support customers by engaging at policy renewal and encouraged all customers to review their sums insured at renewal, to ensure they were adequately covered.

An area of focus for us in 2024 into 2025 relates to engaging with customers on the changes introduced under the Road Traffic and Road Acts 2023 which are coming into effect on 31 March 2025. Under this new legislation motorists are required to provide their driver number, and those of any named drivers, to their insurer when taking out motor-insurance policies. We are highly cognisant that we are not permitted under the new legislation to renew existing policies or incept new business private motor policies without the provision of these numbers, and we have been proactively taking several actions to support our consumers and create awareness of these upcoming changes. These actions include contacting customers directly by letter, phone, email and SMS, and updating our website introducing a dedicated webpage which provides information on the upcoming changes and includes a mechanism where customers can submit their driver number. We are committed to making it easy for our customers to engage with us on these new requirements and we have a dedicated team, telephone number, email address and section on our website where our customers can engage with us through their preferred method.

FBD has numerous channels through which it can engage with customers. FBD is available to our customers through our nationwide branch network, by phone, online or through our partner and broker networks. Through a number of events in the community, FBD is visible and present to our customer base. The customer is at the heart of FBD's strategy.

Engagement with Regulators

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

Engagement with Government and Industry Bodies

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

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

[1] ESRS 2 GOV-1 21b Information about representation of employees and other workers - subject to limited assurance

In relation to the impending changes under the Road Traffic and Road Acts 2023, we have actively engaged with key stakeholders in the process including Motor Insurers' Bureau of Ireland, Insurance Ireland and strategic partners to ensure minimal impact for our consumers. We have also set up a dedicated number for Gardaí to contact us.

Engagement with Wider Society and ESG

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

The Corporate Governance Code 2018 makes reference to Section 172 of the UK Companies Act 2006. As FBD is incorporated in Ireland it is subject to the Companies Act 2014. The success of FBD is a fundamental part of our Business Model and Strategy and success against our Strategy is continually reviewed and monitored by the Board and Executive Management. Details of how FBD promotes the success of the Company for the benefit of its members as a whole and initiatives undertaken in respect of the environment, the community and FBD's business relationships are outlined in the Strategy Section on pages 98 to 99, the Environmental Section on pages 128 to 145, the Social Section on pages 146 to 162 and the Governance section on pages 163 to 168 of our Sustainability Statement.

Annual General Meeting (AGM)

The Company's AGM is held each year in Dublin. The 2025 meeting will be held on 8 May 2025

Who attends?

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

What business takes place at the meeting?

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

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

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

Internal Control

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

In accordance with the revised Financial Reporting Council (FRC) guidance for Directors on internal control published in September 2014, "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting", the Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group, that it has been in place for the year under review and up to the date of approval of the financial statements and that this process is regularly reviewed by the Board.

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

- skilled and experienced management and staff in line with fit and proper requirements;
- roles and responsibilities including reporting lines clearly defined with performance linked to Group objectives;
- an organisation structure with clearly defined lines of responsibility and authority;
- the maintenance of proper accounting records;
- a comprehensive system of financial control incorporating budgeting, periodic financial reporting and variance analysis;
- a Risk Committee of the Board and a Risk Management Framework comprising a Risk Function headed by a Chief Risk Officer, a clearly stated Risk Appetite and Risk Strategy supported by approved risk management policies and processes;
- an Executive Risk Committee comprising senior management whose main role includes reviewing and challenging key risk information and to assist the Board Risk Committee, described earlier, in the discharge of its duties between meetings;
- IT Risk and Operational Resilience Risk Committee that reports to the Executive Risk Committee. This Committee is comprised of Executive and Senior Management with responsibility for the oversight of IT risks and Operational Resilience risk and the control environment in place to manage these risks;
- IT and Operations Management Committee reporting to the Executive Management Team;
- the Risk Strategy, Framework and Appetite are articulated in a suite of policies covering all risk types and supported by detailed procedural documents. Each of these documents is subject to annual review and approval by the Board;
- performance of an ORSA linking to risk management, strategy and capital management;
- a Group Internal Audit function;
- a Group Compliance function;
- a Data Protection Officer;
- a Board Audit Committee whose formal terms of reference include responsibility for reviewing the adequacy and effectiveness of controls operated by Management to mitigate regulatory, operational and financial risk;
- a Disaster Recovery Framework is in place and is regularly tested;
- a Business Continuity Framework is in place and is regularly tested;
- an IT Risk Management Framework; and
- a number of key Group policies in place include a Corporate Governance Framework, Fitness and Probity Policy, Speak Up Policy and Code of Conduct.

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

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

- Workers* are aware of the arrangements and protection in place for raising concerns in respect of wrongdoing in the Group.
- Workers* are aware that it is safe and appropriate for all employees to raise a concern.

- FBD takes appropriate measures to ensure concerns are appropriately investigated and to safeguard workers* who:
  - Raise genuine concerns; or
  - Are the subject to an investigation; or
  - Were the subject to an investigation and where no evidence of wrongdoing was discovered.

The Policy and supporting procedures are reviewed annually and were reviewed in December 2024. The Policy is available on the FBD Group website and all employees receive annual mandatory training.

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

Features of Internal Control in relation to the Financial Reporting Process

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

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

The Board confirms that it has reviewed the effectiveness of the Group's Systems of Internal Control for the year ended 31 December 2024. The 2024 internal control assessment provides reasonable assurance that the Group's controls are effective, and that where control weaknesses are identified, they are subject to management oversight and action plans.

Nomination and Governance Report

Dear Shareholder,

On behalf of the Nomination and Governance Committee, I am pleased to outline a summary of activities during 2024.

Board Changes during 2024

I am saddened to report that in 2024 we experienced the loss of two friends and fellow Directors Mr David O'Connor and Mr John O'Dwyer. Prior to taking up the role of Chair of FBD Insurance plc, David was Senior Independent Director, a role John was appointed to in August 2024. David and John brought a wealth of experience to the Board and the Board is thankful for their contribution and dedication to FBD. May they rest in peace.

A large focus of the Committee in 2024 was on succession. In January, Ms Kate Tobin took up the role as Executive Director and Group Chief Financial Officer. Over 2024 we also welcomed a number of new Independent Non-Executive Directors to the Board. Ms Olive Gaughan joined the Board in May 2024. Olive is a Fellow of the Society of Actuaries in Ireland. She is a highly experienced Actuarial Professional and brings strong industry and commercial experience to the Board.

In September 2024 Tim Cullinan stepped down as Independent Non-Executive Director and we thank Tim for his commitment and sound advice throughout his tenure and we wish him well in his next endeavours. We welcomed Mr Francie Gorman, President of the Irish Farmers Association, to our Board. Francie brings great insight, understanding and knowledge of the farming business and community and of FBD's core customer base.

As reported in the 2023 Annual Report, the Nomination and Governance Committee in conjunction with the Senior Independent Director at that time, led the succession planning process seeking a suitable replacement for the Chair. Mr Jim Bergin was identified as the successful candidate for the position of Chair of the Board and in November 2024, Jim was appointed to the Board as an Independent Non-Executive Director. Further information of the Chair Succession can be found below.

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

Board Induction, Training and Development

FBD recognises the importance and benefit of supporting the continued development of its employees. The Board is highly supportive of this and is committed to its own ongoing professional development. A detailed and comprehensive induction training programme is in place for newly appointed Directors. Ms Olive Gaughan and Mr Francie Gorman have completed their induction training and Mr Jim Bergin is in the process of undertaking his training.

During 2024 the Board regularly reviewed its programme of training which has been developed having given consideration to the business needs and requirements, current and emerging risks and forthcoming changes in law and regulation. The Board and/or its Committees Directors may request training as they may deem appropriate.

Training was provided to the Board and/or its Committees on the following areas in 2024:

- Data Protection;
- Reinsurance;
- Variable Remuneration;
- The Central Bank (Individual Accountability Framework) Act 2023 including Director duties under Conduct Standards and Reasonable Steps;
- Competition Law;
- Digital Operational Resilience Act;
- Strategy and the current Trading Environment;

- Market Abuse Regulations;
- IT Security including Cyber Security;
- Investments; and
- CSRD.

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

Three[1] training workshops on the Corporate Sustainability Reporting Directive were held for the members of the Audit Committee with the purpose of providing an overview of FBD's Sustainability and CSRD journey to date, review the output of the Double Materiality Assessment and to further understand the role of the Committee in CSRD. In addition to these training workshops, the Board had received detailed presentations allowing them to select the Baseline Scenario for Climate Risk for FBD, and had considered Corporate Advocacy initiatives where FBD could make a meaningful contribution to initiatives that supported our customers and the wider society.

Board Succession

In 2024 the Committee and the Board reviewed the Board Succession Plan. The Committee, on behalf of the Board, regularly consider the Board composition and tenure, its diversity and that of its Committees along with the Board skills matrix to ensure that the Board had sufficient skills available to it to meet its strategic objectives. This assists the Committee in reviewing succession from a short, medium and long term perspective and in identifying any skills and diversity requirements that would be of benefit to the Board.

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

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

Chair Succession

As disclosed in the 2023 Annual Report and announced in November 2024, Liam Herlihy will retire as a Director and Chair of FBD at the conclusion of this year's AGM. In order to conduct an effective and orderly Chair succession process, as well as to assist the then newly appointed Group Chief Financial Officer with their integration to that role, the Board determined it was in the best interests of the Company and the FBD Group that Mr Herlihy remain in his role as Chair until the 2025 AGM.

The Board instructed the Nomination and Governance Committee, led by the Senior Independent Director at that time, to engage in an extensive succession planning process. The Committee prepared a detailed specification for the role specifying the skills, knowledge, experience and attributes required.

In November 2024 the Board announced that, following an extensive succession process and careful consideration, Jim Bergin had been identified to succeed Liam Herlihy as Chair immediately following the 2025 AGM, subject to re-election by shareholders. Mr Bergin was also appointed as an Independent Non-Executive Director in the intervening period. During this period, Mr Herlihy and Mr Bergin have worked together to ensure an effective and orderly transition of responsibilities, enabling Mr Bergin to receive an appropriate induction. This has allowed Mr Bergin to have time to familiarize himself with both the business and the Board before taking over the role of Chair.

Mr Bergin brings a wealth of knowledge and expertise to the Board, demonstrated by his highly successful career in the agricultural sector over the past 40 years. Under Jim's sponsorship, FBD Group is assured to have the appropriate wealth of skills and experience to build an ambitious future and we wish him every success in this role.

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

Board Diversity Report

Board Recruitment and Diversity Policy

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

Board Diversity

The Board believe that diversity and inclusion are key to creating an environment that fosters innovation, employee engagement, creativity and the collaboration required to support and drive the Board agreed strategy 2025 to 2029.

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

FBD is committed to having a diverse board, to achieving the target set in this regard and to ensuring an open and fair recruitment process. The Board has set a target to achieve 40% female membership by 31 December 2025. Over 2024, female membership on the Board has grown and at 31 December 2024 the Board had a female membership of 45%.

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

The breakdown of Gender Diversity, Skills and Experience, both locally and internationally, of FBD's Board Committee can be found on page 47 for the Audit Committee, page 52 for the Risk Committee, page 56 for the Nomination and Governance Committee and page 59 for the Remuneration Committee.

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

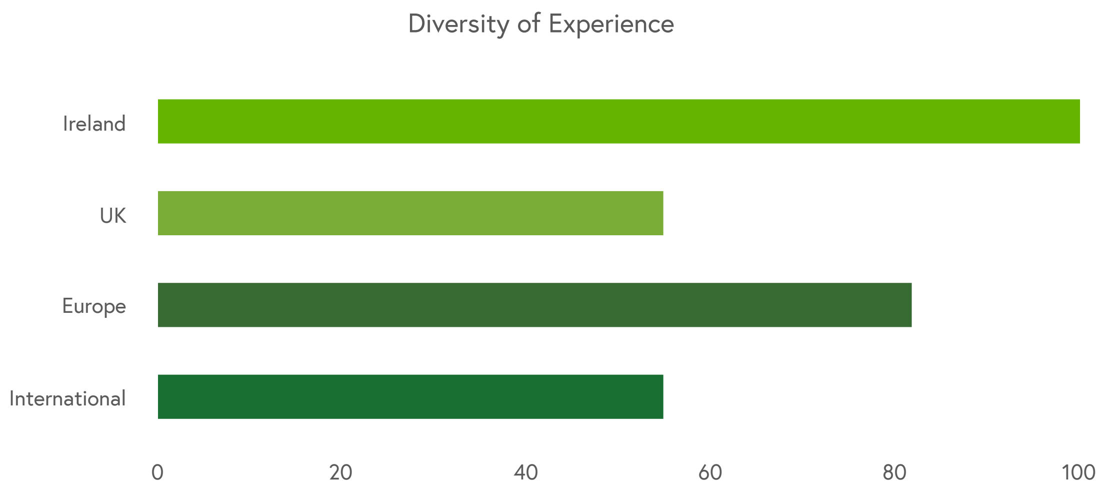
Board Diversity, Experience and Skills[1]

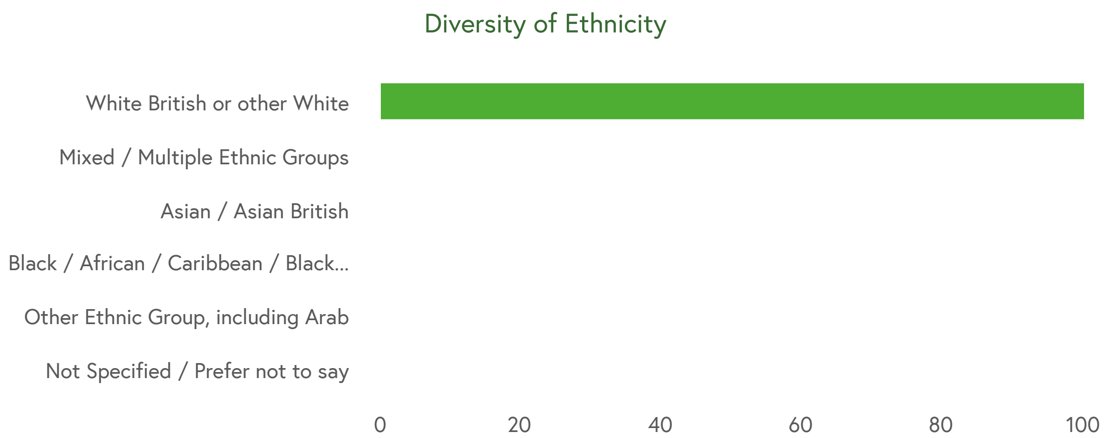
The skills and experience identified by the Board as critical to its composition and that of its Committees at this time are outlined below. This was reviewed in December 2024 and the Nomination and Governance Committee deemed the listed diverse range of skills as of sufficient breath for the Board to carry out its role in promoting the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society.

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

Accounting and Audit	45 %
General Insurance Industry Experience	54 %
Actuarial	18 %
Corporate Finance	27 %
Strategic Planning	64 %
Farming and Agri-Industry	36 %
Financial Services	64 %
Operations / Change Management	36 %
Distribution / Commercial	36 %
Governance, ESG, and Subsidiary Governance	73 %
Risk Management	73 %
Regulatory and Compliance	64 %
Information Technology	36 %

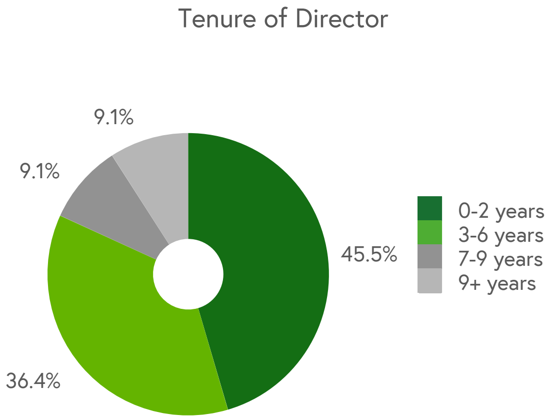
[1] ESRS 2 GOV-1 21c Information about member's experience relevant to sectors, products and geographic locations of undertaking - subject to limited assurance
ESRS 2 GOV-1 21d Percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity - subject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

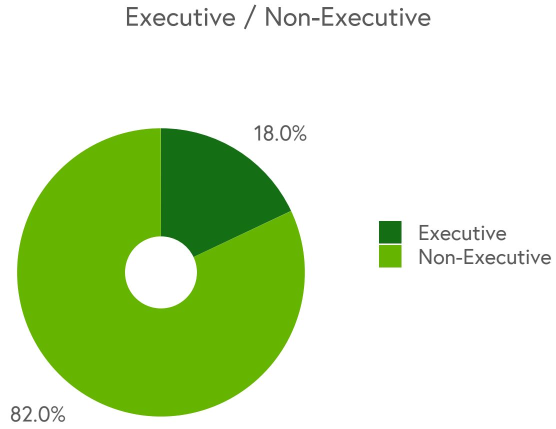


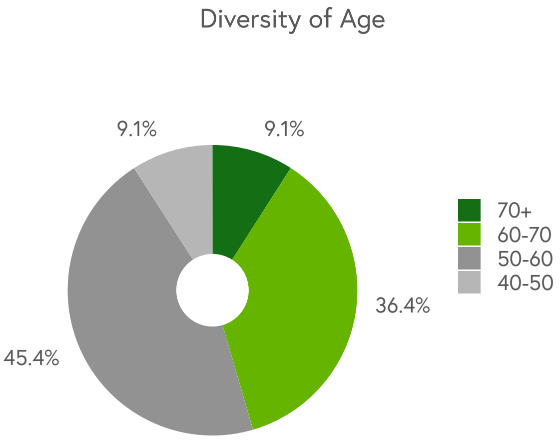


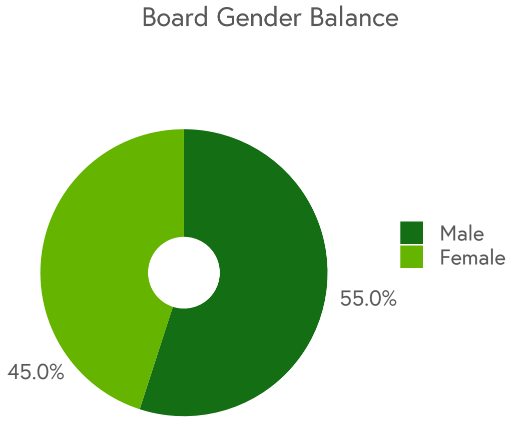
The Board values the major contribution which a mix of backgrounds, skills and experience brings to the Group and sees merit in increasing diversity at Board level in achieving the Group's strategic objectives. Differences in background, skills, experience and other qualities, including gender and ethnicity, are always considered and formally discussed at the Nomination and Governance Committee in determining the optimal composition of the Board, the principal aim being to achieve an appropriate balance between them.

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









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

	Gender Female	Gender Male
Executive Management Team	30 %	70 %
Direct Reports	50 %	50 %

FBD is a proud member and supporter of the '30% Club'. This International organisation was established with a goal of achieving a better gender balance on Boards and in Executive Leadership. As at 31 December 2024, 45% of the Board of Directors of FBD Holdings plc is female. 30% of Executive level and 46% of manager/specialists level in FBD are female. 60% of FBD's overall employees are female. The average female gender representation on the Board throughout 2024 was 42.7%[1].

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

Board Evaluation

In line with the Code, on an annual basis, the Board evaluates its performance, the performance of its Committees, the Chair and individual Directors. The Board is committed to its continual improvement and development and the Board Evaluation for 2024 was internally carried out. The next external

[1] ESRS2 GOV-1 21d Board's gender diversity ratio - subject to limited assurance

Board evaluation will be carried out for the year ending 31 December 2025.

The Internal Board Evaluation reflected the provisions of the Code and the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

The Board Evaluation process was led by the Board Chair with the support of the Senior Independent Director and the Company Secretary. The format of the evaluation included the following:

Individual Director Evaluation

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

Board Chair Evaluation

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

Board Committee Evaluation

- Each Committee Member completed a Committee Evaluation Questionnaire which rated the Committee in a number of areas.
- A formal report was compiled based on the feedback from the Committee Members and was reviewed in the first instance by the Committee Chair.
- The report was presented to the Committee and formed part of its annual reporting obligation to the Board.

Board Evaluation

Each Director completed a Board Evaluation questionnaire which rated the Board in a number of areas.

The results were compiled into a report, which included areas identified for improvement, and this was reviewed in the first instance by the Board Chair.

The report was presented to the Board for review and discussion along with proposed actions that addressed feedback from Directors.

Overall the 2024 Board evaluation assessment noted that the Board continued to operate as a strong Board with positive dynamics between the Board and the Executive Management. There remained good healthy debate amongst Board members and respectful challenge of management.

A number of recommendations have been made to build on this strong foundation and these will be addressed over the remainder of 2025.

Liam Herlihy

On behalf of the Nomination and Governance Committee

6 March 2025

Report on Directors' Remuneration

Introductory Letter from the Remuneration Committee Chair

Dear Shareholder,

On behalf of the Remuneration Committee and the Board, I am pleased to present the Directors Remuneration Committee Report for the year ended 31 December 2024. This report outlines the operation of the Director's Remuneration Policy in 2024, emphasising our commitment to compliance with all relevant remuneration and legislative requirements.

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

Changes to Board

Effective 1 January 2024, Kate Tobin has assumed the role of Group Chief Financial Officer and Executive Director, succeeding John O'Grady following his retirement.

Our fellow Director David O'Connor sadly passed away in April 2024 and John O'Dwyer sadly passed away in November 2024.

In 2024, Olive Gaughan joined the Board in May, followed by Francie Gorman in September and Jim Bergin in December. These appointments reflect our ongoing commitment to enriching the Board with diverse expertise and leadership to support FBD's continued growth and success.

Remuneration in Context

In making decisions in relation to executive directors' remuneration outcomes in 2024, the Committee took into account key measures of the Group's performance as well as the experience of wider stakeholders as outlined below.

Strategic Priorities

In 2024, we progressed our strategy towards being a digitally enabled data enriched organisation which delivers excellent customer and employee experience.

- Our Customer: We have a complete picture of them, understand them and deliver a proposition they value;
- Our People: Foster individual and organisational effectiveness.
- Wider Society and ESG: We are recognised as the local insurer, supporting and sustaining our local communities. Delivering on our sustainability commitments and supporting our customers in theirs;
- Delivering Measured Profitable Growth: Through a sharp focus on value, growth and capital management;
- Continuous Improvement: Be better tomorrow than we are today. Create capacity while enhancing our customer value and employee experience.

Financial Performance

- Profit before taxation of €77.1m in 2024;
- Gross Written Premium of €460m in 2024 representing at 13%[1] increase in the year.
- Growth in Policy Count of 6.3% in 2024;[1]
- Combined Operating Ratio of 84.9% in 2024;
- Total investment return of 4.0% in 2024.

We continue to maintain our underwriting discipline delivering a healthy underwriting profit in 2024. Our focus has been on driving value for our stakeholders, and we have made positive progress in this regard. Our ongoing focus and commitment in meeting the needs of our customers and the provision of a personalised service continue to play a significant role in the performance of the business. For further information on the 2024 results please see the Review of Operations on pages 10 to 14.

Our Employees

At FBD, we strive to be a great place to work by delivering an improved employee experience through our People Strategy. We focus on enhancing various aspects of the employee journey, including workplace culture, development opportunities, benefits, and work life balance. These efforts create a more engaging and fulfilling environment for our employees, establishing FBD as an employer of choice for key talent recruitment.

In 2024, we achieved Gold Accreditation from Investors in Diversity (IiD) through the Irish Centre for Diversity, building on our 2023 Silver Accreditation. This milestone underscores our ongoing commitment to fostering a diverse and inclusive workplace. Our culture celebrates the unique differences among colleagues, recognising the creativity, innovation, and diversity of thought that this richness brings to our organisation. We promote a nurturing environment where everyone can feel valued, respected and empowered. Moreover, we remain dedicated to ensuring that promotion and recruitment practices are fair and objective, rewarding employees appropriately for their contributions to the business.

FBD continues to enhance hybrid working arrangements, with employees working two days per week in the office, and in 2024, we extended hybrid working to our branch network. This initiative supports flexibility and productivity across our operations and will be reviewed annually to ensure effectiveness and alignment with the market demands.

Our wellbeing programme saw further enhancements, emphasising mental health, nutrition, and work-life balance. Gender pay remains a key focus, with ongoing efforts to improve gender balance in senior roles within the organisation. Looking ahead to 2025, a cornerstone of our strategy is "Empowering our People", delivering continuous improvement in Learning & Development, Career & Personal Development, and our Employee Value Proposition. We have launched a comprehensive plan to support our employees with career path development, technical skills, and sales training, backed by data-driven insights.

To recognise our employees' contributions:

- A pay pot of 4.0% of base salary was awarded in April 2024, factoring in performance, current position on the salary range, and pay grade;
- A €1,000 voucher was also awarded in April 2024 to all employees to recognise their contribution to our achievements in 2024;
- A bonus pot of 120% of 'on target' bonus was given in April 2024, reflecting individual performance and the company's successful delivery of business performance conditions for 2023.
- A bonus pot of 126% of on target bonus was given in April 2024 in respect of CEO and CFO and Executive Management Team reflecting performance and the company's successful delivery of business performance conditions and progress on strategic objectives in 2023.

[1] Gross written premium from 2023 has been adjusted to remove a Broker legacy scheme in run-off which has been terminated that included GWP €4.5m and 15,850 policies in 2023. There was no GWP or policies written in 2024.

Paying for Performance

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

The Remuneration Committee has reviewed performance against the 2024 Annual Bonus Plan targets and approved the 2024 bonus payments.

Following Combined Operating Ratio Performance of 84.9%, 5% growth in Farmer policy count, 4.5% growth in Business policy count, 4% growth in Retail policy count, 39% growth in Retail Partner policy count, as well as a goal to Lead Culture Change, this resulted in a 2024 bonus €656k or the CEO and €184k for the CFO. 30% of the bonus will be deferred into FBD shares for three years.

We reviewed the LTIP award granted in 2022 against the applicable performance conditions and the formulaic outcome was 87.5%. However the Committee considered the holistic performance over the period (including the points outlined below) and agreed it was appropriate to apply discretion to adjust the vesting outcome to 100%.

- Continued success in culture and strategic metrics aligned to our stakeholders. For example we achieved gold accreditation from the Irish Centre for Diversity ahead of its anticipated schedule.
- A strong governance framework is in place to supervise and manage risk and compliance within the organisation to reliably achieve and exceed business objectives.
- Significant outperformance on ROTE metric while maintaining strong retention and achieving growth in policy count and premium over the period.

2024 Remuneration Policy and Implementation

The updated Remuneration Policy was approved by shareholders at the 2023 AGM and received 99.98% support for the votes cast. We will continue to operate under this Policy for 2025.

We have also reviewed and approved the 2025 Annual Bonus structure to ensure it is aligned to our strategy, our shareholder and all stakeholder requirements. We also reviewed and approved the metrics and targets for LTIP to be granted in 2025. Further detail on the implementation of the Policy for 2025 is set out later in this report.

In approving the Remuneration Framework and performance conditions for 2025 the Committee considered the following principles:

- Motivate and reward executives to perform in the long-term interest of shareholders;
- Attract and retain executives of the highest calibre;
- Reflect the strategy of the Company for all our shareholders with a strong focus on Culture, ESG and our People;
- Provide an appropriate blend of fixed and variable remuneration and short and long-term incentives.

Shareholder Dialogue and Support

Section 1110N of Companies Act 2014 (EU Shareholder Rights Directive), requires a vote on the Report on Directors' Remuneration at the AGM on an advisory basis. At the 2024 AGM, this report received 100% support from shareholders.

The Committee requests shareholders to consider and approve the annual remuneration report set out on the following pages at the 2025 AGM.

Richard Pike

Chair of the Remuneration Committee

6 March 2025

Role of Remuneration Committee[1]

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

In framing remuneration strategy, frameworks and policies, the Committee gives full consideration to the principles and provisions of the Central Bank of Ireland Corporate Governance Requirements for Insurance Undertakings 2015 and UK Corporate Governance Code 2018 as well as the update to the EU Shareholder Rights Directive in 2020. It also takes into account the long-term interests of shareholders, investors and other stakeholders of the Group.

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

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

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

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

External Advice

Deloitte, following their appointment in 2023, provided advice to the Remuneration Committee in 2024 and the total fees paid were €63,598. Following a tender process Deloitte have been selected to succeed PwC as statutory auditor and PwC will resign as external auditors after the completion of the 2025 audit for the Group following a period of 10 years. Deloitte has been discharged as advisors to the Committee to ensure that any prohibited advisory services have ceased with a one-year gap and as a result Willis Towers Watson (WTW) has been appointed as our Remuneration Advisors for 2025.

Remuneration Policy[2]

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

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

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

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

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

[1] ESRS 2 GOV-3 29e Description of level in undertaking at which terms of incentive schemes are approved and updated - subject to limited assurance
[2] ESRS 2 GOV-3 29a Description of key characteristics of incentive schemes - subject to limited assurance

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

When determining Executive Director Remuneration policy and practices, all of the following are addressed:

- Clarity: Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;
- Simplicity: Remuneration structures should avoid complexity and their rationale and operation should be easy to understand;
- Risk: Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated;
- Predictability: The range of possible values of rewards to individual Directors and any other limits or discretions should be identified and explained at the time of approving the policy;
- Proportionality: A significant part of an executive's reward is linked to performance with a clear line of sight between business performance and the delivery of shareholder value;
- Alignment to Culture: The incentive arrangements and the performance measures used are strongly aligned to those that the Board considers when determining the success of the implementation of the Company's purpose, values and strategy.

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

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

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

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

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

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

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

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

Reward Philosophy

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

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

Addressing Key Stakeholders Needs

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

As part of our regular interaction with investors we answer questions that they may have on remuneration arrangements and take into consideration views expressed in the formulation of policy and setting appropriate performance conditions. In addition, we engage with investor advisory services about any concerns they may have. We have listened to our investors and their feedback in respect of the importance of balance between growth and profitability. The Remuneration Committee have taken this feedback into account when setting appropriate performance conditions for 2025.

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

To address key stakeholder needs and support ongoing engagement, FBD published the Gender Pay Gap Report in December 2024, for the third year in a row, highlighting progress and outlining strategies to close the gap as set out below in our key updates for 2024.

Our Director of Engagement Sylvia Cronin also engaged throughout the year with our employees and gathered feedback which she shared with the Board and Committee which enabled the Remuneration Committee to make informed decisions in respect of employee remuneration.

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

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

Key Updates in 2024

We have strengthened implementation of the policy by integrating improved communication initiatives, heightened transparency measures, and a sharper focus on sustainability-driven metrics. These updates align our remuneration framework with the Group's evolving strategic objectives and the expectations of our stakeholders.

To foster a deeper understanding of our reward structure and ensure transparency, we introduced:

- Reward Information Sessions: Hosted by HR throughout the year, these sessions offer employees a comprehensive overview of FBD's reward philosophy. Topics include the structure of our bonus schemes, pay increments, and the pay grading system for each job family.
- Monthly Reward Clinics: Employees can engage in one-on-one discussions to address personal reward-related queries, ensuring clarity and addressing individual concerns effectively.
- Roadshows Across Functions and Locations: These interactive events provide detailed updates on key topics such as career progression, reward programmes, development opportunities, wellness initiatives, diversity, inclusion, and speak up channels. This approach supports employees at every stage of their employee journey with FBD.

The following table sets out the key elements of the Remuneration Policy for Executive Directors, their purpose and how they link to strategic rationale for 2024.

Element and link to strategy	Policy and operation 2024
Base Salary (fixed remuneration) To help recruit and retain senior experienced Executives	Base salaries are reviewed annually with effect typically from 1 April taking the following factors into account: • The individual's role and experience • Group performance • Personal performance • Market practice and benchmarking Although salaries are reviewed annually there is no automatic right of any Executive to receive a salary increase.

Element and link to strategy	Policy and operation 2024
Benefits (fixed remuneration) To provide market competitive benefits	Benefits provided include motor allowance and an agreed percentage contribution to health and other insurance costs.

Element and link to strategy	Policy and operation 2024
Pension Provision (fixed remuneration) To provide market competitive benefits and reward performance over a long period, enabling Executives to save for retirement	Since 2020, the Remuneration Policy ensures that all newly appointed Executive Directors receive defined contribution pension benefits (or equivalent cash in lieu), in line with existing scheme arrangements available to the wider workforce. One Executive Director's defined contribution pension rate was not aligned with the rate in operation for the majority of the workforce, due to existing contractual arrangements. He has now retired as indicated in last year's report and from 1st January 2024, all Executive Director's pensions are in line with the wider workforce.

Element and link to strategy	Policy and operation 2024
Annual Performance Bonuses (variable remuneration)	
To reward achievement of Group targets, personal performance and contribution	Annual bonus is based on stretching performance conditions set by the Remuneration Committee at the start of the year. The maximum opportunity level under the Policy for the Group Chief Executive Officer is 120% of base salary and 100% of base salary for other Executive Directors. In a given year, the Committee may determine that a maximum opportunity level below the above Policy levels will be operated. Annual bonus outcomes will be determined based on performance against Group financial targets and the achievement of defined individual strategic objectives. The Remuneration Committee will determine the performance measures, their weightings and the calibration of targets each year and will clearly disclose these in the Remuneration Report. Financial targets will determine the majority of the bonus. Financial targets will be set in a manner which will encourage enhanced performance in the best interests of the Group and its shareholders and will be approved by the Remuneration Committee. In addition, if annual Group profit before tax does not reach a minimum level, to be determined annually by the Remuneration Committee after the budget has been approved, then the bonus may be revised downwards potentially to zero, the ultimate discretion over which rests with the Remuneration Committee following consultation with the Chief Executive Officer. Individual performance will be assessed against agreed performance objectives, which will include a risk objective to ensure that all employees identify, evaluate and mitigate and control risks as part of our overall objectives to meet the organisation's strategic goals. The Remuneration Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so. Any such discretion would be fully disclosed in the relevant Annual Report. Any bonus payments are subject to the potential for the Remuneration Committee to apply provisions to withhold, reduce or require the repayment of awards for up to two years after payment if there is found to have been (a) material misstatement of the Group's financial results or (b) gross misconduct on the part of the individual. 30% of any executive bonus will be deferred into FBD shares for a period of three years. This practice will allow the Committee to have flexibility to apply clawback if circumstances warranted.

Element and link to strategy	Policy and operation
Long Term Incentives - the FBD Performance Share Plan (variable remuneration)	
To align the financial interests of Executives with those of shareholders	The Group Performance Share Plan (LTIP) was approved by shareholders in 2018. Under the LTIP, the Remuneration Committee may, at its sole discretion, make conditional awards of shares to Executives. Conditional awards of shares under the LTIP are limited to 10% in aggregate with any other employee share plan of the Company's issued ordinary shares of €0.60 each over a rolling 10 year period. The market value of shares which are the subject of a conditional award to an individual may not, in any financial year, normally exceed 150% of the participants base salary as at the date of the grant. The Remuneration Committee set performance conditions each year, selecting appropriate metrics based on key strategic priorities. The period over which the performance conditions applying to a conditional award under the LTIP are measured may not be less than three years. The extent to which a conditional award may vest in the future will be determined by the Remuneration Committee by reference to the performance conditions set at the time of the reward. These conditions are designed to ensure alignment between the economic interest of the plan participants and those of shareholders. Different conditions, or the same conditions in different proportions, can be used by the Remuneration Committee in different years under the LTIP rules, provided that the Committee is satisfied that they are challenging targets and that they are aligned with the interest of the Group's shareholders. Consistent with prior periods, the LTIP rules allow the Remuneration Committee (at its sole discretion) to make awards which may be subject to an additional post vesting holding period. Awards will vest after three years once applicable performance conditions have been achieved and the vested shares (net of tax) will be required to be held for a further two year period to provide continued alignment with shareholders. The Remuneration Committee has the discretion to override formulaic outcomes in circumstances where it judges it would be appropriate to do so and any such discretion will be fully disclosed in the relevant annual report. The LTIP includes provisions that allow the Remuneration Committee to withhold, reduce or require the repayment of rewards for up to two years after vesting (i.e. up to five years after grant) if there is found to have been (a) material misstatements of the Group's financial results or (b) gross misconduct on the part of the award holder.

Share Ownership Policy

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

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

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

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

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

Recruitment Policy

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

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

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

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

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

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

Service Contracts

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

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

Termination Payments

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

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

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

Non-Executive Director Remuneration

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

Non-Executive Directors receive a basic fee. Additional fees are paid for acting as Senior Independent Director, being a member of and/or chairing Board Committees. These fees are reflective of their added responsibilities and time commitment.

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

Derogation from Remuneration Policy

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

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

Remuneration Report

The information on pages 74 to 94 of the Report on Directors' Remuneration identified as audited forms an integral part of the audited financial statements as described in note 7 to the financial statements on page 233. All other information in the report on Directors Remuneration is additional information and does not form part of the audited financial statements.

In respect of the below table, the percentage difference between fixed and variable pay (excluding LTIP) is as outlined below:

Executive and Non-Executive Directors' Remuneration details

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

Executive Directors Remuneration for the year ended 31 December 2024 and 31 December 2023 (Audited)

Executive Directors:	Tomás Ó Midheach		Kate Tobin	John O'Grady
	2024	2023	**2024**	2023
	€000s	€000s	€000s	€000s
Salary[1,2,3]	555	530	311	342
Benefits[4]	40	40	16	18
Pension Contribution[5]	44	42	25	51
Total fixed remuneration	**639**	**612**	**352**	**411**
% Fixed versus Total	**31 %**	**53 %**	**48 %**	**48 %**
Other Payments[6]	656	544	184	174
Vested LTIP in year[7]	788	—	202	277
Total Variable remuneration	**1,444**	**544**	**386**	**451**
% Variable versus Total	**69 %**	**47 %**	**52 %**	**52 %**
Total remuneration[6]	**2,083**	**1,156**	**738**	**862**

Notes

1. Salaries were paid to Executive Directors and the salary numbers in the table reflect what was actually paid in the financial year (Pay increases each year were effective from 1st April).
2. 2023: A pay increase was awarded to Mr O'Grady in line with the wider workforce. Mr. Ó Midheach was awarded 8% to recognise his strong contribution since his appointment in 2021 and no increase had been given since appointment. The annual increase therefore is 3.9% in respect of CEO and 4.5% in respect of CFO.
3. 2024: A pay increase was awarded to Mr. Ó Midheach in line with the wider workforce. Ms Tobin did not receive a pay increase following her recent appointment.
4. Benefits relate exclusively to a motor allowance and contribution towards health insurance costs.
5. Pension contributions relate to contributions to a defined contribution pension scheme or a payment in lieu.
6. 2024: Bonuses of €656k and €184k were awarded to Mr Ó Midheach and Ms. Tobin under the bonus scheme in 2024. The bonuses were calculated in accordance with the Annual Performance Arrangements described earlier and both Mr Ó Midheach's and Ms. Tobin's bonuses were approved by the Remuneration Committee. 2023: bonuses of €544k and €174k were awarded to Mr Ó Midheach and Mr O'Grady under the bonus scheme in 2023. The bonuses were calculated in accordance with the Annual Performance Arrangements described earlier and both Mr Ó Midheach's and Mr O'Grady's bonuses were approved by the Remuneration Committee.
7. Vested LTIP in year relates to 2020-2022 LTIP vesting in 2023 and 2021-2023 LTIP vesting in 2024.
8. The total remuneration for Executive Directors was €2,821,000 (2023: €2,018,000)

Non Executive Directors Remuneration for the year ended 31 December 2024 (or date of departure, if earlier) and 31 December 2023 (Audited)

Non Executive Directors:	Fees[1] €000s		Number of ordinary shares of €0.60 each	
	2024	2023	**31 December 2024**	31 December 2023
Liam Herlihy (Chair)	183	166	8,000	8,000
Olive Gaughan[2]	54	—	—	—
Francie Gorman[3]	22	—	—	—
Patrick Murphy	72	24	—	—
Padraig Walsh[8]	—	15	—	1,100
Mary Brennan	119	103	—	—
Sylvia Cronin	98	83	—	—
Richard Pike	147	103	7,200	7,200
Jim Bergin[4]	8	—	—	—
David O'Connor[5]	89	160	1,500	1,500
John O'Dwyer[6]	89	75	—	—
Jean Sharp	103	89	—	—
Tim Cullinan[7]	54	66	—	—
Total	**1,038**	**884**	**16,700**	**17,800**

Notes

1. Fees were paid to Non-Executive Directors.
2. Olive Gaughan joined the FBD Board on 22nd May, 2024.
3. Francie Gorman joined the FBD Board on 9th September, 2024.
4. Jim Bergin joined the FBD Board on 19th November, 2024.
5. David O'Connor sadly passed away on the 12th April, 2024.
6. John O'Dwyer sadly passed away on the 24th November, 2024.
7. Tim Cullinan left the board on 9th September, 2024.
8. Padraig Walshe sadly passed away on the 1st February, 2023.

Base Salary

The base salaries effective from 1st April 2024 were €561,600 for the CEO and €315,000 for the CFO. Further detail was provided in the 2023 Directors' Remuneration Report.

Determination of Annual Performance Bonus for the year ended 31 December 2024[1,2]

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

In 2024 the Remuneration Committee included a profit threshold that had to be reached in order to qualify for bonus.

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

[1] ESRS 2 GOV-3 29 Incentive schemes and remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies exist - subject to limited assurance
[2] ESRS 2 GOV-3 29c Disclosure of how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies - subject to limited assurance

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

The following objectives were set for the Executive Directors for 2024:

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

The following bonus conditions were agreed by the Remuneration Committee for Executive Directors in respect of performance for 2024

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

In respect of Combined Operating Ratio, target 84.9% was achieved as well as achieving 5% growth in respect of Farmer Policy Count, 4.5% Business Policy Count, 4% Retail Policy Count and 39% Retail Partner Policy count. FBD has a very clearly defined culture strategy that is aligned to our business strategy and is actively considered and set by the Board and Executive Management Team (EMT). The Board and EMT take a leading role in communicating the desired culture to the organisation.

Metric	% of Target Available	0 %	25%-100%	On Target 100%	Out-performance 100%-150%	Result	% Achieved for Bonus
Combined Operating Ratio	60.0 %	>98.6%	98.6%-95.8%	95.8 %	95.8%-90.6%	84.9 %	150.0 %
Grow Policy Count in line with strategic plan Farmer	6.7 %	— %	0%-0.4%	0.4 %	0.4%-1%	5.0 %	150.0 %
Grow Policy Count in line with strategic plan Business	6.7 %	2.0 %	2%-4.5%	4.5 %	4.5%-7%	4.5 %	100.0 %
Grow Policy Count in line with strategic plan Retail	3.3 %	— %	0%-0.3%	0.3 %	0.3%-1%	4.0 %	150.0 %
Grow Policy Count in line with Strategic plan Retail Partner	3.3 %	15 %	15%-25%	25 %	25%-40%	39 %	150 %
Lead Culture Change	20.0 %	Communicate and embed purpose and mission, Define behaviours. Communicate and ensure they are embedded. Demonstrate core values				Outperformance	150 %
Total							146 %

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

- Continued to deliver on FBD strategy and executed effectively exceeding in some key areas.
- Built on success of 2024 with a continued focus on our key stakeholders and delivery of the strategy.
- Achieved Gold award in D&I from the Irish Centre for Diversity which was a strong recognition of all we achieved in respect of the Culture we aspire to in FBD.
- A strong governance structure is in place to supervise and manage risks and compliance within the organisation to reliably achieve business objectives.
- Engagement remained a key focus with Town hall meetings, Branch Roadshows and engagement forums throughout the year with two-way communication and opportunities for employees to give feedback.
- The implementation of strategic initiatives focused on employee and customer experience.

Following the determination of actual performance against the targets, as set out above, the CEO was awarded a bonus of €656k and the CFO was awarded a bonus of €184k in line with our Policy, 30% will be deferred into FBD shares for three years.

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

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

Long Term Incentives

Conditional Awards of Shares in 2024 - Audited

During 2024 one Conditional Award of shares was made under the Performance Share Plan. This was made in March 2024 to Executive Directors and Senior Management. The award represented 120% of salary for the Group Chief Executive Officer and 60% of salary for the Group Chief Financial Officer.

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

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

The Committee will publish details regarding targets and vesting levels at the end of the performance period (2026).

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

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

Metric	Weighting	Threshold Level	Proportion Vesting	Upper Level	Proportion Vesting
Return on Targeted Equity (ROTE)*	70%	8.4 %	25 %	Low double digits	125 %
Policies in Force Growth	10%	>3.9%	25 %	Mid single digits	125 %
Strategic Metrics	20%				

Outstanding Conditional Awards (2021-2023)

The Committee considered the extent to which the performance conditions underpinning this award were met in the three financial years 2021 to 2023 (the 'Performance Period'). The Committee concluded that 125% of NAV was met as the adjusted compound annual growth rate (CAGR) was 13.86% when compared to the actual NAV at 31st December 2020. This was in excess of the upper performance threshold of 4.9%. The In-force Policy Count target was not met. Therefore, in respect of the conditional awards granted in March 2021 83.25% vested.

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

	Threshold (25% vesting)	Upper Level (125% vesting)	Performance Achieved	Vesting Level
Policy Count	4.7 %	6.6 %	1.8 %	— %
NAV CAGR	0.7 %	4.9 %	13.9 %	125 %
				83.25 %

The Remuneration Committee considered the above formulaic outcome to ensure that it was both fair and appropriate given holistic performance achieved and the wider stakeholder experience. The Remuneration Committee adjusted the CAGR calculation to reflect the variance in dividends compared to target.

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

Details of the conditional share awards issued at nil cost to the Executive Directors who held office for any part of the financial year and to the Company Secretary made under the 2007 and 2018 LTIP plans are given in the table below. In respect of the 2022, 2023 and 2024 awards the number of shares could increase to a maximum of 125% of the number of shares outlined below (which is 100%) if the performance conditions previously described are met at stretch target level.

Individual Interest in LTIP (Audited)

	At 1 January 2024	Granted during year	Dividends	(Under)/Out Performance LTIP	Vested during year	Forfeited during year	At 31 December 2024	Performance Period	Earliest vesting date	Market price on award €
Executive Directors										
Tomás Ó Midheach	58,055	—	10,902	(9,724)	(59,233)	—	—	2021-2023	Mar-24	6.89
	40,404	—	—	—	—	—	40,404	2022-2024	Mar-25	9.90
	29,347	—	—	—	—	—	29,347	2023-2025	Mar-26	13.63
	—	48,178	—	—	—	—	48,178	2024-2026	Mar-27	13.45
Total	**127,806**	**48,178**	**10,902**	**(9,724)**	**(59,233)**	**—**	**117,929**			
John O'Grady	27,866	—	5,233	(4,668)	(28,431)	—	—	2021-2023	Mar-24	6.89
	22,626	—	—	—	—	(7,542)	15,084	2022-2024	Mar-25	9.90
	17,010	—	—	—	—	(11,340)	5,670	2023-2025	Mar-26	13.63
Total	**67,502**	**—**	**5,233**	**(4,668)**	**(28,431)**	**(18,882)**	**20,754**			
Kate Tobin	14,877	—	2,794	(2,492)	(15,179)	—	—	2021-2023	Mar-24	6.89
	12,424	—	—	—	—	—	12,424	2022-2024	Mar-25	9.90
	9,340	—	—	—	—	—	9,340	2023-2025	Mar-26	13.63
	—	14,052	—	—	—	—	14,052	2024-2026	Mar-27	13.45
Total	**36,641**	**14,052**	**2,794**	**(2,492)**	**(15,179)**	**—**	**35,816**			
Company Secretary										
Nadine Conlon	9,394	—	—	—	—	—	9,394	2022-2024	Mar-25	9.90
	7,062	—	—	—	—	—	7,062	2023-2025	Mar-26	13.63
	—	7,479	—	—	—	—	7,479	2024-2026	Mar-27	13.45
Total	**16,456**	**7,479**	**—**	**—**	**—**	**—**	**23,935**			

The total number of shares subject to conditional awards outstanding under the 2018 LTIP Scheme amount to 653,985 being 1.8% of the Company's ordinary share capital (excluding treasury shares) at 31 December 2024 (2023: 770,522 shares) and 2.1% of ordinary share capital (excluding treasury shares).

The 2007 and 2018 LTIP scheme rules do not permit the aggregate number of shares over which conditional awards are granted in the preceding 10 year period, to be more than 10% of the Company's issued ordinary share capital at the time the awards are granted. In the past 10 years there have been 10 conditional awards with an aggregate of 3,124,841 shares or 8.7% of the Company's issued ordinary share capital (excluding treasury shares).

Non-Executive Director Remuneration

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

The basic Non-Executive Director fee is €72,000 and this was reviewed in June 2023 following a benchmarking exercise carried out by Odgers Berndtson to ensure our non-executive remuneration was in line with the market rate. The previous review of Non-Executive Directors remuneration had taken place in 2020. Directors receive additional fees for being members of and/or chairing Board Committees as outlined within the Corporate Governance Report on pages 42 to 66. These fees are reflective of their added responsibilities.

Executive Director and Non-Executive Director Remuneration

European Union (Shareholders' Rights) Regulations 2020 came into force in Ireland on 30 March 2020 when they were transposed into Section 1110N of Companies Act 2014. The annual Executive Director and Non-Executive Director Remuneration over the last five years of those in office in 2024 is set out below:

		2020 €000s	2021 €000s	2022 €000s	2023 €000s	2024 €000s
Executive Directors:						
Tomás Ó Midheach	**Total Remuneration**	—	1,065	1,081	1,156	**1,295**
	% change in year[1]	— %	— %	1 %	7 %	**12 %**
Kate Tobin	**Total Remuneration**	—	—	—	—	**536**
	% change in year[1]	— %	— %	— %	— %	**— %**
Non Executive Directors:						
Liam Herlihy (Chairman)	Fees	134	149	149	166	**183**
	% change in year[1]	13 %	11 %	— %	11 %	**10 %**
Patrick Murphy	Fees	—	—	—	24	**72**
	% change in year[1]	— %	— %	— %	— %	**200 %**
Mary Brennan	Fees	74	81	87	103	**119**
	% change in year[1]	20 %	9 %	7 %	18 %	**16 %**
Sylvia Cronin	Fees	64	73	73	83	**98**
	% change in year[1]	17 %	14 %	— %	14 %	**18 %**
Tim Cullinan	Fees	—	60	60	66	**54**
	% change in year[1]	— %	— %	— %	10 %	**(18)%**
David O'Connor	Fees	88	103	144	160	**89**
	% change in year[1]	25 %	17 %	40 %	11 %	**(44)%**
Richard Pike	Fees	59	69	88	103	**147**
	% change in year[1]	4 %	17 %	28 %	17 %	**43 %**
Olive Gaughan	Fees	—	—	—	—	**54**
	% change in year[1]	— %	— %	— %	— %	**— %**
John O'Dwyer	Fees	—	20	65	75	**89**
	% change in year[1]	—	—	225 %	15 %	**19 %**
Francie Gorman	Fees	—	—	—	—	**22**
	% Change in Year	— %	— %	— %	— %	**— %**
Jim Bergin	Fees	—	—	—	—	**8**
	% Change in Year	— %	— %	— %	— %	**— %**
Jean Sharp	Fees	—	25	76	89	**103**
	% change in year[1]	— %	— %	204 %	17 %	**16 %**

[1] % change shows the increase or decrease in remuneration and does not include a percentage change if related to the first year in office.

The Chairman, Liam Herlihy received fees of €183,000 during the year (2023: €166,000) inclusive of the basic Non-Executive Director fee. Richard Pike received fees of €147,000 as he assumed David O'Connor's role following his sad passing in April, 2024.

In respect of Olive Gaughan payments reflect a partial year as Olive joined the Board on 22nd May, 2024. Francie Gorman payments also reflect a partial years payment as he joined the Board on the 9th September, 2024 and Jim Bergin is also a partial payment as he joined the Board on the 19th November, 2024. David O'Connor RIP and John O'Dwyer RIP also received partial payments..

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

External appointments held by the Executive Directors

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

Details on Executive Directors external appointments are included on pages 28 to 31.

Change in Directors' remuneration, employee remuneration and Group Performance

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

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

	2020	2021	2022	2023	**2024**
Group Chief Executive Officer					
Remuneration % change year on year	(18)%[1]	0%	1%	7%	12%
All Group Employees					
Remuneration % change year on year	2%	1%	6%	11%	12%

[1] In addition Mr D'Alton was paid consultancy fees of €790,000 and overlapped for part of 2020.

Tomás Ó Midheach was appointed in January 2021 and therefore there is only a three year prior comparison.

The average cost per full-time equivalent for 2024, excluding Directors, was €84,000 (2023: €79,000). The table below details the average cost per full time equivalent over the last five years, including the annual change.

	2020	2021	2022	2023	**2024**
Average cost per full-time equivalent	66,000	74,000	80,000	79,000	84,000
Average cost % change year on year	(1)%	12 %	8 %	(1)%	6 %

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

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

	2020	2021	2022	2023	**2024**
Performance of the Group					
NAV per share (IFRS 4)	1,095	1,338	1,188	—	—
NAV per share (IFRS 17)	—	—	1,276[1]	1,330	**1,346**
Ordinary Dividend paid per share	0	0	100c	100c	**100c**
Special Dividend paid per share	—	—	—	100c	**100c**

[1]restated

Implementation of policy in 2025

Base Salary

A pay pot of 3.5% of base salary has been agreed for our employees for 2025 and this will take into account performance, current position on salary range and pay grade. We are also awarding all employees a €1,000 voucher in recognition of their hard work and dedication throughout 2024.

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

Annual Performance Bonus

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

The annual performance bonus for Executive Directors in respect of 2025 will be subject to the following performance measures and weightings:

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

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

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

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

Pension

The pension contribution level for the Group Chief Executive Officer and the Group Chief Financial Officer in 2025 will be 8% of base salary, which is in line with the rate for the wider workforce.

LTIP

The Committee determined an award of 150% of salary for the CEO in 2025. This took into account the performance of the business and the CEO and is within our Remuneration Policy as approved by shareholders. Awards will continue to be subject to stretching performance targets and delivered in shares. The following conditions will apply in respect of LTIP's granted for the period 2025-2027:

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

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

The Remuneration Committee believes that Return on Targeted Equity is a key strategic measure as it takes into account both business profitability and balance sheet management and this is reflected in the weighting on this measure for the 2025 LTIP award. Policies in Force growth is a key measure of growth in the business and is fundamental to FBD's strategy.

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

Directors' Responsibilities Statement

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

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

The Directors' responsibilities for the Sustainability Statement are discussed in full in our Statement of Directors' responsibilities for the Sustainability Statement on page 97.

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

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

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

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

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

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

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

- the financial statements, prepared in accordance with IFRSs as endorsed by the EU, give a true and fair view of the assets, liabilities and financial position for the Group as at 31 December 2024 and of the result for the financial year then ended;
- the Report of the Directors, the Chair's Statement and the Review of Operations include a fair review of the development and performance of the Group's business and the state of affairs of the Group for the 12 months ending 31 December 2024, together with a description of the principal risks and uncertainties facing the Group; and
- the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to access the position, performance, strategy and business model of the Group.

On behalf of the Board

6 March 2025

Liam Herlihy
Chair

Tomás Ó Midheach
Group Chief Executive Officer

SUSTAINABILITY STATEMENT

WHAT ESG MEANS TO FBD

Environmental, Social and Governance (ESG) refers to the three pillars of a set of standards which guide corporate behaviour with a view to companies becoming better global citizens. ESG is relevant to any company in any country and in any sector.

FBD BUSINESS INSURANCE CUSTOMER

"FBD has supported us from the very beginning with our insurance needs, and I like that I've been liaising with the same local contact in FBD for years. That personal aspect is very important. It is what our own business is based on too, that personal interaction and treating customers well."

Kenneth Keavey
Green Earth Organics, Co. Galway.

SUPPORT.
IT'S WHAT WE DO.

Statement of Directors' Responsibilities for the Sustainability Statement

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

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

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

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

On behalf of the Board

6 March 2025

Liam Herlihy
Chair

Tomás Ó Midheach
Group Chief Executive Officer

ESG Strategy Areas of Focus

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

2017-23

Strategy & Governance

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

2024

Meaningful Impact

- Irish Centre for Diversity Gold Accreditation
- Confirmed as members of the UN Principles for Sustainable Insurance
- Adapting as the sustainability reporting landscape evolves.
- Climate scenario analysis completed
- Climate risk modelling integrated into capital modelling
- Implementation project to report on 2024 metrics for CSRD

2025+

Disclosures & Advocacy

- Advocating for and investing in sustainable initiatives, research and education while supporting our customers in meeting their sustainability goals.
- Embedding annual CSRD reporting
- Increased disclosures under EU Taxonomy
- Continued reporting on UN principles for sustainable insurance to the UN Environment Programme Finance Initiative
- Continued reporting under the Carbon Disclosure Project

FBD – A local insurer, supporting & sustaining local communities

WE FOCUS ON WHERE WE CAN HAVE A MEANINGFUL IMPACT

Focus on Ireland | **Leading insurer in Agri/Farming**

ENVIRONMENTAL

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

SOCIAL

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

GOVERNANCE

A robust governance structure.

DELIVERING AND HAVING A **MEANINGFUL IMPACT**

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

UN PRINCIPLES FOR SUSTAINABLE INSURANCE

Principle 1

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

Principle 2

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

Principle 3

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

Principle 4

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

Climate Change

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

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

DELIVERED BY OUR BUSINESS THROUGH THE PILLARS OF OUR ESG STRATEGY

Corporate & Advocacy

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

How We Operate

How we run the business

Underwriting, Claims & Sales

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

Investments

Manage the company assets

Disclosures

Reporting, Metrics & Measurements

2024 ESG INITIATIVE LAUNCH

UCD FBD Agricultural Science Centre

"We are delighted to join forces with UCD in this important initiative that will foster innovation research and education in the agricultural sector. Together with UCD we are dedicated to nurturing the next generation of agricultural scientists who are poised to make a lasting impact on a sustainable future"

Tomas Ó Midheach, Group Chief Executive Officer

WE ARE DELIGHTED TO JOIN FORCES WITH UCD IN THIS IMPORTANT INITIATIVE

Pictured at the UCD FBD Agricultural Science Centre Launch: (Left to Right) Liam Herlihy, FBD Group Chair; Tomás Ó Midheach, FBD Group Chief Executive Officer; Kate Tobin, FBD Group Chief Financial Officer; Charlie McConalogue TD former Minister for Agriculture, Food and the Marine , Professor Orla Feely, President of UCD and Michael Berkery, Chairman of FBD Trust CLG

As a signatory of the UN principles for sustainable insurance we strive to work with stakeholders to promote action. Building on the launch of our signature Corporate Advocacy initiative in 2023 - Moorepark, FBD and University College Dublin (UCD) announced a major investment in new agricultural research and education facilities at UCD Lyons Farm in August 2024.

FBD Holdings plc has pledged a contribution of €1.5 million in support of the 'UCD FBD Agricultural Science Centre'. The investment underscores our commitment to supporting Ireland's farming communities, agriculture as a whole and the food industry.

The UCD Centre will enhance UCD's ability to deliver both teaching and research to the highest international standards and will be a focal point for all users. It will provide a centre where researchers, students, innovators and industry experts can collaborate on projects aimed at addressing the most pressing challenges facing modern farming and agriculture.

This significant new development will:

- Enhance UCD's ability to deliver both teaching and research to the highest international standard
- Provide a hub where researchers and students can collaborate on projects addressing the most pressing farming challenges
- Facilitate new education programmes in the areas of animal science, animal health, crop science and sustainable food production.
- Construction of the new centre is due to commence in 2025

General Basis for Preparation

Framework

On 5 January 2023, the Corporate Sustainability Reporting Directive (CSRD) entered into force. The objective of the CSRD is to improve the existing requirements of the EU's Non-Financial Reporting Directive (NFRD), to better harness the potential of the EU in the transition to a fully sustainable and inclusive economic and financial system, in accordance with the European Green Deal and the UN Sustainable Development Goals. Companies subject to the CSRD are required to report according to European Sustainability Reporting Standards (ESRS) from 1 January 2024. FBD Holdings plc is in the first wave of mandatory reporters as it is considered a 'public-interest entity' and is deemed 'large' under the scoping criteria of the regulation. To ease the first-time application, presenting comparative information in the first year of preparation of the Sustainability Statement under the ESRS is not required. For a list of disclosure requirements complied with refer to Appendix 'Disclosure requirements complied with' on pages 169 to 172.

The Group's 2024 Sustainability Statement is prepared in accordance with Part 28 of the Companies Act 2014 and in compliance with the ESRS issued by the European Financial Reporting Advisory Group (EFRAG). The Environmental, Social and Governance (ESG) topics included therein have been assessed as material through our Double Materiality Assessment (DMA). We identified and report on one entity-specific topic being; farm safety. Please see 'Double Materiality Assessment Process' on pages 119 to 125 for information on our DMA's scope and our methodology.

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

Consolidation

The consolidated data comprises FBD Holdings plc and subsidiaries controlled by FBD Holdings plc. The data is consolidated according to the same principles as the financial statements. Please refer to accounting policy B on pages 208 to 209.

The information provided in the Sustainability Statement has been extended to include information on the material impacts, risks and opportunities connected with our business through its direct and indirect business relationships in the upstream and/or downstream value chain ("value chain information"). The inclusion of value chain information in the Sustainability Statement does not affect the reporting boundaries, which correspond to the boundaries of the entities included in the perimeter of its consolidated financial statements. For further details see section 3 'Value Chain Analysis' under 'Double Materiality Assessment Process' on pages 119 to 120.

Key estimates and judgements

The Group uses judgements and estimates for the reporting of some data points, for example our Scope 3 emissions. Emissions for Purchased Goods and Services and Capital Goods have been calculated on a spend basis by applying emission factors to categories of expenditure that we have determined to be relevant. While this method is considered to be less accurate than obtaining emissions data directly from vendors, it will enable us to identify which categories of expenditure contribute the most to FBD's indirect emissions and we aim to refine this method over the coming years. In addition, emission calculations for Investments include extrapolation where no direct data is available. Data coverage is an industry wide issue which is expected to improve over time.

We regularly reassess our use of estimates and judgements based on experience, the development of ESG reporting, and several other factors. Changes in estimates are recognised in the period in which the estimate in question is revised unless new information provides evidence of circumstances that existed in the prior period in which case the comparatives are revised. Data and assumptions used in preparing the Sustainability Statement are consistent with the corresponding financial data and assumptions used in the Group's financial statements. The key sources of judgement and estimation in the preparation of the financial statements are detailed in accounting policy X on pages 224 to 226.

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

Exemptions

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

The Group has availed of the phased-in disclosure requirements outlined in appendix C of ESRS 1 to the extent that they applied to FBD's material topics and are allowable given FBD's average number of employees exceeded 750 during the reporting period. See Appendix 'Phased in concessions availed of' on page 174 for further details.

External review

In accordance with section 1613 of the Companies Act, 2014, the Sustainability Statement set out on pages 96 to 176 has been subject to limited assurance review by PricewaterhouseCoopers, Chartered Accountants and Sustainability Assurance Service Providers. The elements of the Annual Report outside the Sustainability Statement that are covered by their limited assurance procedures are clearly indicated by "subject to limited assurance" footnotes where data points that are covering ESRS disclosure requirements are incorporated by reference. Their limited assurance procedures do not extend to any links or references to material outside of the Annual Report unless clearly otherwise indicated to the contrary.

Their limited assurance report is included on pages 177 to 180 of the Annual Report and should be read in conjunction with this Sustainability Statement.

Incorporation by Reference

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

ESRS	DR	Para	Name	Data Type	Page	Additional Information
ESRS 2	GOV-1	21 a	Number of executive members	Integer	43	Board Composition and Independence
ESRS 2	GOV-1	21 a	Number of non-executive members	Integer	43	Board Composition and Independence
ESRS 2	GOV-1	21 b	Information about representation of employees and other workers	narrative	63	Director engagement with the workforce
ESRS 2	GOV-1	21 c	Information about member's experience relevant to sectors, products and geographic locations of undertaking	narrative	70- 72	Board Diversity, Experience and Skills
ESRS 2	GOV-1	21 d	Percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity	Percent	70- 72	Board Diversity, Experience and Skills
ESRS 2	GOV-1	21 d	Board's gender diversity ratio	Percent	72	Gender Balance
ESRS 2	GOV-1	21 e	Percentage of independent board members	Percent	43	Board Composition and Independence
ESRS 2	GOV-1	23 a	Information about sustainability-related expertise that bodies either directly possess or can leverage	narrative	68 70- 72	Board Induction, training and Development Board Diversity, Experience and Skills

ESRS	DR	Para	Name	Data Type	Page	Additional Information
G1	G1.GOV-1	5a	Disclosure of role of administrative, management and supervisory bodies related to business conduct	narrative	42	Corporate Governance Report
G1	G1.GOV-1	5 b	Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters	narrative	70- 72	Board Diversity, Experience and Skills
ESRS 2	GOV-3	29	Incentive schemes and remuneration policies linked to sustainability matters for members of administrative, management and supervisory bodies exist	semi-narrative	86-89	Determination of Annual Performance Bonus for the year ended 31 December 2024
ESRS 2	GOV-3	29 a	Description of key characteristics of incentive schemes	narrative	77-82	Remuneration Policy
ESRS 2	GOV-3	29 b	Description of specific sustainability-related targets and (or) impacts used to assess performance of members of administrative, management and supervisory bodies	narrative	88	Determination of Annual Performance Bonus for the year ended 31 December 2024
ESRS 2	GOV-3	29 c	Disclosure of how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies	narrative	86-89	Determination of Annual Performance Bonus for the year ended 31 December 2024
ESRS 2	GOV-3	29 e	Description of level in undertaking at which terms of incentive schemes are approved and updated	narrative	77	Role of the Remuneration Committee
ESRS 2	GOV-5	36 a	Description of scope, main features and components of risk management and internal control processes and systems in relation to sustainability reporting	narrative	18-19	Risk & Uncertainties Report
ESRS 2	GOV-5	36 b	Description of risk assessment approach followed	narrative	18-19	Risk & Uncertainties Report
ESRS 2	GOV-5	36 c	Description of main risks identified and their mitigation strategies	narrative	19-27	Risk & Uncertainties Report
ESRS 2	SBM-1	40 a i	Description of significant groups of products and (or) services offered	narrative	16	Business Model
ESRS 2	SBM-1	40 a ii	Description of significant markets and (or) customer groups served	narrative	16	Business Model
ESRS 2	SBM-1	42	Description of business model and value chain	narrative	16	Business Model
ESRS 2	SBM-1	42 a	Description of inputs and approach to gathering, developing and securing inputs	narrative	16	Business Model
ESRS 2	SBM-1	42 b	Description of outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders	narrative	16	Business Model
ESRS 2	SBM-1	42 c	Description of main features of upstream and downstream value chain and undertakings position in value chain	narrative	16	Business Model
ESRS 2	SBM-2	45 d	Description of how administrative, management and supervisory bodies are informed about views and interests of affected stakeholders with regard to sustainability-related impacts	narrative	62 49	Stakeholder engagement Audit Committee Review of DMA

Double Materiality Assessment Introduction

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

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

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

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

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

A sustainability matter is considered material when it meets the criteria defined for impact materiality or financial materiality, or both (see section 4.3 of 'Double Materiality Assessment Process' on pages 123 to 125.).

The applicable information prescribed within the disclosure requirements of the material assessed topical standards, including its datapoints are disclosed when the information is relevant from one or more of the following perspectives:

(a) the significance of the information in relation to the matter it purports to depict or explain; or

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

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

DOUBLE MATERIALITY ASSESSMENT

OUTSIDE IN (RISKS & OPPS.)

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

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

INSIDE OUT (IMPACTS)

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

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

DMA APPROACH

We have conducted our first DMA assessment following the European Financial Reporting Advisory Group (EFRAG) Implementation Guidance (IG) and involved consultation with internal and external stakeholders.

1
Top-Down Assessment:

Through review of our business model, peer reporting, and other relevant industry insights, we identified relevant sustainability matters for which IROs were developed.

2
Value Chain and Stakeholder Analysis:

Using EFRAG Implementation Guidance on Value Chains (IG 2), we determined which value chain actors and business relationships should be considered in the development of IROs due to heightened risk of adverse impacts and key dependencies. We also determined the stakeholder engagement approach to support the assessment and scoring of IROs including deciding whether stakeholders would be interviewed and/or surveyed.

3
Identifying and validating IROs:

We identified a long list of IROs across upstream, downstream and own operations, linked to the relevant sustainability matters identified in the top-down assessment. Through discussions with key individuals within the business, we refined the longlist of IROs into a shortlist of IROs.

4
Stakeholder Engagement and Assessing Materiality:

We identified and engaged with stakeholders via surveys, interviews and workshops. We completed scoring of each of the shortlisted IROs, incorporating feedback received through stakeholder engagement. .

5
Validation and Approval:

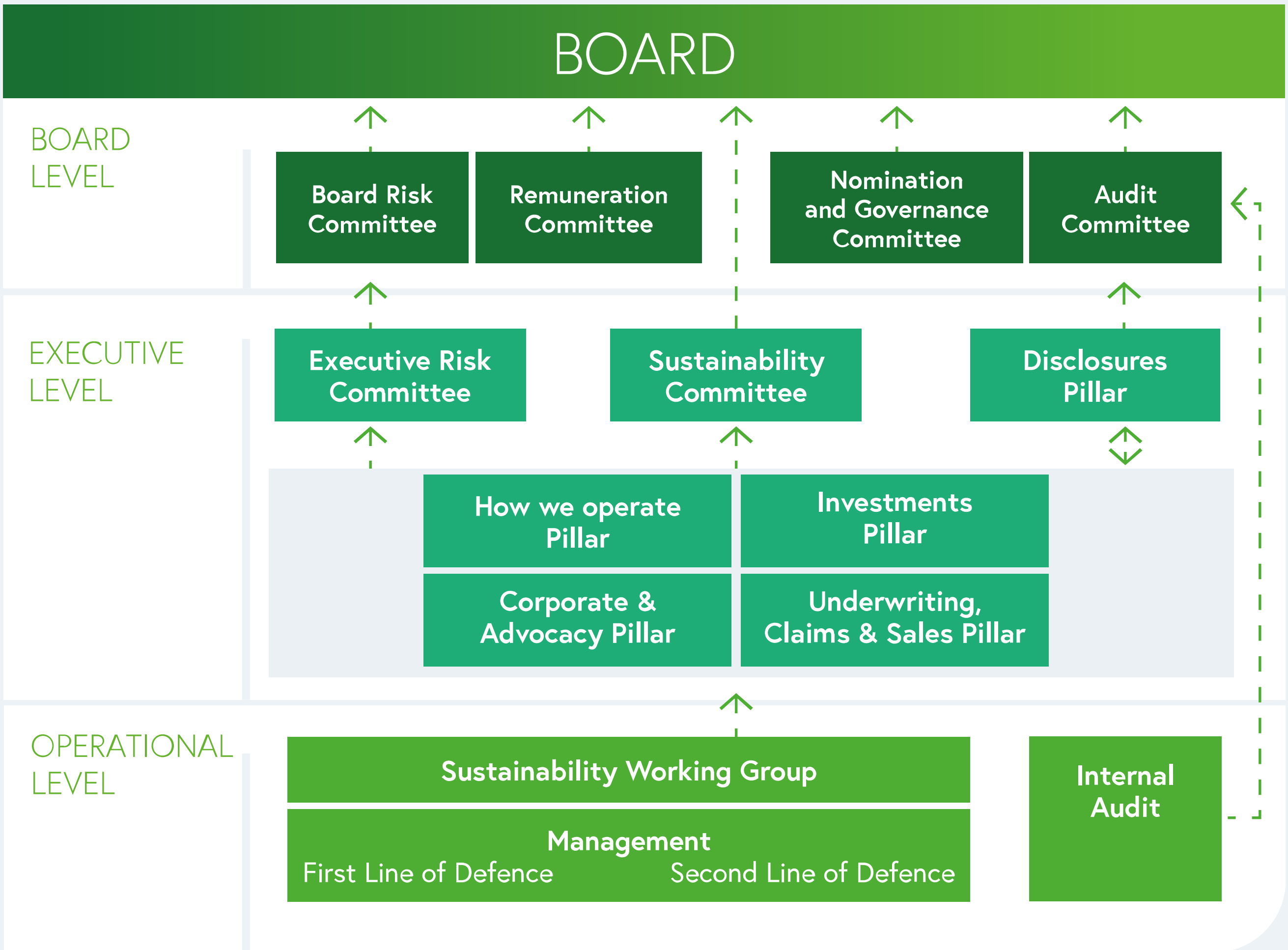
We validated material IROs and sustainability matters and prepared this report on the DMA process and results.

Sustainability Governance Framework

In the Corporate Governance Report on pages 42 to 66 the Board outlines how it has applied the principles set out in the UK Corporate Governance Code 2018 and the Irish Corporate Governance Annex. The report outlines the roles and responsibilities of the Board and its Committees including any delegated responsibilities. Biographical details of the Directors in office are detailed on pages 28 to 31. The composition, diversity, experience and skills, including expertise on business conduct matters, are disclosed in the Board Diversity report on pages 70 to 72. The breakdown of Gender Diversity, Skills and Experience, both locally and internationally, of FBD's Board Committees can be found on page 47 for the Audit Committee, page 52 for the Risk Committee, page 56 for the Nomination and Governance Committee and page 59 for the Remuneration Committee.

Risks relating to ESG matters are managed and reported in line with the Risk Management Framework. FBD's three lines of defence framework, is described in more detail in the Risk and Uncertainties report on pages 18 to 27.

A mapping of the information provided in the Sustainability Statement about the due diligence process is included within the appendix 'Statement on sustainability due diligence'



Sustainability at Board Level

The Board of FBD is ultimately responsible for the long-term sustainable success of the Group. The Board sets strategic goals within the boundaries of the Group's risk appetite and a framework of prudent and effective controls. Since 2022 ESG has been included as a dedicated work stream within FBD's overall Group strategy. The CEO report to the Board includes a sustainability update on a quarterly basis. In addition, the Board and Board Committees incorporate ESG considerations, where relevant, as part of their decision-making. This reflects our commitment to the UN Environment Programme Finance Initiative Principles for Sustainable Insurance ("UNEP FI PSI"), to embed ESG in decision-making within our insurance business. FBD became a signatory of the UNEP FI PSI on the 9 January 2024.

Audit Committee

On behalf of the Board, the Audit Committee is responsible for monitoring the quality and integrity of Sustainability Statement. See activities of the Committee during the reporting period on page 49.

Board Risk Committee

The Board Risk Committee is responsible for ensuring that ESG risks and negative impacts are integrated into the Risk Management Framework and for promoting a risk awareness culture in the Group. See activities of the Committee during the reporting period on page 54.

Remuneration Committee

The Remuneration Committee is responsible for ensuring the Group's overall reward structures are aligned with the achievement of the Group's strategy. Although no specific percentage of variable remuneration is allocated to ESG performance or climate related considerations, the Remuneration Committee has set ESG objectives for the CEO and CFO aligned to the implementation of the ESG strategy. Remuneration of executive and non-executive directors is outlined in the report on Directors' Remuneration on pages 74 to 94 and activities of the Committee during the reporting period are detailed on pages 60 to 61.

Nomination and Governance Committee

The Nomination and Governance Committee is responsible for ensuring the Board and its Committees are made up of individuals with the necessary skills, knowledge and experience to discharge their responsibilities effectively and monitoring compliance with corporate governance best practice. ESG forms part of the Skills Matrix and is included in the skills and experience required when the Board is completing succession planning. See activities of the Committee during the reporting period on pages 57 to 58.

Executive Risk Committee

The Executive Risk Committee reports to the Board Risk Committee and has responsibility for the oversight and management of key sustainability-related risks and negative impacts from an operational perspective, and implementation of appropriate risk management strategies.

Sustainability Committee

The Sustainability Committee is an executive sub committee, and is tasked with implementing the Board approved ESG strategy and reviews and approves all ESG related activity across the Group. The Sustainability Committee oversees the IRO Management approach, including the review and approval of associated action plans and targets. Risks and Negative Impacts are also reported to the Board Risk committee for integration into the Risk Management Framework. The Sustainability Committee comprises the Executive Management Team and other relevant senior management, and reports to the Board through its Chair, the Group Chief Executive Officer.

Executive Management Team (ESG strategy pillar owners)

The Executive Management Team (EMT) comprises the most senior executives within the Group reporting directly to the CEO. The EMT support the CEO in leading the organisation, and its individual teams, to fulfil the Group's vision and purpose and assist with the management of the Group on a day-to-day basis. To direct the execution of our ESG strategy, five Pillars have been established with assigned Executive Officers as owners of each Pillar:

- **Corporate & Advocacy** – Group Company Secretary
- **How we Operate** – Group Chief Technology and Operations Officer and Group Chief HR Officer
- **Underwriting, Claims & Sales** – Chief Underwriting Officer, Chief Claims Officer and Group Chief Commercial Officer
- **Investments** – Group Chief Financial Officer
- **Disclosures** – Group Chief Financial Officer

The EMT are accountable for implementing policies, strategies, action plans, and targets related to IROs, as well as other sustainability-related initiatives in their pillar.

Investment Committee (Investments Pillar)

The Investment Committee is responsible for the oversight of the Investment Policy including its specific ESG exclusions and limits, as approved by the Board, so as to ensure returns are maximised within the overall risk appetite of the Company. The Investment Committee comprises executive and senior management and reports to the Board through its Chair the Group CFO.

Corporate Social Responsibility Directive Project Steering Committee (Disclosures Pillar)

FBD are required to report according to ESRS from 1 January 2024. Throughout the reporting period, a CSRD project team sponsored by the CFO was in place to deliver the required reporting in line with the required application timelines. The CSRD Project Steering Committee comprises senior management across the Group to provide accountability, direction, oversight and a decision-making forum for the programme.

Sustainability Working Group

The Sustainability Working Group supports the Sustainability Committee in reviewing the work performed under each of ESG strategic pillars and is a forum for knowledge and idea sharing as well as providing updates to the Sustainability Committee on pillar activities. The Sustainability Working Group is comprised of key personnel involved in pillar activity from each area across the business.

Sustainability expertise across the Group

FBD seeks to ensure that its Board, Board Committees, Executive Committees, Working Groups, ESG Reporting Team and project team have the requisite experience and qualifications to successfully deliver the Group's strategic goals, including sustainability. Sustainability is an evolving area and FBD understands that for sustainability to be integrated and prioritised effectively, its paradigms need to be understood and implemented across multiple departments. As a result, FBD has invested in sustainability literacy through academic qualifications and experience built up through years of ESG reporting as well as research and interaction supplemented with the use of ESG consultants. FBD engaged the support of external consultants to assist with an ESG strategy appraisal, determining a climate scenario baseline, conducting a Double Materiality Assessment in accordance with the ESRS and with CSRD project support. Training was provided to the Board Audit Committee by external consultants to ensure FBD were in a position to report under CSRD.

The main features of Internal Control in relation to Non-Financial Reporting which support the preparation of the Sustainability Statement are as follows:

- A comprehensive Policy architecture is in place addressing material impacts, risks and opportunities;
- A defined ESG Sustainability Governance Framework;
- An appropriately skilled cross functional CSRD reporting project team and sustainability working groups operating under the supervision of experienced management;
- ESG considerations integrated across all aspect of the business including strategy, business model, governance, decision-making, Risk Management and Compliance Framework;
- Defined targets and metrics are identified and monitored;
- Data validation for all metrics including the use of appropriate software sources where possible;
- Preparation and review of qualitative and quantitative disclosure checklists;
- Controlled process flow from data collection to ultimate disclosure including the appropriate level of management review. Key assumptions as well as any judgements and/or estimates used throughout the Non-Financial Reporting process are reviewed by senior management before being presented to the Audit Committee for approval;
- Consistency checks of sustainability/ESG related disclosures across general purpose financial reporting and other public disclosures;
- Board Audit Committee review of the Sustainability Statement in detail including key methodologies, judgements and estimates used in their preparation;
- Board Risk Committee oversight of sustainability-related risks and integration of the risks into the Risk Management Framework;
- Internal Audit review key processes, projects and systems as part of the control environment.

DMA Outcome

On completion of the DMA, we have concluded that there are four topical ESRS which are material to FBD, details of which are outlined within this report. We identified farm safety as an entity-specific sustainability matter under S4. The DMA approach and outcome was approved by the Sustainability Committee in May 2024, and by the Audit Committee in October 2024 .

E1 – CLIMATE CHANGE

S1 – OWN WORKFORCE

S4 – CONSUMERS AND END USERS

G1 – BUSINESS CONDUCT

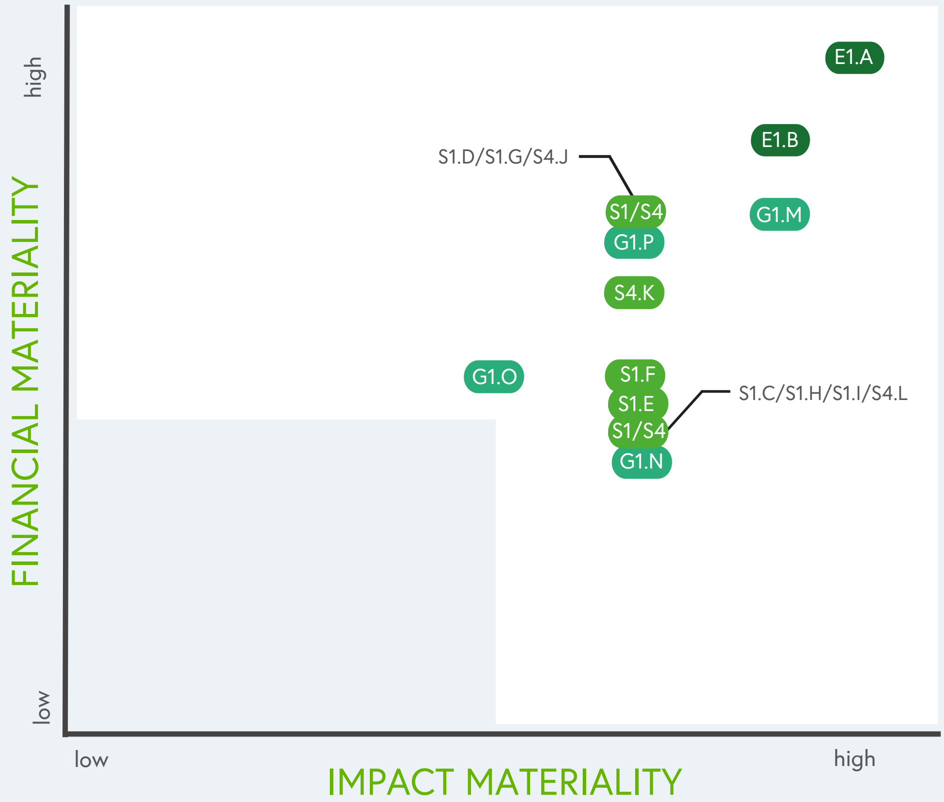
ENVIRONMENTAL	SOCIAL	GOVERNANCE
ESRS E1 Climate Change	**ESRS S1** Own Workforce	**ESRS G1** Business Conduct
ESRS E2 Pollution	**ESRS S2** Workers in the Value Chain	
ESRS E3 Water and Marine Resources	**ESRS S3** Affected Communities	
ESRS E4 Biodiversity and Ecosystems	**ESRS S4** Consumers and End Users	
ESRS E5 Resource Use and Circular Economy		

Material topics

Immaterial topics

DOUBLE MATERIALITY MATRIX

A mapping of FBD's material sub-topics, sub-sub topics and one entity-specific topic in order of impact and financial materiality is displayed on the matrix below.



ENVIRONMENTAL

ESRS E1 Climate Change

E1.A Climate change adaptation
E1.B Climate change mitigation

SOCIAL

ESRS S1 Own Workforce

S1.C Health and safety
S1.D Secure employment
S1.E Working time
S1.F Gender equality and equal pay for work of equal value
S1.G Training and skills development
S1.H Diversity
S1.I Work-life balance

ESRS S4 Consumers and End-Users

S4.J Privacy
S4.K Access to (quality) information
S4.L Entity-specific: farm safety

GOVERNANCE

ESRS G1 Business Conduct

G1.M Corporate culture
G1.N Protection of whistle-blowers
G1.O Management of relationships with suppliers including payment practices
G1.P Corruption and bribery

Material Impacts, Risks and Opportunities by topic and sub/sub-sub topic

The table below contains a breakdown of FBD's material sub-topics, sub-sub topics and one entity-specific topic under each topical ESRS and the related IROs.

ENVIRONMENTAL

E1 Climate Change

Climate Change Adaptation

1
8 9 11
2 3 4 5
6 7 10 12

Climate Change Mitigation

15
13
14
16

SOCIAL

S1 Own Workforce

Health & Safety

17

Work-life Balance

18

Secure Employment

20
19

Working Time

21
22

Training & Skills Development

23
24

Gender Equality and Equal Pay for Work of Equal Value

25
26

Diversity

27

S4 Consumers and End-Users

Privacy

28
29

Access to (quality) information

30
31

Entity-Specific: Farm Safety

32

GOVERNANCE

G1 Business Conduct

Corporate Culture

33
34
35 36

Corruption and Bribery

37
38

Management of Relationships with Suppliers

39

Protection of Whistle-blowers

40

IRO legend

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

Material sustainability-related Impacts Risks and Opportunities Identified

The following tables list the sustainability-related IROs we identified and assessed as material from our DMA process. As shown in the matrix on page 111, four out of the ten Topical Standards are material to FBD. Each material Topical Standard is presented in the following tables, where we specify the sub-topics, sub-sub-topics and entity-specific topic that our material IROs relate to, e.g. climate change mitigation and climate change adaptation. Brief descriptions of the material IROs are included in the tables. Time horizons shown are as prescribed by the ESRS, with short being within one year, medium term 1-5 years and long-term being greater than 5 years.

Disclosures relating to each of our identified IROs are provided in line with ESRS disclosure requirements. More information on how we address our IROs is included in the section 'Future-proofing our Impact, Risk and Opportunity management process' on pages 125 to 127.

E1 – Climate Change

	Climate Change Adaption	Risk type	Time to Impact	Value Chain
1	Incentivisation for adaptation solutions – FBD can have a positive environmental impact by developing its customer offerings through changes to risk appetite, product design and pricing to support implementation of sustainable "adaptation solutions".	N/A	Medium	Own Operations
2	Increased claims due to climate events – Increased frequency and severity of natural disasters could expose FBD to higher-than-expected property and damage claim pay outs.	Physical Risk	Medium	Own Operations
3	Cost / Availability of reinsurance cover – Increased frequency or severity of weather events could lead to an increase in FBD's reinsurance coverage costs, or alternatively could reduce the level of reinsurance which FBD can take on, increasing the magnitude of exposure to losses.	Physical Risk	Medium	Own Operations
4	Financial Impact of other climate related events – Events such as sea level rise, variability in temperature or precipitation and water stress could lead to increased operating costs for FBD in relation to climate change adaptation measures, changes in revenue, impact of changes in supply chain costs and reliability, and increased cost of capital or potential write-offs. Other financial impacts may include a shift in demand for products and services, changes in loss ratios and profits or, changes in loss frequency and/or severity.	Physical Risk	Long	Own Operations
5	Reduced opportunities arising as a result of sustainable investment strategy – By focusing its investments towards sustainable strategies, FBD may forgo opportunities in other areas, resulting in decreased risk/return efficiency and/or profitability of the investment portfolios.	Transition Risk	Medium	Downstream
6	Asset Management – Due to the potential future low market demand for carbon intensive assets, FBD may experience reduced returns on and/or be unable to dispose of high carbon intensive assets in its investment portfolio, leading to a decrease in overall investment portfolio return/profitability.	Transition Risk	Medium	Own Operations

Positive Impact Negative Impact Opportunity Risk

	Climate Change Adaption	Risk type	Time to Impact	Value Chain
7	Shrinking Insurance Market – There is a risk that legislative and policy changes aimed at climate change adaptation measures may lead FBD to experience a financial impact as a result of reduced insurance premiums and insurable activity	Transition Risk	Medium	Own Operations
8	Pricing – FBD can enhance pricing of climate risk, leading to optimisation of underwriting performance and profit margins.	N/A	Medium	Own Operations
9	Capital planning – By continuing to assess the impact of physical climate risk and related scenario analysis, FBD can determine the impact on its capital and take appropriate measures to address any impacts therefore increasing financial stability and security for shareholders.	N/A	Medium	Own Operations
10	Capital planning – Failure to keep up to speed with physical climate risk and related scenario analysis can lead to difficulties in planning and determining impact on FBD capital, thus increasing financial risk and reducing security for shareholders.	Transition Risk	Medium	Own Operations
11	New Offerings – FBD may generate revenue from new insurance products and underwriting propositions that contribute to climate change adaptation.	N/A	Medium	Own Operations
12	Reputation risk – Failure by FBD to adequately consider and respond to the impact of climate change on its business could lead to a loss of trust within the local community and within the market, potentially leading to fewer customers and resulting in a financial impact.	Transition Risk	Medium	Own Operations

	Climate Change Mitigation	Risk type	Time to Impact	Value Chain
13	Insurance industry supporting GHG intensive activities – FBD can have an indirect negative impact on overall GHG emissions and the climate, through both the insurance of and investments in GHG intensive industries if the business strategy and support measures like advocacy do not evolve to support climate change mitigation.	N/A	Medium	Downstream
14	Improved returns through additional sustainable investments – As the demand for sustainable products and services grows out into the future, FBD could improve its return on investment by investing in additional greener, climate-friendly activities within its investment portfolio.	N/A	Medium	Downstream
15	Insurance supporting sustainable activities – FBD may have an indirect positive impact on emissions reduction through the provision of insurance to businesses or customers trialling solutions to reduce greenhouse gases.	N/A	Medium	Downstream
16	Market share – Failure by FBD to implement effective climate change mitigation measures could negatively impact FBD's market position and reputational standing, leading to an overall reduction in profitability due to decreased customer numbers.	Transition Risk	Long	Own Operations

Positive Impact · Negative Impact · Opportunity · Risk

S1 – Own Workforce

	Working conditions - Health and safety	Time to Impact	Value Chain
17	Health & Safety Policies - FBD has a positive impact on our workforce, and their health and wellbeing, by upholding adequate health and safety practices within the organisation and providing employees with a safe working environment.	Short	Own Operations

	Working conditions - Work-life balance	Time to Impact	Value Chain
18	Work life balance – FBD has a positive impact on the work-life balance of its employees through the implementation of policies on regular breaks, annual leave etc. This means that employees have sufficient time away from work commitments, which is beneficial for employee physical and mental wellbeing.	Short	Own Operations

	Working conditions - Secure employment	Time to Impact	Value Chain
19	Increased productivity – By offering good working conditions and training and development programs for our employees, FBD can improve overall productivity, which can enhance FBD's reputation, encourage new product development and improve customer service, leading to business growth.	Medium	Own Operations
20	Secure employment – FBD has a positive impact on its employees and on their job security by offering them secure employment, which enhances employees' sense of belonging and reduces anxiety about job security, enabling employees to achieve fulfilment in their role.	Medium	Own Operations

	Working conditions - Working time	Time to Impact	Value Chain
21	Working time – FBD can positively contribute to the lives of employees by ensuring all employees are provided with sufficient working time and no individual is hired on a zero hour contract.	Medium	Own Operations
22	Working time – By ensuring consistency in employee workloads and by giving adequate notice of any requirement for increased working time, FBD has an opportunity to positively contribute to employees working hours and satisfaction, leading to reduced employee turnover and lower recruitment costs.	Short	Own Operations

Positive Impact   Negative Impact   Opportunity   Risk

	Equal treatment and opportunities for all - Training and skills development	Time to Impact	Value Chain
23	Training – FBD positively impacts employee satisfaction by providing education, training and development for employees.	Medium	Own Operations
24	Increased productivity – Through the provision of good working conditions and effective training and development programmes, FBD can enhance its reputation and attract top talent, potentially leading to improved productivity, new product development and improved customer service, leading to business growth.	Short	Own Operations

	Equal treatment and opportunities for all - Gender Equality and Equal Pay for Work of Equal Value	Time to Impact	Value Chain
25	Gender equality – FBD has a positive impact on employees and diversity within the workforce through focus on gender balance and equality.	Short	Own Operations
26	Gender equality – A failure by FBD to uphold gender equality practices within the workplace or to address any gender pay gap within the organisation may result in employees feeling alienated from the company and lead to increased staff turnover, ultimately increasing operating expenses.	Medium	Own Operations

	Equal treatment and opportunities for all - Diversity	Time to Impact	Value Chain
27	Diversity – FBD has a positive impact on the lives of employees by championing diversity and inclusion within its operations.	Medium	Own Operations

S4 – Consumers and/or end-users

	Information-related impacts for consumers and/or end-users - Privacy	Time to Impact	Value Chain
28	Data Security – FBD could have a negative impact on consumers should they fail to manage consumer data appropriately. Failure to have appropriate organisational and technical measures in place may result in a data breach involving consumer personal data.	Short	Downstream
29	Data Security – A failure by FBD to safeguard the integrity and confidentiality of all consumers information which has been entrusted to FBD for the purposes of providing and servicing insurance. Failure to do so may result in detrimental harm to FBD Group.	Short	Own Operations

Positive Impact · Negative Impact · Opportunity · Risk

	Information-related impacts for consumers and/or end-users - Access to (quality) information	Risk type	Time to Impact	Value Chain
30	Customer Service – FBD has a positive customer impact on the overall insurance market by providing a valuable and quality service to customers, including access to appropriate information.		Medium	Downstream
31	Reputation – By providing valuable, trustworthy and transparent services and continuously improving products, FBD can enhance customer trust and loyalty and improve reputation leading to increased revenue.		Medium	Own Operations

	Entity- specific: Farm safety	Time to Impact	Value Chain
32	Farm Safety - FBD can have a positive impact on the health and safety of farmers through promoting and encouraging farm safety to their farming customers through appropriate learnings and guidance.	Short	Downstream

G1 – Business Conduct

	Corporate Culture	Time to Impact	Value Chain
33	ESG-linked incentives – FBD can have a positive impact on the successful implementation of climate change strategy and measures, by linking remuneration and incentives to ESG performance, improving motivation from senior leadership to prioritise the ESG agenda. FBD currently has ESG-linked incentives in place for the CEO and CFO.	Medium	Own Operations
34	Robust governance – Creating a robust governance structure with clear responsibility and accountability to increase oversight and control of ESG performance can help FBD to identify opportunities to achieve strategic targets with the intention of climate mitigation.	Medium	Own Operations
35	Engaging in unethical business conduct – Engagement by FBD in unethical business conduct could damage our reputation and lead to legal repercussions and could result in a financial impact to FBD.	Medium	Own Operations
36	Governance structure – Failure by FBD to maintain an adequate governance structure may lead to regulatory and/or reputational issues which could result in a financial impact to FBD.	Medium	Own Operations

Positive Impact Negative Impact Opportunity Risk

	Corruption and Bribery - Prevention and detection including training	Time to Impact	Value Chain
37	Compliance management – FBD have by establishing a Compliance Function including Money Laundering Reporting Officer (MLRO), Board approved compliance management framework and supporting structures, policies and guidelines (including an annual compliance plan and employee regulatory and consumer protection training) can avoid incidents of corruption and bribery and have a positive impact on the transparency of the insurance sector. This can have a positive impact on all stakeholders that FBD engages with.	Medium	Own operations

	Corruption and Bribery - Incidents	Time to Impact	Value Chain
38	Reputation – Any existence of corruption or bribery in the value chain could negatively impact the reputation of FBD as a reputable insurance provider and could have a financial impact due to reduced customer trust and potential legal penalties.	Medium	Own operations

	Management of Relationships with Suppliers	Time to Impact	Value Chain
39	Delayed Payments to Suppliers – A delay in payments to suppliers by FBD may result in strained supplier relationships, reduced supplier performance, financial penalties and a damaged reputation, negatively impacting the financial standing of FBD.	Medium	Upstream

	Protection of Whistle-Blowers	Time to Impact	Value Chain
40	Whistleblowing policy implementation – FBD has a positive impact on the lives of our employees by creating an environment where employees are encouraged to speak up if they witness conduct not in line with FBD's values. There is a non-punitive, well-publicised whistleblowing hotline in place at FBD. This has a positive impact on the wellbeing of all employees as they are comfortable raising issues which can be resolved. FBD has a speak up policy and an e-learning course in place that employees must complete.	Short	Own operations

Positive Impact Negative Impact Opportunity Risk

Double Materiality Assessment Process

1. Top Down Assessment

FBD considered what were material topics to our organisation and validated the topics through looking at peers and other available assessments to form a long list of ESG-related topics. We looked across other industries outside Insurance to build our knowledge and verify what we considered material.

The theme of the research centred on what ESG topics appeared to be relevant to peers.

Once all topics were identified, each topic was assigned a level of priority for each peer, based on the materiality of the topic to the peer. In cases where a materiality assessment had not been performed, the priority of the topic was assessed based on the level of discussion of the topic by the peer.

A screening for relevant topics was conducted, initially through desktop analysis whereby the topics of 'Pollution', 'Water', 'Biodiversity', 'Circularity', 'Workers in the value chain' and 'Affected communities' were deemed not relevant.

2. Value Chain Analysis

In line with the requirements of ESRS 2, and EFRAG IG 2, our Sustainability Statement includes information about all material IROs including those that arise or may arise beyond our own operations in the context of our business relationships in the upstream (e.g. suppliers) and downstream (e.g. customers, brokers, investment managers, partnerships) value chain. CSRD does not require information on each and every actor in the Value Chain (VC), but rather the inclusion of material VC information. As such, our assessment focused on relationships that are likely to be associated with material IROs.

We considered our full range of activities, resources and relationships relative to our business model and the external environment in which we operate and identified the VC actors for FBD based on two key criteria outlined in the Value Chain Implementation Guidance (VCIG) issued by EFRAG, namely:

- Exposure to Material Impacts (or 'hot spots') that expose FBD to the likelihood of actual and potential impacts (negative/positive) (under E, S and G); and
- Dependency of FBD on the VC actor.

Exposure to Material Impacts: We determined whether our association with each actor in the VC may result in FBD being exposed to material impacts, and whether these impacts are environmental, social, or governance related.

Dependency: We determined whether our dependence on particular VC actors results in an exposure to financial risks or opportunities.

IROs were developed for relevant VC actors and their activities as part of step 3.

On the next page is an overview of our value chain showing where our material sustainability related IROs arise across our full value chain.

All IROs are connected to our strategy and business model. Key inputs, business activities and outputs are outlined within our Business Model on page 16. See Our strategy on page 17.

FBD

UPSTREAM

Supply chain workers and our investors

Our Reinsurers

Fuel and energy for our buildings and operations

Our investors

Our Suppliers 39

Supply chain employees

OWN OPERATIONS

Our people and our workplace

Customer Service 31

Product development and underwriting 1 7 8 11 12 16

Manage claims 2

Sales and marketing

Capital management and investment policy 3 4 6 9 10

Regulatory engagement and compliance management 29 37 38

Complaints Management

Waste generated from our operations

Our workplaces 17 18 19 20 21 22

Career Opportunities 23 24 25 26 27

Corporate culture and Whistle-blower protection 33 34 35 36 40

DOWNSTREAM

Our customers and wider society

Insurance Cover for our Customers 15 28 30

Financial advisory services

ESG advocacy and community contribution 13 32

Our investments 5 14

SUPPORT.
IT'S WHAT WE DO.

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

CREATING VALUE THROUGH **SUSTAINABILITY**

3. IRO Identification

FBD developed a longlist of IROs encapsulating the entire scope of our operations, taking into consideration our specific circumstances as well as sustainability matters covered by ESRS topical standards. Business conduct matters were considered across FBD's own operations relevant to how the criteria are defined within the Irish Insurance Industry.

We then linked the IROs to a position in the VC (upstream, own operations or downstream), and a VC actor who was deemed 'relevant' for a particular ESG area.

As part of the creation and assessment of the IRO list, we considered the connection of external dependencies such as exposure to climate hazards or changes in regulation that address systemic risks and impacts with risks and opportunities for FBD, and identified IROs to reflect this. These were typically framed as risks or opportunities, where the opportunity was linked to the realisation of a positive impact and a risk was related to the failure to address a potential negative impact.

We determined the relevant time horizons in which the IROs may materialise. The time horizons used were those prescribed by the ESRS in ESRS 1 6.4 (Paragraph 77) and applied by FBD, with short being within one year, medium term 1-5 years and long-term being greater than 5 years.

Once a comprehensive list of IROs was developed with coverage over the identified topics, sub-topics and/or sub-sub-topics, senior stakeholders in FBD reviewed and provided feedback on the IROs. One entity-specific impact was identified.

4. Stakeholder Mapping and Engagement

Our commitment to ensuring excellent lines of communication exist and are fostered between the Group and its stakeholders is underpinned by our Board approved Stakeholder Framework - for details on how the Board are informed about the views and interests of affected stakeholders, including sustainability related impacts, see Stakeholder engagement on page 62. The insights gained from our ongoing due diligence processes were leveraged to inform our materiality assessment. While we continuously evolve our strategy and business model, informed by the interests and views of our stakeholders, no specific amendments to our strategy and business model were required during the period or are anticipated as a direct result of this stakeholder engagement.

Ongoing Dialogue with Stakeholders

Stakeholder	How engagement is organised	Purpose of engagements	Example of outcomes from the engagements
CONSUMER	• Customer service • Claims handling • Consumer due diligence • Periodic reviews • Market research • Formal complaint process	• Building trust • Providing sustainable solutions	• Product/ service improvements • Increased customer awareness
OUR PEOPLE	• Personal development dialogues via performance management structure • Annual employee surveys • Independent Non-Executive Director appointed for Engagement with the Workforce • Business updates through Town Halls • Employee Representative bodies	• Understand employees' views and experiences • Contribute to a sustainable workplace	• Internal policy improvements and updates • Communication from management
INVESTORS	• Investor calls, emails and meetings • Periodic investor updates - AGM, Results briefings and Investor Roadshows	• Understanding investor expectations to sustainability • Attracting responsible investors	• Responses to investor queries • Consider investor requirements around ESG reporting

SUPPLIERS	• Supplier due diligence	• Promoting responsible sourcing • Protecting human rights in the value chain	• Informed selection of suppliers • Supplier improvement plans
COMMUNITIES	• Sponsorship of local events • Educational grants • Farm safety workshops • Industry body engagement e.g.Teagasc	• Building trust • Contributing to the community's social and economic development as part of a wider ESG strategy	• Increased brand awareness • Positive social impact
GOVERNMENT & AND INDUSTRY BODIES	• Direct dialogue with policymakers • Participate in working groups • Co-funded investment in Moorepark with Department of Agriculture	• To meet and comply with Government policies • Promote action on ESG issues	• Direction from Government and Industry Bodies may be used to inform Sustainability strategy and IRO Management approach
REGULATORS	• Answering queries from Regulators • Regular engagement and scheduled meetings with Regulators.	• To meet Regulators evolving expectations to the highest standard	• Compliance with regulatory requirements • Regulatory returns

As well as leveraging on regular dialogue with affected stakeholders, we reached out to stakeholders specifically in the context of our materiality assessment. This ensured we developed an understanding of how employees with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm as well as how consumers and/or end-users with particular characteristics, or those using particular products or services, may be at greater risk of harm.

To prioritise and score IROs, we engaged with representatives from the Board of Directors, senior management and employees across a wide range of business units. We also engaged with a sample of external stakeholders across each of our stakeholder groups identified.

Engagement was through interview or survey or both. The results of these surveys and interviews were used as an input in the IRO scoring, where we considered, if any IRO scores should be adjusted to reflect stakeholder views. The next section provides a detailed explanation of the stakeholder engagement and prioritisation completed.

4.1 Stakeholder Cohorts for the Double Materiality Assessment

We identified stakeholders as groups which fall into the following two categories: affected stakeholders and users of the Sustainability Statement.

- Affected stakeholders are individuals or groups whose interests are affected or could be affected (positively or negatively) by FBD's activities, and its direct and indirect business relationships. These stakeholders were engaged with directly where possible.
- Users of Sustainability Statement are the primary users of financial reporting, as well as other users.

Please note: some stakeholders may belong to both groups. Stakeholders provided their perspective on each sustainability matter.

4.2 How we engaged with stakeholders to score the Impacts, Risks and Opportunities

Method 1

Method 1 involved interviews and follow-up surveys with internal FBD stakeholders.

To score IROs, we engaged with representatives from the Board of Directors, senior management, and employees. We spoke to individuals across a wide range of business functions to understand:

- The different ways FBD is having, or could have, impacts on the environment and society through its operations.
- The different ways ESG-related risks or opportunities could manifest for FBD.

Method 2

We also engaged with internal and external stakeholders not called to interview through surveys, asking them several open-ended questions.

In addition to open-ended questions, stakeholders were sent a follow-up survey to score all sustainability matters on a scale of 1-5 (insignificant to critical) from both a financial and impact perspective.

Collation and input into scoring

The results of these interviews and surveys were used as an assessment of the completeness of the material impacts identified and as an input in the IRO scoring process, where we considered, if any IRO scores should be adjusted following stakeholder input.

4.3 Scoring

As a general principle, IROs are considered gross (i.e. before any mitigating actions) in the materiality assessment. This is linked to the objective of providing information on the management of IROs by the Group over time.

Impact Materiality

Based on the output of the interviews and surveys, we consolidated the results for each topic, scoring each Impact against the criteria as outlined in ESRS 2 for impact materiality, specifically: scale, scope, remediability and likelihood. For actual or potential impacts, the materiality is assessed by reference to the severity of such impacts on people and/or the environment, not on the basis of the effects it has on the Group and its financial prospects. Stakeholder engagement described in section 4.2 above is central to correctly assessing materiality of impacts.

For actual negative impacts, materiality is based on the severity of the impact, while for potential negative impacts it is based on the severity and likelihood of the impact. Severity is based on the following factors:

(a) the scale;

(b) scope; and

(c) irremediable character of the impact.

Scale, scope and remediability are scored on an intensity scale of 1-5, as follows:

	Scale	Scope	Remediability
5	absolute	global/total	irreversible
4	high	widespread	very difficult to remedy or long-term
3	medium	medium	difficult to remedy or mid-term
2	low	concentrated	remediable with effort (time & cost)
1	minimal	limited	relatively easy to remedy or short-term
0	none	none	very easy to remedy

An Impact is assessed as material and subject to mandatory reporting if it reaches a threshold score of 8. A threshold score of 8 out of 15 across the three severity categories accurately captures impacts that have a high scale, high scope and low remediability. In cases where scale of an impact is assessed as absolute and/or scope of impact is assessed as global/total, and/or remediability of impact is assessed as irreversible, the threshold score is deemed to have been met and the impact is considered material. Therefore any of the three characteristics individually (scale, scope, and irremediable character) can make an impact severe. For potential impacts, probability weighting is applied to the severity scores.

For positive impacts, materiality is based on:

(a) the scale and scope of the impact for actual impacts; and

(b) the scale, scope and likelihood of the impact for potential impacts.

Scale, scope and likelihood of positive impacts are scored the same as negative impacts outlined above. Positive impacts severity scores do not incorporate remediability by definition, however, total scores for positive impacts are weighted proportionately for comparability with negative impacts.

Scope
How widespread the negative or positive impacts are on the **environment** or **people.**

Scale
How grave the negative impact is or how **beneficial** the positive impact is for people or the environment.

Remediability
Whether and to what extent the negative impacts could be **remediated**. Applies to negative impacts only.

Likelihood
Assess the likelihood of the impact occurring. Only score likelihood for **potential impacts**.

Score
A score above the agreed materiality threshold indicates that an **Impact** is **Material** and subject to mandatory reporting.

ACTUAL **IMPACTS**

SEVERITY OF IMPACT

Actual negative impacts materiality score = Scale + Scope + Remediability

Actual positive impacts materiality score = Scale + Scope

POTENTIAL **IMPACTS**

For potential impacts, materiality also includes consideration of their **likelihood**

SEVERITY OF IMPACT

Potential negative impacts materiality score = Scale + Scope + Remediability x Likelihood

Potential positive impacts materiality score = Scale + Scope x Likelihood

Note: In the case of a potential negative human rights impact, the severity (scale, scope, remediability) of the impact always overrules its likelihood

Financial Materiality

Financial materiality focuses on the assessment of the risks and opportunities of the respective sustainability matter on FBD's business. Financial materiality focuses on the effects of sustainability matters on the undertaking's cash flows, financial performance and position, access to finance or cost of capital in the short, medium or long term, as such effects are material to the undertaking's investors.

Based on the output of the interviews and surveys, we consolidated the results for each sustainability matter, scoring each risk and opportunity against the criteria as outlined in ESRS 2, specifically: magnitude (size of the financial effect), and likelihood. Size of the financial effect of each risk and opportunity were estimated and assigned a rating on an intensity scale of 1-5, as follows:

Magnitude	
5	absolute
4	critical
3	significant
2	important
1	minimal
0	none

A risk or opportunity is assessed as material and subject to mandatory reporting if it reaches a threshold score of 2. A threshold score of 2 aligns to the FBD Risk Management Framework.

All risks that were deemed to be material following our DMA were added to the Risk Register, if they were not captured already, allowing them to be assessed and prioritised relative to other types of risks. (See section on Future-proofing our Impact, Risk and Opportunity management process for more information).

For potential risks and opportunities probability weighting is applied to the magnitude scores to reflect likelihood of occurrence.

ACTUAL **RISKS & OPPORTUNITIES**

Actual risk materiality score = Magnitude

Actual opportunity materiality score = Magnitude

POTENTIAL **RISKS & OPPORTUNITIES**

For potential risks and opportunities, materiality also includes consideration of their **likelihood**

Potential risk materiality score = Magnitude x Likelihood

Potential opportunity materiality score = Magnitude x Likelihood

5. Validation and Approval

We conducted a series of internal validation workshops with key individuals within the business, including executive management, to discuss the outputs from the scoring completed on the IROs identified, before finalising the scoring. The validation sessions included consideration of the internal and external stakeholder interviews and surveys.

Following completion of the validation workshops the DMA outcome was reviewed, constructively challenged and subsequently approved by the Sustainability Committee in May 2024, and approved by the Audit Committee in October 2024.

Future-proofing our Impact, Risk and Opportunity management process

Following the completion of our DMA, we have taken steps to integrate the process for identifying, assessing and managing IROs into our overall management process.

In Q4 2024, we approved our ESG Due Diligence Framework and rolled out an Impact, Risk and Opportunity (IRO) Management approach, to supplement the Risk and Control Self Assessments that business units complete on an ongoing basis.

As outlined in our Sustainability Governance Framework on pages 106 to 109 risks and negative Impacts are integrated into, and managed and monitored through our established risk management processes. Opportunities and positive Impacts are managed and monitored through our sustainability management processes.

We recognise the journey that our organisation, as well as the industry and society at large is on, and we will look to refine our sustainability practices as the sustainability reporting landscape evolves including the growth of green technology, increased awareness and reporting across our VC and monitoring of evolving market practices and the geopolitical response. We have assigned owners to all our IROs, and we are embedding regular monitoring and reporting on the implementation of action plans to manage IROs.

Climate risk

In addition to our IRO management approach, we have implemented an approach to formalise how we monitor and manage Climate Risk on an ongoing basis. The details of this approach are outlined as part of the Climate Resilience Analysis on pages 128 to 130. Outputs from our climate resilience exercise have been included in our material impacts, risks and opportunities, and we have designed governance processes that will allow us to incorporate Climate Risks into our overall due diligence framework. These governance processes will be implemented in 2025.

IRO treatment strategies

In line with ESRS 2 minimum disclosure requirements on policies, actions and targets (MDR-P, MDR-A, MDR-T), we will look to implement strategies, policies, actions and targets to help manage material sustainability matters and IROs where appropriate. The introduction of a strategy, policy, target or action may not always be deemed necessary. In addition, in some cases a policy may not be the most appropriate tool for managing an IRO. FBD employs different strategies for the management of IROs depending on the IRO type.

The creation of strategies, policies, action plans and targets is assigned to the IRO Owner, with support from the ESG Reporting team and Risk Function. Strategies, policies, actions and targets are signed off by the Sustainability Committee, who receive progress reports on their implementation. In addition, the Executive Risk Committee receive reports on the Negative Impacts and Risks, which they can use to evaluate FBD's overall risk profile.

This is the first year FBD has conducted a DMA and FBD will continue to monitor its IROs in future, making improvements to the IRO management process. FBD will regularly assess its DMA and will monitor any significant changes to the business model that could impact our DMA.

Negative impacts

FBD will aim to prevent, detect, manage and mitigate negative Impacts on an ongoing basis. Material negative Impacts will generally be addressed through policies and added to the Risk and Control Self-Assessment ('RCSA') process and reported to the Executive Risk Committee, with any actions being managed on an ongoing basis.

Positive impacts

FBD will aim to capitalise on positive Impacts by creating action plans, progress against which will be reported on a regular basis to the Sustainability Committee.

Risks

Risks are managed in accordance with FBD's Risk Management Framework and related policies with new policies implemented to address new risks as required. Progress on risk management and actions will be captured through the established RCSA process and reported to the Executive Risk Committee.

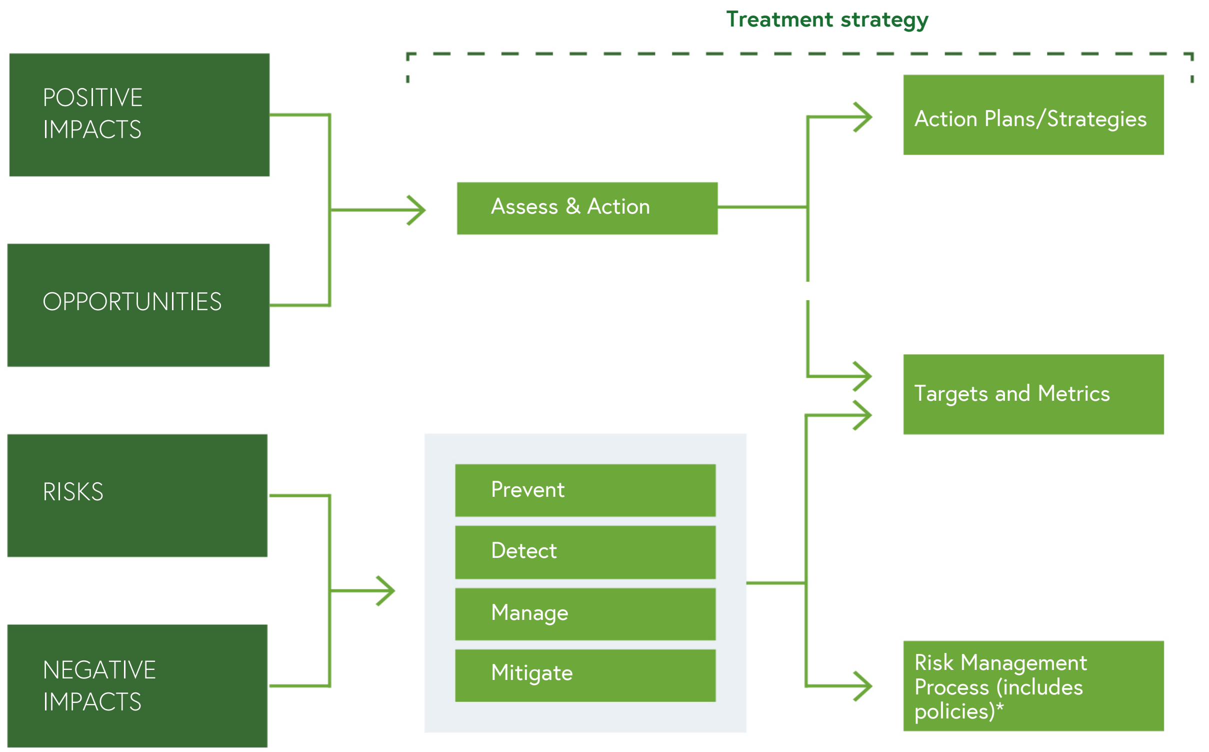
Opportunities

FBD aim to capitalise on Opportunities by creating action plans, progress against which will be reported on a regular basis to the Sustainability Committee.

Targets

FBD will create a target for an IRO, where appropriate. This is at the discretion of the IRO Owner. Targets will be reviewed and signed off by the appropriate governing committee(s) depending on the business area and by the Sustainability Committee.

IRO MANAGEMENT APPROACH



*Risk management process may involve creating an Action plan

Environmental

Considers how a company impacts the environment around it and includes issues such as climate change, biodiversity, nature, carbon emissions, waste and pollution.

European Sustainability Reporting Standard (ESRS) E1 - Climate Change

E1 CLIMATE CHANGE

Climate Change Adaptation

- 1 Incentivisation for adaptation solutions
- 8 Enhanced pricing to optimise underwriting performance
- 9 Capital planning — increased stability
- 11 Revenue from new offerings
- 2 Increased claims due to climate event
- 3 Cost / availability of reinsurance cover
- 4 Financial impact of other climate related events
- 5 Reduced opportunities arising as a result of sustainable investment strategy
- 6 Reduced returns on and/or difficulty disposing of high carbon intensive assets
- 7 Reduction in insurable activity
- 10 Inadequate climate modelling – reduced stability
- 12 Reputation risk – Failure by FBD to adequately consider and respond to the impact of climate change

Climate Change Mitigation

- 15 Insurance supporting sustainable activities
- 13 Insurance industry supporting GHG intensive activities
- 14 Improved returns through additional sustainable investments
- 16 Unsuccessful climate change mitigation measures negatively impacting market share

IRO legend

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

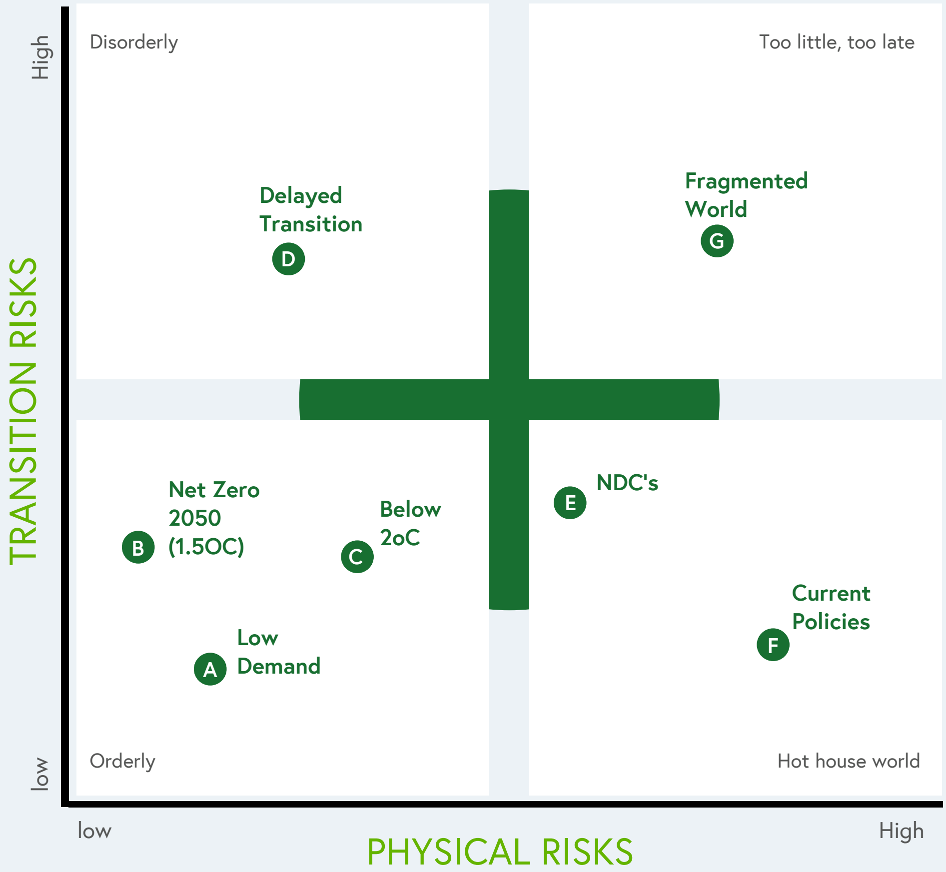
FBD seeks to do business in a sustainable way evidenced through our investment choices, advocacy activity and alignment to the Principles of Sustainable Insurance. Addressing the risks posed by climate change is vital and strategically important to FBD, from both a commercial and stakeholder perspective and we have adopted a number of policies in order to adapt to and mitigate the effects of climate change.

Climate Resilience Analysis

In 2024, FBD undertook an exercise to enhance the approach to analysing climate change risk in our business, using the Central Bank of Ireland's "Guidance for (Re)Insurance Undertakings on Climate Change Risk" as overarching principles. The exercise contained both a qualitative and quantitative assessment, and its purpose was to consider the impact of climate change over the short, medium, and long-term as set out in the CBI Guidance across all areas of the business and to further integrate climate risk into FBD's governance and Risk Management Framework

To ensure alignment with CBI guidance four time horizons were used for the qualitative assessment – current, 2030, 2040 and 2100. For the quantitative assessment, two time horizons were considered – 2030 and 2050. These time horizons match the ones used in the Central Banks and Supervisors Network for Greening the Financial System (NGFS) framework, which was used to select a number of climate scenarios and formed a key part of this analysis. This framework contains four plausible futures detailed through seven scenarios.

NGFS SCENARIOS FRAMEWORK IN PHASE IV



After carefully examining each of the scenarios under the NGFS scenario framework, FBD selected the Nationally Determined Contributions (NDCs) scenario as a baseline scenario. This scenario assumes that currently pledged conditional NDCs are fully implemented and respective targets on energy and emissions in 2025 and 2030 are reached in all countries, which leads to a slight decrease in long-term physical risks due to newly announced commitments. The NDCs used as part of this scenario were pledged in 2020/2021, however the scenario will be updated in 2025 when the next round of NDCs are submitted by all countries. The NDCs scenario was selected due to its widespread use across the insurance industry, as well its balance between the orderly and disorderly scenarios. The level of physical and transition risk assumed in the NDCs scenario over the time horizon is summarised in the table below.

NDC's Scenario	Short-term (0-10yrs)	Medium-term (10-30yrs)	Long-term (30-80yrs)
PHYSICAL RISK	LOW/MEDIUM	MEDIUM	HIGH
TRANSITION RISK	MEDIUM	LOW	LOW
MEAN TEMPERATURE INCREASE AT THE END OF TIME HORIZON	1.5°C	1.9°C	2.4°C

As FBD predominantly writes business in Ireland, the physical and transition risks in the Irish market are most relevant for FBD. Ireland's contribution to NDCs comes under the European Union NDCs targets, and this will drive the level of transition risk in the Irish market.

In addition, two further counterfactual scenarios were selected:

Net Zero 2050: This scenario aligns with CSRD requirements for selection of a scenario that is consistent with the Paris Agreement and limiting climate change to 1.5°C with no or limited overshoot and includes immediate stringent policies.

Delayed Transition: This scenario assumes that global annual emissions do not decrease until 2030 as no new climate policies are introduced, and very stringent policies are introduced after 2030 to limit warming below 2°C. This would lead to higher physical and transition risks than the Orderly scenarios and is a plausible future outcome given current international progress.

To understand potential exposure to climate related risks under each of the above scenarios, FBD established a list of risks and opportunities ("RO Universe") based on peer analysis, engagement with internal FBD stakeholders and a physical risk assessment of FBD sites (including offices, buildings and property). The RO Universe will be kept up to date by the FBD Risk Management team by use of ongoing research, the IRO Management approach and physical risk assessments of FBD sites.

From the RO Universe, four components were selected for quantification and inclusion in FBD's Own Risks Solvency Assessment ("ORSA") document, based on the outcome of the qualitative assessment. The approaches used for quantification of these four example components were:

- **Component 1:** Asset shock on government bonds, corporate bonds and risk assets.
- **Component 2:** Change in premium volume
- **Component 3:** Loss ratio impact from climate-related claims.
- **Component 4:** Operational resilience with focus on the impact of flood risk to FBD sites and properties.

The above components were quantified under two time horizons, Short Term (Year 2030) and Medium Term (2050), as assessment of longer term time horizons is more exploratory and qualitative in nature. In all three scenarios, the impact on FBD is not expected to be material in the short term.

The results of the analysis are outlined below:

- **Political and Legal risks** show the highest level of risk in the Net Zero 2050 and Delayed Transition scenarios due to imposition of more policy and regulation in comparison to the NDC scenario. The protracted implementation of policies in the Delayed Transition scenario result in increased levels of risk in this scenario in the medium-term.
- **Economic risks** are greatest in the Net Zero 2050 and Delayed Transition scenarios reflecting the investment required to transition effectively across all sectors and the decreased appetite for investments in carbon intensive sectors and locations.
- **Social risk** associated with socio-economic disruption from global climate change is evident across all three scenarios, accruing most prominently under Delayed Transition as policies are implemented most stringently over short timescales.
- **Technology risks** are greatest in the Net Zero 2050 and Delayed Transition scenarios, as Ireland and the world transitions to renewables, there is increased risk associated with rapid transition from traditional fossil fuel technologies to lower carbon alternatives.
- **Environmental risks** are greatest in the NDC scenario due to increased levels of physical risk when compared to the Net Zero 2050 and Delayed Transition Scenarios. By the medium-term 2050, trajectories of physical risk are broadly similar across all three scenarios with divergence evident post 2050. Levels of environmental risk will have implications for FBD operations, claims volume and supply chain.

Policies

FBD has several policies to ensure that climate-related issues are fully integrated into the Group's wider business strategy. These policies cover a range of business areas within FBD's own operations, including Underwriting, Investments and Risk Management. Some of our key policies, owners and approvers are listed below.

Policy	Topics addressed	Relevant IROs	Objectives	Approved By	Monitored by	Policy Owner
Underwriting Policy	Climate Change adaptation	2 8	To clearly set out the Underwriting approach in FBD and to ensure compliance with the Risk Management Framework. To manage and recalibrate FBD's products, risk appetite and pricing as necessary in order to support climate change adaptation.	Board, at least annually	Pricing and Underwriting Committee Pricing and Underwriting Forums	Chief Underwriting Officer
Product Oversight and Governance Policy	Climate change adaptation Climate change mitigation	19 1	To clearly set out the approach to product oversight & governance in FBD and to ensure compliance with the Risk Management Framework. To consider climate change adaptation during the product approval process.	Board, at least annually	Pricing and Underwriting Committee Underwriting Product Manager	Chief Underwriting Officer
Reputational Risk Policy	Climate change adaptation	12	To outline FBD's prudent and proactive approach to managing reputational risk including climate change impacts.	Board, at least annually	Risk Committee	Group Chief Executive Officer
Investment Policy	Climate change adaptation Climate change mitigation	5 6	To maximise returns within the overall Risk Appetite of the company as approved by the Board of Directors. The overriding philosophy is to protect and safeguard the Group's assets, to ensure that the Group's capacity to underwrite is not put at risk.	Board, at least annually	Risk Committee	Head of Investments
ORSA Policy	Climate change adaptation	9 10	To assess, in a continuous and prospective way, the overall solvency needs related to the specific risk profile of the insurance company.	Board, at least annually	Risk Committee	Group Chief Risk Officer
Capital Management Policy	Climate change adaptation	4	To set out principles and guidelines used by the Group for capital planning, capital issuance, usage and distributions. This includes internal capital goals, reporting and monitoring of capital position and internal governance procedures around capital policy.	Board, at least annually	Risk Committee	Group Chief Financial Officer
Non-Financial Reporting Policy	Other	N/A	To set out how non-financial information (including metrics and associated qualitative disclosures) is prepared and how risks are managed to ensure its completeness, accuracy, and timeliness.	Audit Committee, at least annually	ESG Reporting Team	Group Chief Financial Officer

Actions

During 2024, we have taken the following actions towards climate change adaptation and mitigation:

Decarbonisation Lever	Action	Value Chain Location	Resources Allocated €000s	GHG Reductions achieved
Decarbonisation of investments	Investments: • FBD remains ahead of its target to reduce the carbon intensity of the corporate bond portfolio. • The carbon intensity of the risk asset portfolio has been reduced and is below the carbon intensity of the weighted average fund benchmark.	Downstream	0	0
Decarbonisation contributions	Strategic Implementation: • In 2024, FBD committed to contributing €1.5 million towards new agricultural research and education facilities at UCD Lyons Farm. Construction of the new centre is due to commence in 2025. The 'UCD FBD Agricultural Science Centre' will allow for an increase in the number of undergraduate and postgraduate students, and UCD staff studying and researching in the areas of agriculture, veterinary medicine, environmental science, and sustainable production systems, facilitate new education programmes in the areas of animal science, animal health, crop science and sustainable food production and be a venue to showcase the latest research to agricultural advisers, farmer groups and the wider industry.	Downstream	1,500	0
Use of renewables Buildings energy efficiency Energy efficiency and consumption reduction	Facilities • FBD continues to purchase all its electrical energy from renewable sources. • FBD continue to review mechanical and electrical technology upgrade opportunities, focusing on replacing end-of-life HVAC systems with more energy efficient systems. FBD also replaced the EDPAC air conditioning unit in the server room in head office with a more efficient unit. • In 2024, FBD embedded the process relating to management of end-of-life ICT (Information & Communications Technology) equipment to maximise recycling potential.	Own operations	220	0
Scenario analysis	Risk management: • In 2024, FBD undertook a climate resilience analysis to consider the impact of climate change over the short, medium, and long-term across all areas of the business. This exercise included the selection of a baseline climate scenario as well as two counterfactual scenarios and the quantification of the potentially most material climate-related risks and opportunities under each scenario.	Own operations	45	0
Carbon Disclosure Project (CDP)	Disclosures: • On an annual basis FBD completes voluntary disclosure to the CDP. CDP is a non-profit charity which supports the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. CDP takes independently verified information supplied by FBD, and scores our progress on climate action on a scale from A to F. FBD's rating in respect of 2024 is a 'B' which is in the Management category and is defined by CDP as "Taking coordinated action on climate issues". This rating remains unchanged from the previous year.	Own operations	0	0

The following actions are planned into 2025 and beyond. The time horizons referred to below are the same as those used by FBD to identify IROs, with short being within one year, medium term 1-5 years and long-term being greater than 5 years.

Decarbonisation Lever	Action	Time Horizon	Value Chain Location	Resources Allocated €000s	GHG Reductions expected
Transition plan	Strategic Implementation: • FBD does not currently have a transition plan. While FBD may explore the development and adoption of a transition plan in the future, as at year end 2024 the timelines for this have not yet been established. Any consideration of a transition plan will also include examination of the feasibility of implementing GHG emission reduction targets.	Medium term	Own operations	N/A	N/A
Asset Improvement Plan Use of renewables	Facilities: • FBD plan to have a sustainability survey carried out on the Head Office property for an asset improvement programme. The suggested scope for an asset improvement programme includes, a current asset performance review, improvement pathways and next steps. • FBD plans to install solar panels in head office and two sales offices in 2025.	Short term	Own operations	129	TBD
Supply chain decarbonisation	Procurement: • FBD are undertaking a Supplier ESG project which is currently focused on knowledge sharing and engagement with suppliers.	Medium term	Upstream value chain	0	0
Climate change reporting	Disclosures: • In 2024 FBD became a signatory of the UN Environment Programme Finance Initiative Principles for Sustainable Insurance ("UNEP FI PSI"). As part of this initiative we will work to further embed the principles into our business and will continue to report annually on our progress in implementing the principles. • FBD will continue to report annually under the CDP in 2025 and beyond.	Long term	Own operations	0	0

Targets

Exclusions

FBD's Investment Policy includes exclusions from the corporate bond and in-scope risk asset portfolios[1]. This policy includes an absolute target of zero investments in the following:

Activity	Exclusion
Controversial weapons	Exclude companies with any tie
Auto Civilian Firearms	Exclude companies with any tie
Nuclear weapons	Exclude companies which derive > 1% of their revenue from this source
Arctic drilling	Exclude companies which derive > 1% of their revenue from this source
Oil sand mining	Exclude companies which derive > 1% of their revenue from this source
Thermal Coal extraction	Exclude companies which derive > 1% of their revenue from this source
High polluters (fixed income)[2]	Exclude companies which produce > 3,000tonnes CO_2e/$USDm revenue

This target was set by the Investment Committee in consultation with the investment managers and is not directly linked to scientific evidence. The base year for this target is 2023. The target has been incorporated into the Investment Policy which is approved by the Investment Committee and the Board, and is reviewed annually as part of the ESG Strategy annual review. In 2024 FBD was in compliance with the Investment Policy as outlined above.

Carbon Intensity

The carbon intensity metric expresses the carbon emissions of each company in relation to their revenue, weighted according to the respective share of a security in FBD's corporate bond portfolio. As part of FBD's policy to integrate ESG factors into our investment portfolio, a 60% target reduction in the carbon intensity of the corporate bond portfolio has been set over the 9-year period from 1 January 2021 to 31 December 2029. The baseline carbon intensity used is 258 tonnes CO_2/m$USD revenue as at 1 January 2021. The target was set by the Investment Committee in consultation with the investment managers based on the maturity profile of the bonds and the need to maintain adequate diversification of exposures within the portfolio. No prescribed methodology was used and it is not directly linked to scientific evidence. The target has been incorporated into the Investment Policy which is approved by the Investment Committee and the Board, and is reviewed annually as part of the ESG Strategy annual review. The reduction is to be achieved as follows:

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reduction target[3]	20 %	25 %	30 %	35 %	40 %	45 %	50%	55 %	60 %

FBD has written this target into the portfolio guidelines with its investment manager. It monitors the metrics and reports progress against the target on a quarterly basis to the Investment Committee and Board. FBD has exceeded its targets for each year so far and the total reduction versus the baseline stands at 74% as at 31 December 2024.

ESG rating limits

FBD's corporate bond manager has developed their own proprietary ESG scoring system, on a scale of A-F (A being the best in class and F being the ESG laggards) which takes into account the current ESG profile and steps companies are taking to improve their ratings. As part of FBD's policy of reducing the climate impact of our portfolios, we have used this methodology to create the following limits[4]:

1 These exclusions do not apply to the Emerging Market Debt Funds and the Private Markets Fund.

2 High polluters (fixed income) – this limit applies to new purchases as of 01/01/2023. At 31/12/2024 FBD held c. €3.5m of corporate bonds in breach of this exclusion which have been sold as of the reporting date.

3 The targets for each year are the targeted reduction from the base year.

4 In recognition of the limitations and evolution of ESG rating methodologies, the Investment Committee may provide a waiver in the event of a breach subject to the bond holding an equivalent within tolerance rating with one of the main ESG rating agencies. This waiver has not been applied during 2024.

ESG Rating
• 0% allocation to securities rated F • 5% maximum allocation to securities rated E • 20% allocation to securities rated D

This target was set by the Investment Committee in consultation with the investment managers and is not directly linked to scientific evidence. The base year for this target is 2021. The target was approved by the Investment Committee and the Board, and is reviewed annually as part of the ESG Strategy annual review. In 2024 FBD continued to comply with the above limits.

GHG emission reduction targets

FBD does not currently have GHG emission reduction targets in place, however emission reduction targets would be considered as part of the development of a transition plan. The creation of a Transition Plan will remain under review in 2025.

Energy Consumption and Mix

	2024	
Fossil Sources		
Total fossil energy consumption (MWh)	323	
Share of fossil sources in total energy consumption (%)		13 %
Nuclear Sources		
Consumption from nuclear sources (MWh)	-	
Share of consumption from nuclear sources in total energy consumption (%)		0 %
Renewable Sources		
Total renewable energy consumption (MWh)	2,177	
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-	
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	2,177	
The consumption of self-generated non-fuel renewable energy (MWh)	-	
Share of renewable sources in total energy consumption (%)		87 %
Total energy consumption (MWh)	**2,500**	**100 %**

Fossil Sources

Fossil sources consist of all energy from natural gas, liquified petroleum gas (LPG), heating oil and hydrocarbon oil. Total MegaWatt hour (MWh) for natural gas is taken directly from our invoices, while for LPG, heating oil and hydrocarbon oils, SEAI conversion factors are used to convert the litres of fuel consumed to MWh.

Nuclear Sources

FBD does not consume any energy from nuclear sources.

Renewable Sources

FBD's purchased electricity consists of renewable energy as all electricity purchased by FBD is certified as 100% renewable.

Renewable and non-renewable energy production

FBD does not produce any energy.

High climate impact sectors

FBD does not have any operations in high climate impact sectors and has therefore omitted all metrics required by entities with operations in these sectors.

Gross Scopes 1, 2, 3 and Total GHG emissions

	2024
Scope 1 GHG emissions[1]	
Gross Scope 1 GHG emissions (tCO_2eq)	66
Scope 2 GHG emissions[2]	
Gross location-based Scope 2 GHG emissions (tCO_2eq)	489
Gross market-based Scope 2 GHG emissions (tCO_2eq)	-
Significant scope 3 GHG emissions[3]	
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	**37,020**
1 Purchased goods and services (tCO_2eq)	4,858
2 Capital goods (tCO_2eq)	714
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2) (tCO_2eq)	151
4 Upstream transportation and distribution (tCO_2eq)	-
5 Waste generated in operations (tCO_2eq)	14
6 Business travelling (tCO_2eq)	417
7 Employee commuting (tCO_2eq)	806
8 Upstream leased assets (tCO_2eq)	-
9 Downstream transportation (tCO_2eq)	-
10 Processing of sold products (tCO_2eq)	-
11 Use of sold products (tCO_2eq)	-
12 End-of-life treatment of sold products (tCO_2eq)	-
13 Downstream leased assets (tCO_2eq)	147
14 Franchises (tCO_2eq)	-
15 Investments (tCO_2eq)	29,913
Total GHG emissions (tCO_2eq)	**37,575**
Total GHG emissions (location-based) (tCO_2eq)	**37,575**
Total GHG emissions (market-based) (tCO_2eq)	**37,086**

1: Scope 1 emissions

There were no biogenic scope 1 emissions in 2024.

2: Scope 2 emissions

Scope 2 market-based emissions continue to be zero in line with 2023 as FBD only purchase energy from renewable sources. FBD obtains Guarantees of Origin ("GOs") directly from our energy provider and 100% of these are bundled. There were no biogenic emissions included in scope 2 in 2024.

3: Scope 3 emissions

1.57% of scope 3 emissions were calculated using primary data. Primary data consists of water metering, waste bills and travel mileage provided by FBD's employees. There were no biogenic scope 3 emissions in 2024.

GHG intensity based on net revenue

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO_2eq/€'000)	**0.09**
Total GHG emissions (market-based) per net revenue (tCO_2eq/€'000)	**0.09**

	2024 €'000
Insurance Revenue (per financial statements)	441,004
Revenue from contracts with customers (per financial statements)	3,667
Net revenue used to calculate GHG intensity	**444,671**

GHG Intensity

FBD's GHG intensity is calculated by dividing total emissions (location-based and market-based) by total net revenue. Total net revenue is calculated by adding Insurance revenue and Revenue from contracts with customers. See the Consolidated income Statement on page 198.

Non-Financial Accounting Policies

Direct GHG emissions (scope 1)

In line with the GHG protocol, FBD defines Scope 1 emissions as GHG emissions from sources they own or control as Scope 1. Direct GHG emissions are principally the result of the consumption of the following by the Group: LPG, natural gas, heating oil and hydrocarbon oil. Total activity data for FBD is summed up by type of fuel and multiplied by an emission factor in order to calculate CO_2e emissions. FBD uses UK Government data (from the Department for Energy Security and Net Zero, and the Department for Environment, Food and Rural Affairs or DEFRA) emission factors for CO_2 equivalent.

Indirect GHG emissions (scope 2)

FBD defines Scope 2 as an indirect emission category that includes GHG emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by FBD (in line with the GHG Protocol). Calculating Scope 2 emissions requires a method of determining the emissions associated with electricity consumption. FBD calculates Location Based Emissions from all consumed electricity based on electricity usage invoices from energy suppliers. The total Kilowatt hours (kWh) consumed is taken for the suppliers and multiplied by the emission factor for the overall Irish power gird. Location based emission factors are sourced from the Commission for Regulation of Utilities.

Indirect GHG emissions (scope 3)

FBD defines Scope 3 as all other Indirect GHG emissions (not included in Scope 2) that occur in the value chain of FBD Holdings plc. Scope 3 is broken down into upstream emissions that occur in the supply chain (for example, from production or extraction of purchased materials and downstream emissions that occur because of the use of FBD's products or services). The GHG) Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard categorises Scope 3 emissions into 15 categories. FBD has assessed its Scope 3 emissions in line with the 15 Scope 3 emissions categories outlined by the GHG Protocol. The minimum boundary in the GHG Protocol consists of; equity investments, debt investments (with known use of proceeds), and Project finance.

Category 1 consists of:

- Relevant operating expenditure multiplied by industry emission factors. Expenses excluded from this calculation include employee costs, levies paid to regulatory bodies, depreciation and any expenses for which the emissions have already been captured, such as light and heat in Scope 1 and Scope 2 and employee travel in Scope 3 category 6.
- Investment expenses multiplied by an industry emission factor.

- Water emissions, calculated by applying the DEFRA emission factor to FBD's expenses relating to water consumption.

Reinsurance premium paid is not included as it is classified as an optional category under the GHG Protocol, while Claims costs are not included in C1 calculations as this encompasses a wide range of activities that cannot be accurately represented by a single emission factor.

Category 2 consists of industry emission factors applied to FBD's relevant capital expenditure. The majority of FBD's capital spend is comprised of facilities and IT expenditure. The remainder is excluded as it relates to employee costs.

Category 3 consists of indirect cradle-to-gate emissions from fuel and electricity consumed multiplied by relevant emission factors. The emission factors used are the DEFRA Well to tank (WTT) for natural gas, kerosene and LPG and Transmission and distribution (T&D) for electricity.

Category 5 consists of an industry emissions factor applied to waste generated during the year. The emission factors used are DEFRA Waste to landfill and DEFRA mixed recycling.

Category 6 consists of industry emissions factors applied to claimed mileage in 2024 for employees who travel as part of their job. The emission factors used are the DEFRA business travel and WTT for an average-sized car.

Category 7 consists of industry emission factors applied to employee travel to work. The average emission factor for employee commuting is provided to FBD by an external third party sustainability consultant, expressed in units of greenhouse gas (CO2, CH4, N2O, HFC, or CO2e) emitted per kilometre. To calculate the appropriate emission factor for employee days, FBD along with our sustainability consultant identified an appropriate percentage weighting of commuting methods for employee and identified an appropriate Emission Factor for each commuting method. Information on Commuting methods was taken from the Census 2022 Results which gave a breakdown of the types of commuting citizens used. The emission factors used for each commuting method were as follow:

- Bus: DEFRA business travel and WTT for an average local bus.
- Rail: DEFRA business travel and WTT for light rail and tram.
- Car: DEFRA business travel and WTT for an average-sized car.
- Motorbike: DEFRA business travel and WTT for an average-sized motorbike.
- Walking and cycling: Assumed to have an emission factor of zero.

Category 13 consists of the emissions estimated from FBD's investment property, based on the electricity and gas consumption for buildings of a similar BER and floor space.

Category 15 consists of:

- The emissions estimated from the Scope 1 and Scope 2 carbon footprint metrics provided by our investment manager as at 31 December 2024 for our Corporate Bond Portfolio.
- Scope 1 and Scope 2 emissions data provided by our investment manager as at 30 September 2024 for our Risk Asset Portfolio. The portfolio remained materially unchanged between 30 September 2024 and the reporting period. Sovereign bond exposure is not included in the analysis as the GHG Protocol does not provide guidance on how to calculate these emissions.
- Emissions calculations for investments include extrapolation where no direct data is available. Data coverage is an industry wide issue which is expected to improve over time.

Categories 4, 8, 9, 10, 11, 12 and 14 are not material to FBD.

GHG removals and GHG mitigation projects financed through carbon credits

No GHG removals and storage activities are currently in place in FBD. FBD purchases carbon credits annually from Vita that contribute to community boreholes and safe water in Ethiopia and Eritrea. All carbon credits purchased by FBD are verified by the Gold Standard and are based on avoidance projects. The carbon credits purchased in 2024 amount to €17,000 of the operating expenses disclosed in Note 4 of the Financial Statements on page 230.

GHG mitigation projects financed through carbon credits

Carbon credits cancelled in the reporting year	2024
Total (tCO_2eq)	**1,446**
Share from removal projects (%)	0
Share from reduction projects (%)	0
Recognised quality standard 1 (%)	100
Recognised quality standard 2 (%)	0
Recognised quality standard 3 (%)	0
Share from projects within the EU (%)	0
Share of carbon credits that qualify as corresponding adjustments (%)	0

Carbon credits planned to be cancelled in the future	Amount until 2025
Total (tCO_2eq)	**1,943**

Internal Carbon Pricing

FBD do not have a carbon pricing scheme in place and there are no plans to create one in 2025.

EU Taxonomy Regulation

Financial year 2024 is the second year that FBD is required to report on Taxonomy-Eligible and Aligned for underwriting and investment activities.

EU Taxonomy (EUT) for Underwriting Activities

Taxonomy Eligibility

A Commission Notice issued by the European Commission in November 2024[1] mandates that insurers provide a 'premium split', isolating premiums pertaining to the coverage of climate-related perils only for the purpose of computing Taxonomy-Alignment. Further, where insurance undertakings are unable to obtain the data on written premiums related to climate-related perils for a given insurance contract, they should report those premiums as Taxonomy-Non-Eligible and enter a 'zero' value when calculating the numerator of the KPI.

For the financial year 2024, in contrast to the financial year 2023, we have conducted the premium splits on Taxonomy-Eligible written premiums for a variety of products in the Solvency II lines of business, including, other motor and fire and other damage to property insurance. We offer policies that are based on a general protection approach, thus covering all risks, including (yet, not explicitly referring to) climate-related perils. Equally, we offer lines of business where protection against certain climate-related perils is explicitly included or excluded within policy terms and conditions. The extent to which individual contracts include protection against climate-related perils depends on both demand and customer risk exposure. We consider climate-related perils to be covered within a line of business when such perils could potentially trigger claims i.e. products that explicitly price climate-related perils or cover such perils in the policy terms and conditions.

The premium split has been conducted by an approximation of the share of past climate-related perils caused claims using statistical methods on a product level. The resulting Taxonomy-Eligible share is 9.1%. Where the premiums for any products cannot be split into Solvency II lines of business, these products are considered as Taxonomy-Non-Eligible.

Taxonomy Alignment

In line with requirements set out within the Delegated Acts, FBD's Taxonomy-Eligible products have been assessed against the specific Technical Screening Criteria ("TSC") for underwriting activities, including Substantial Contribution, Do No Significant Harm (DNSH) and Minimum Safeguards tests.

Substantial Contribution criteria consider a) leadership in modelling and pricing of climate risks, b) product design, c) innovative insurance coverage solutions, d) data sharing and e) a high level of service in post-disaster situation; whilst DNSH criteria preclude insurance of extraction, storage, transport or manufacture of fossil fuels. Minimum Safeguards serve to protect social norms including human rights and labour rights at both an entity and counterparty level. Our assessment found that our Taxonomy-Eligible products partially meet TSC within the Delegated Acts and we are working to fully meet criteria.

[1] Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice)

	Substantial contribution to climate change adaptation				DNSH (Do No Significant Harm)					
	Economic activities	Absolute premiums, year t	Proportion of premiums, year t	Proportion of premiums, year t-1	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards
	1	2	3	4	5	6	7	8	9	10
		€'000	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1.	Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	0	0%	0%						
A.1.1.	Of which reinsured	0	0%	0%						
A.1.2.	Of which stemming from reinsurance activity	0	0%	0%						
A.1.2.1.	Of which reinsured (retrocession)	0	0%	0%						
A.2.	Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	41,679	9.1%	0%*						
B.	Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	418,540	90.9%	100%*						
Total (A.1 + A.2 +B)		**460,219**	**100%**	**100 %**						

- For year end 2023, FBD were unable to obtain data on written premium related to climate-related perils for a given insurance contract and therefore reported "Explained Zero" in line with the draft Commission Notice issued by the European Commission in December 2023, this comparative information is not assured.

Investments EU Taxonomy (EUT) Overview

The proportion of exposures to Taxonomy-Eligible and Taxonomy-Aligned activities represent the weighted average value of invested assets directed at funding, or associated with such activities, relative to the value of total invested assets included for the purpose of the calculation of the KPI ("Covered Assets").

As a financial undertaking, FBD mostly relies on EU Taxonomy information published by the counterparties that we are invested in. FBD only report Taxonomy Eligibility and Alignment figures for entities that have reported the same.

Exposures to Taxonomy-Eligible activities include 5% of Covered Assets, representing exposures to investee reported Taxonomy-Eligible KPIs and the investment property.

Exposure to Taxonomy-Aligned activities include 1.8% (2023: 1.1%) and 2.6% (2023: 2.4%) of Covered Assets based on investee reported Turnover and CapEx KPIs respectively. The 2023 comparative information is not assured.

While we have noted a marginal increase in reported Taxonomy-Aligned investments, overall reported Taxonomy-Eligible and Taxonomy-Aligned investments remain low as a percentage of Covered Assets.

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments			€'000
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based: %	**1.8 %**	**Turnover-based:**	**16,503**
Capital expenditures-based: %	**2.6 %**	**Capital expenditures-based:**	**23,338**
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:%	**77.6 %**	**Coverage:**	**912,076**
Additional, complementary disclosures: breakdown of denominator of the KPI			
The percentage of derivatives relative to total assets covered by the KPI.		The value in monetary amounts of derivatives.	
	0 %		-
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non financial undertakings:	**20.5 %**	**For non financial undertakings:**	**187,418**
For financial undertakings:	**4.6 %**	**For financial undertakings:**	**41,928**
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non financial undertakings:	**17.3 %**	**For non financial undertakings:**	**158,118**
For financial undertakings:	**9.1 %**	**For financial undertakings:**	**82,676**
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non financial undertakings: %	**12.4 %**	**For non financial undertakings:**	**112,719**
For financial undertakings: %	**10.2 %**	**For financial undertakings:**	**93,364**

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments			€'000
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		Value of exposures to other counterparties and assets:	
	25.9 %		**235,853**
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities :	
	0 %		**-**
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: [1]		Value of all the investments that are funding economic activities that are not Taxonomy-eligible: [1]	
	93.6 %		**853,974**
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: [2]		Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned: [2]	
%	**4.6 %**		**41,599**

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non financial undertakings:		For non financial undertakings:	
Turnover-based: %	**1.7 %**	**Turnover-based:**	**15,060**
Capital expenditures-based: %	**2.4 %**	**Capital expenditures-based: [monetary amount]**	**21,784**
For financial undertakings:		For financial undertakings:	
Turnover-based: %	**0.2 %**	**Turnover-based:**	**1,443**
Capital expenditures-based: %	**0.2 %**	**Capital expenditures-based:**	**1,554**
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based: %	**0 %**	**Turnover-based:**	**-**
Capital expenditures-based: %	**0 %**	**Capital expenditures-based:**	**-**
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based: %	**0 %**	**Turnover-based:**	**-**
Capital expenditures-based: %	**0 %**	**Capital expenditures-based:**	**-**

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:[3]

(1)Climate change mitigation: Turnover %	**1.8 %**	**Transitional activities: A% (Turnover)**	**0.12 %**
		Enabling activities: B% (Turnover)	**0.89 %**
(1)Climate change mitigation: Capex %	**2.6 %**	**Transitional activities: A% (Capex)**	**0.22 %**
		Enabling activities: B% (CapEx)	**1.25 %**
(2)Climate change adaptation: Turnover %	**0 %**	**Enabling activities: B% (Turnover)**	**-**

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments			€'000
(2)Climate change adaptation: Capex %	0.02 %	Enabling activities: B% (CapEx)	-
(3)The sustainable use and protection of water and marine resources	0 %	Enabling activities: B% (Turnover; CapEx)	-
(4)The transition to a circular economy	0 %	Enabling activities: B% (Turnover; CapEx)	-
(5)Pollution prevention and control	0 %	Enabling activities: B% (Turnover; CapEx)	-
(6)The protection and restoration of biodiversity and ecosystems	0 %	Enabling activities: B% (Turnover; CapEx)	-

Notes

1. Numbers in table based on turnover. Numbers based on CAPEX: €843,986,000 and 92.5%.
2. Numbers in table based on turnover. Numbers based on CAPEX: €44,752,000 and 4.9%.
3. Environmental Objectives Turnover/Capex % do not equal the sum of the disaggregation between Transitional/Enabling activities as underlying companies may have reported the total amount but not the disaggregation.

Nuclear and fossil gas related activities

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	No

We have declared zero exposure in all sections. Data for these is not currently available as we rely on underlying investee reporting and we will assess these based on their 2024 disclosures which will be published from 2025.

Covered Assets

The Covered Assets correspond to all assets invested on the balance sheet (including cash), excluding exposures to central governments, central banks and supranational issuers in accordance with Article 7(1) of the Commission Delegated Regulation (EU) 2021/2178. In 2024, the Covered Assets represent 78% of the total investments.

Sovereign, supranational and agency bonds

These assets include directly held bonds in the Government Bond portfolio and similar exposures held in the Money Market Fund. These assets are not included in the calculation of the KPIs as noted in the previous section.

Cash

Cash is considered as part of Covered Assets however we have not determined these holdings as Taxonomy-Eligible as they are not funding specific economic activities. The exposure to these assets is included in 'Value of exposures to other counterparties and assets'.

Corporate Bonds

These assets include directly held bonds in the Corporate Bond portfolio and similar exposures held in the Money Market Fund. These assets are managed on behalf of FBD by an external investment manager which collates publicly reported information from underlying counterparties. All FBD's assets which are classified as Taxonomy-Aligned are corporate bonds.

Risk Asset Funds

The funds are classified as non-Eligible because neither EUT KPIs or reliable look-through data is available. Approximately 65% of the funds are classified as Article 8 Funds under SFDR however the criteria for EU Taxonomy is more stringent. The exposure to these assets is included in 'Value of exposures to other counterparties and assets'.

Real Estate

The Group's directly held investment property has been classified as Taxonomy-Eligible under activity 7.7 Acquisition and ownership of buildings within the climate change mitigation objective. It does not currently meet the energy-efficiency TSC within the Delegated Acts and therefore is not considered Taxonomy-Aligned.

Future Developments

The extension of scope of Taxonomy-Eligible activities to include certain nuclear and gas activities under Commission Delegated Regulation (EU) 2021/2139 has been included and we have declared zero exposure in all sections. Data for these is not currently available as we rely on underlying investee reporting and we will assess these based on their 2024 disclosures which will be published from 2025.

Zero exposure has also been declared on the remaining four environmental objectives under Commission Delegated Regulation (EU) 2023/2486. Data for these is not currently available as we rely on underlying investee reporting and we will assess these based on their 2024 disclosures which will be published from 2025.

Social

Considers how a company impacts people and includes issues such as working conditions, diversity, equity and inclusion (DEI), charitable giving, human rights infringements, modern slavery, sourcing of goods and services, product liabilities, privacy concerns, consumer protection and data security. Our material impacts identified as part of our DMA pertain to all of our employees across our branch network, head office and support centre. Characteristics of our employees are detailed on page 156.

European Sustainability Reporting Standard (ESRS) S1 - Own Workforce

S1 OWN WORKFORCE

Health and Safety

- 17 Upholding adequate health and safety practices

Work Life Balance

- 18 Work life balance for employees

Secure Employment

- 20 Job security for employees
- 19 Increased productivity by offering good working conditions

Working Time

- 21 Sufficient working time for employees
- 22 Reduced employee turnover

Training and Skills Development

- 23 Employee satisfaction through training
- 24 Increased productivity by attracting top talent

Gender Equality and Equal Pay for Work of Equal Value

- 25 Gender Balance for employees
- 26 Failure to uphold gender equality practices

Diversity

- 27 Diversity and inclusion for employees

IRO legend

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

FBD has a range of people policies in place to ensure full compliance with legislation and with our commitment to providing a safe and supportive working environment for our employees. Fundamental to these policies and the embedded culture, is a regard for the individual, their rights and the mutual benefit of fostering our employees' potential and supporting their career development. We expect all our employees to comply with our people policies and procedures.

These policies apply to all employees and are communicated to all employees joining FBD as part of the on-boarding process. They provide information, guidelines and rules where appropriate in relation to every stage of employment including recruitment and selection; equality and diversity; probation; learning and development; all types of leave; benefits; remuneration; disciplinary and grievance. Refresher modules are provided via e-learning for certain policies to refresh the knowledge of employees on an ongoing basis. Further information on our mandatory compliance training is available within section G1 on business conduct.

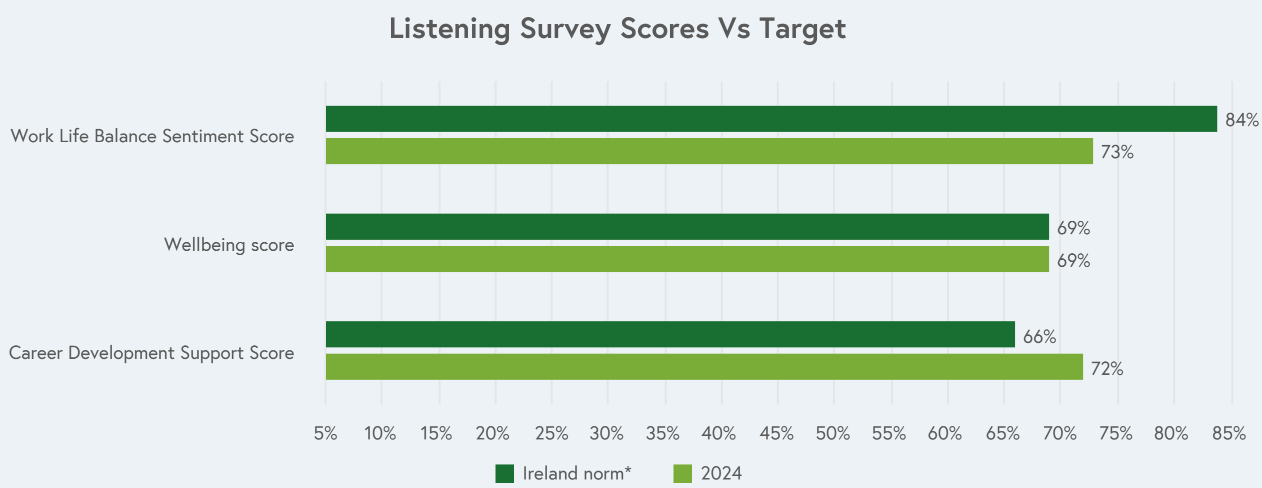
Policies and procedures are reviewed at least annually to ensure they accurately reflect employee entitlements and continue to support FBD's business objectives while remaining fit for purpose and compliant. Any updates are notified to employees.

Some of our key policies, owners and approvers are listed below. Policies specifically related to corporate culture have been outlined within section G1 on business conduct.

Policy	Objective	Approved By	Policy Owner
Equal Opportunities Diversity and Inclusion Policy	To ensure that FBD is a place where everyone, irrespective of their age, gender, ethnicity, culture, religion, language, sexual orientation, ability, disability and social circumstances, feels a sense of belonging, is respected and valued, and treated fairly.	Board, at least annually	Group Chief Human Resources Officer
Safety Statement	Describes how the organisation will go about ensuring the safety, health and welfare of all persons affected by FBDs operations and it also identifies the resources that will be made available to achieve this.	Group Chief Human Resources Officer, at least annually	FBD Safety Manager
Professional Development & Education Support Policy	Outlines FBD's approach to funding professional development and education support.	Group Chief Human Resources Officer, at least annually	Head of Learning & Development
Data Protection Policy	To set out the organizational structures, policies & procedures and technical measures which FBD has implemented to ensure compliance with the Data Protection Acts.	Board, at least annually	FBD Data Protection Officer
Information Security Policy	To define specific requirements to help achieve the confidentiality, integrity and availability of FBD's Information Assets.	Security Steering	Group Chief Technology & Operations Officer

Engaging with our Own Workforce

At FBD, we gauge the pulse of our workforce through our annual employee listening survey. During 2024 the survey was managed by FBD using software provided by Willis Towers Watson, an independent consulting firm. This allows us to benchmark FBD's responses against the Ireland norms. We aim to harness the power of the employee voice to create an improved employee experience.



*Benchmarked against Ireland norm in the myVoice survey

FBD operates a structure of on-going engagement with employees through individual One to One meetings between employees and people leaders, team meetings, business unit town halls, and company town halls.

In accordance with the requirements of the Safety, Health and Welfare at Work Act 2005 and associated Regulations, the Group operates and encourages a policy of consultation and participation with all employees. FBD recognises the positive role of the safety representative and the importance of good communication with all employees, on an on-going basis, regarding all aspects of safety, health and welfare.

In FBD we have regular engagement with our Employee Representative bodies including the trade union Unite and the Field Staff Association who are an internal FBD representative body. We meet and work with both representative bodies for collective bargaining reasons as required and more regularly for the sharing of information and discussing matters that are important to our member colleagues. We will share our first set of Sustainability Statement for the reporting period 2024 with workers representatives when published.

An independent non-executive Director is designated as responsible for workforce engagement. They will act as a bridge between the workforce and the Company's Board of Directors. The purpose of this position is to strengthen the voice of employees at the board level and ensure their perspectives and interests are considered in the strategic decisions of the company. Our Group Chief Human Resources officer is responsible for overseeing engagement with our own workforce.

Secure Employment, Working-time and Human and Labour rights

Our approach and policies

FBD recognise human rights as the foundational principles for protecting people's dignity and ensuring freedom and respect in our own operations, in the companies we work with, and in the communities we are part of.

We respect internationally recognised human rights understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

FBD aim to ensure that we are not, directly or indirectly, in any way complicit in human rights abuses and we are transparent in reporting our human rights performance.

Our human rights commitments relative to our own workforce are outlined in our Code of Conduct Policy owned by the Group Chief Human Resources Officer and reviewed at least annually by the Board. Our Code of Conduct Policy has been updated to explicitly highlight our dedication to honouring internationally recognised human rights and our commitment to ensuring freedom of association, the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour, and elimination of discrimination in employment and occupation, among other critical issues.

No significant risk of incidents of forced, compulsory or child labour were identified given the group is a financial services provider operating only out of Ireland where the duty to respect human and labour rights are reflected in domestic law which we abide by.

We protect and ensure the responsible use of data and the right to privacy. In accordance with the General Data Protection Regulation (GDPR), FBD has a designated Data Protection Officer (DPO) who plays an integral role in safeguarding the personal information of our workforce. Our Employee Data Protection notice outlines to employees how FBD processes and protects individuals' personal data. A record of all processing activities is reviewed annually by the DPO and periodic privacy impact and maturity assessments are conducted. Confidentiality and integrity and availability of employee data is protected through a range of business and technical controls including security awareness training for all employees, specialist/focused security training for specific groups, malware protection, device and user authentication, appropriate Business Continuity Policy, IT Disaster Recovery plans as well as capacity and configuration management.

Actions

- We are dedicated to safeguarding the labour conditions of all our employees through social protection. This encompasses an ongoing commitment of support for circumstances such as sickness, employment injury, parental leave, and retirement.

- Retirement benefits are incorporated in our overall remuneration package, and all employees over 25 are eligible to enrol in the FBD pension scheme which has an employer contribution element. For details of the plans in operation throughout the reporting period, see note 17 within the financial statements.
- FBD offer various other paid and/or unpaid family-related leaves such as annual leave, adoptive leave, carer's leave, compassionate leave, parents leave, parental leave, maternity leave and paternity leave. Commitments are ongoing through established policies shared with all employees.
- In 2024 we have launched an internal policy on Fertility Treatment, offering, where feasible, up to a total of five additional paid leave days and/or increased flexibility on remote working and working hours to accommodate treatment. The policy is inclusive of all employees, whether the employee is undergoing treatment or supporting a partner who is undergoing treatment. FBD is mindful that this can be a physically and emotionally demanding time where help and support can make the difference. Our Fertility Treatment Policy is owned by the Head of HR Operations and reviewed at least annually. Any material amendments made to this policy require approval by the Group Chief Human Resources Officer.
- FBD employees are active in supporting local and national charity-based organisations. In 2024 our chosen charity was Down Syndrome Ireland and throughout the year we held various fundraising events. For 2025, our chosen charity is Irish Cancer society.

Metrics

No cases of human rights incidents (e.g., forced labour, human trafficking, or child labour) were identified during 2024.

We ensure employees' working hours and pay rates comply with national legislation and industry standards. All our employees are paid an adequate wage, in line with applicable benchmarks. None of our employees are on a non-guaranteed hour contract.

Targets have not been set in relation to IROs under the sub-sub topics of secure employment and working time as no measurable outcome-oriented target was identified.

Coverage of collective bargaining agreements and social dialogue for Group employees during the reporting period:

	Collective Bargaining		Social Dialogue
Coverage Rate	Employees – EEA	Employees –Non EEA	Workplace representation (EEA only)
0-19%	-	-	-
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	-
80-100%	Ireland	—	Ireland

Employees covered by collective bargaining agreements are those individuals to whom FBD is obliged to apply the agreement rather than the percentage of unionised employees.

Health, Safety and Work-life Balance

Our approach and policies

FBD is committed to providing a safe place of work and conducting all aspects of our business activities in such a manner that we achieve the best possible standards of Health, Safety and Welfare for employees and other persons who may enter the workplace. It is the policy of FBD to comply with all National Safety, Health and Welfare Legislation, Regulations and Standards including the Fire Services Act 1981 and 2003 and the Safety Health and Welfare at Work Act 2005.

The FBD Safety Statement is the cornerstone of our safety management system. The safety statement clearly outlines FBD's commitment to health and safety, identifies persons with safety responsibilities, outlines the Group safety policies and includes risk assessments.

FBD recognises that protecting employees' health and wellbeing is part of maintaining an effective and vibrant organisation. It is also acknowledged that wellbeing is a matter of balancing many factors which change over working life and life cycle.

Actions

- FBD has an active and comprehensive Health and Wellbeing strategy in place for all employees. We have an annualised calendar of programmes which include talks by specialists in Mental Health, Menopause, Nutrition and Emotional Wellbeing, supported by information campaigns on topics such as Suicide, Self-Care, Isolation, Alcoholism, Relaxation and Financial Wellbeing.
- Our Mental Health First Aid Training is designed to enhance understanding of mental health and mental health problems that may arise in the workplace. Participants learn the signs and symptoms of mental health problems and what sort of help has been shown by research to be effective. They learn a framework for communication, how to offer and provide initial help, and how to guide a person towards appropriate treatments and other supportive help. We typically aim to have a representative from each function attend the training. The programme has been in place since 2022 and we have 45 certified mental health first aiders now in FBD, across our branch network, head office and support centre.
- To help employees manage personally challenging periods, FBD has partnered with an external provider to offer an Employee Assistance Programme designed specifically to support an employee in mastering the demand of difficult times involving significant stress or change, at home or at work. The service was in place throughout the reporting period and is available to provide support in areas such as illness, bereavement, alcohol or drug abuse, financial/debt issues, legal matters, pressure/stress, retirement and relationship or family crisis. All contacts by telephone or in person are entirely confidential. The service can also be accessed by an employee's partner/spouse and/or children over 16 living at home.
- We have an ongoing duty of care to all our employees to ensure they are both fit for work and that any recommended supports needed to facilitate a successful return to work are put in place. The occupational health programme can also support those that are not currently absent from work but may require extra support due to a medical condition.
- Additionally, as part of our continuing commitment to promote employee wellbeing, FBD provides a bi-annual Health Screening Programme and yearly access to anti-flu vaccinations to all employees.
- Continuing preventative and mitigating efforts to ensure FBD is a safe place of work for all employees, include detailed risk assessments across our office network, emergency drills, record of and prompt investigation of accidents, maintenance programmes for all key plant and equipment, as well as safety training.

Metrics

Health and safety Incidents during the reporting period:

	2024
Total recordable Incidents	7
Total recordable Incident rate	0 %
Fatalities	0

Total recordable incidents is the total number of workplace accidents recorded on the Health and Safety Management System including any fatalities. Our Health and Safety Management systems covers 100% of our employees.

A work-related accident is defined as an unexpected and unplanned event or incident that occurs in the course of work, resulting in injury or harm to an employee. This includes physical injuries, ill health, or fatalities caused directly by tasks performed as part of the employee's responsibilities.

The total recordable incident rate is calculated as the number of injuries per one million hours worked.

Fatalities are the number of employees who lost their lives as a result of a work-related incident.

Diversity, Gender Equality and Equal Pay for Work of Equal Value

Our approach and policies

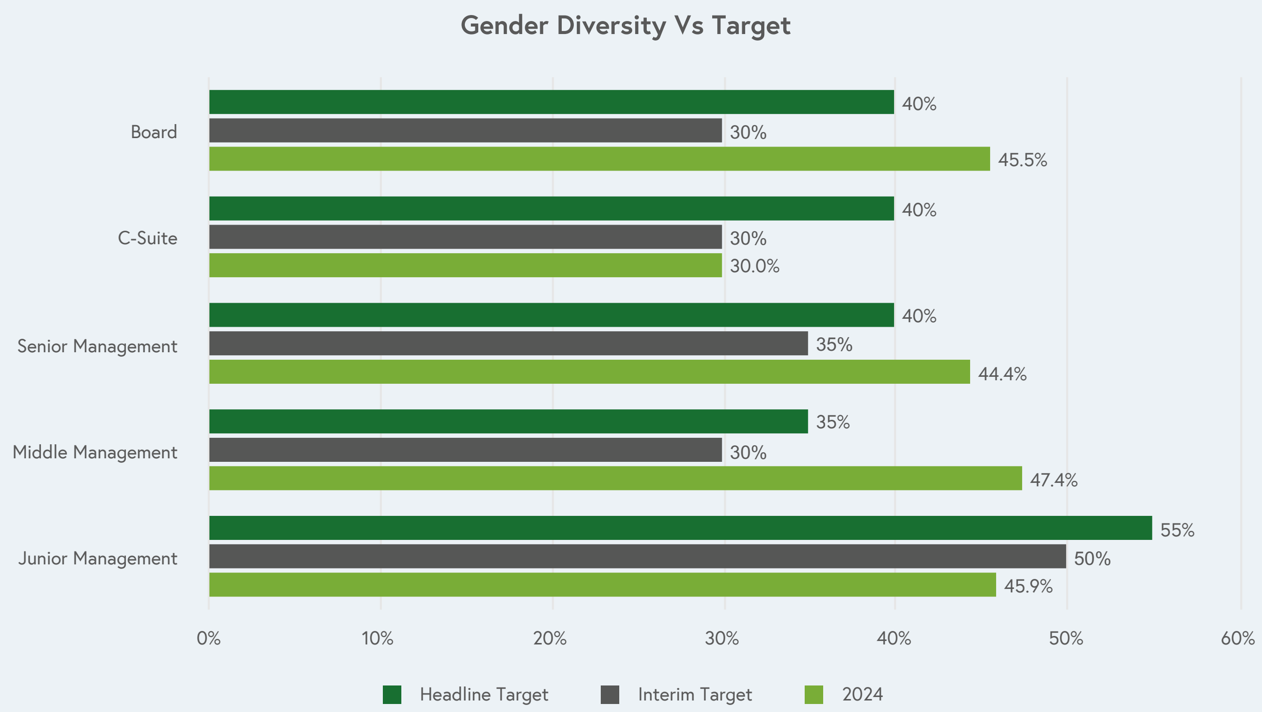
FBD is committed to protecting the dignity of people at work, and to providing all of our employees with an environment free from bullying, harassment, sexual harassment or intimidation. One of our key values is to support and respect our colleagues as individuals and as team members.

The purpose of our Equal Opportunities, Diversity and Inclusion Policy is to ensure that FBD is a place where everyone, irrespective of their age, gender, ethnicity, culture, religion, language, sexual orientation, ability, disability and social circumstances, feels a sense of belonging, is respected and valued, and treated fairly.

At FBD, we believe that an inclusive, diverse and equitable workforce is critical for the success of our organisation.

We are committed to creating an inclusive environment where everyone can bring their true selves to work. As the largest Irish-owned insurer, it is our intention that our employees and customers are represented through inclusive practices and diversity of thought.

Female Representation Progress:



	31/12/2024	Interim Targets	Headline Targets
	% of Females	% of Females Target date	% of Females Target date
Board	45.5 %	30% 31/12/2022	40% - 31/12/2025
Executive / C-Suite - top management	30.0 %	30% 30/06/2022	40% - 31/12/2026
Senior Management	44.4 %	35% 31/12/2025	40% - 31/12/2026
Middle Management	47.4 %	30% 31/12/2024	35% - 31/12/2026
Junior Management	45.9 %	50% 31/12/2024	55% - 31/12/2026

For further details on the diversity of FBD at a Board level please refer to the Nomination and Governance report on pages 67 to 73.

Actions

Gender Equality

On the 15th of December 2024, FBD produced our third gender pay gap report. Like many peers within the insurance sector, FBD has a gender pay gap. Our gender pay gap's primary driver continues to be female under representation in senior roles and revenue generating roles within our organisation. In addressing this gap we have identified several sustainable and measurable goals to address gender representation at senior levels. We know that we are on a journey and are determined to reduce our gender pay gap and to lead programmes and initiatives to increase female representation across all areas and levels of FBD. Not all the initiatives will have an immediate impact on our gender pay gap, but they will help us achieve better gender balance across all levels of the organisation.

- FBD are a committed signatory of the Women in Finance Charter since 2022. Led by industry and supported by the Government of Ireland, the Women in Finance Charter underpins the financial services industry's ambition to see increased participation of women at all levels, including junior, middle and senior management, leadership and Board roles within financial services organisations based in Ireland. By signing the Charter, we are confirming our commitment to advancing women through various management and board levels, creating stretch targets and delivering a greater gender balance in the organisation.
- Our CEO and Leadership team remain accountable for driving these visible changes in the organisation. They are responsible for measuring, monitoring and publicly communicating on an annual basis our progress against the targets set, so that transparency and accountability on progress in driving change is evident.

Industry Employee Diversity & Inclusion Allyship

- FBD are a founding partner of VOiCE which launched in 2022. VOiCE (Valuing openness, inclusivity, culture and equity) is an industry- led collaboration to create sectoral D&I benchmarking and we are a founding partner within the insurance industry. We are part of a collective voice and a programme that will hold organisations to account for promoting inclusivity and positive working cultures. The goal is to provide a blueprint for understanding what good culture and D&I practices in the workplace look like to provide the foundation for developing inclusive cultures.

Progress to date Irish Centre for Diversity Accreditation

- During 2024 FBD were honoured to be awarded the Investors in Diversity Gold accreditation from the Irish Centre for Diversity, a target we had set for ourselves and will now look to maintain. FBD is one of only 24 organisations in Ireland to be accredited with Investors in Diversity Gold. It recognises our people, culture and how DEI is underpinned in everything we set out to do. We are continuing to engage with other recipients of this accreditation to identify further opportunities to build and maintain an inclusive organisation.

- In 2024, FBD's D&I programme owner was shortlisted as a Diversity and Inclusion Leader in the Irish Centre for Diversity Annual National D&I awards.

In 2024, we asked our employees for feedback on our culture through our annual employee listening survey.

Our employees expressed a positive sentiment 7% above the Ireland norm in the myVoice survey for the statements "I can be myself at this organisation without worrying about how I will be accepted" and a 5% positive sentiment above the Ireland norm in the myVoice survey for the statement "This organisation provides a working environment free of discrimination and harassment".

Similarly, FBD saw positive sentiment 6% above the Ireland norm in the myVoice survey for the statement "Everyone is treated with respect here, regardless of their job."

Although the results were positive overall, we acknowledge that we are still on a journey and will be using 2024's survey as another baseline by which we can measure our development going forward.

Metrics

Gender Diversity as at 31/12/2024:

	Employees FTE
Male	399
Female	617
Other*	1
Not Reported	9
Total	**1,026**

*Gender as defined by the employee.

Gender diversity by contract type as at 31/12/2024:

	Female	Male	Other*	Not Disclosed	Total
Number of employees (FTE)	**617**	**399**	**1**	**9**	**1,026**
Permanent employees (FTE)	592	385	1	7	985
Temporary employees (FTE)	25	14	-	2	41
Non-guaranteed hours employees (FTE)	-	-	-	-	-

Gender diversity across management as at 31/12/2024:

	Female	Male	Other*	Not Disclosed	Total
Board (headcount)	5	6	-	-	11
Executive/C-suite - top management (FTE)	3	7	-	-	10
Senior Management (FTE)	20	23	1	1	45
Middle Management (FTE)	28	31	-	-	59
Junior Management (FTE)	39	46	-	-	85

The number of employees is determined as the number of employees converted to full-time equivalents (FTE). FTE measures the equivalence to full-time and is that recorded in the Contract of Employment (example: if an employee is working 2 days a week, the FTE will be recorded as 0.4).

Compensation Metrics:

	2024
Gender Pay Gap	29 %
Annual Total remuneration ratio	30.6

The gender pay gap looks at the difference between the average pay of all men and all women across the whole business, regardless of job type or how senior they might be. It is calculated as the difference between the average pay of female employees and male employees, expressed as a percentage of the average pay of male employees. 'Pay' means gross annual pay and the corresponding gross hourly pay. The Gender Pay Gap reported under CSRD includes LTIP share awards granted and pension contributions which are not included in the Gender Pay Gap under Irish legislation reported in December 2024.

The annual total remuneration ratio is the ratio between the remuneration of the highest paid individual in the Group and the median remuneration for all employees.

'Pay' incorporates base salary, all forms of variable remuneration, benefits in kind or cash benefits. This includes, health insurance benefits, car allowances, pension contributions, granted share awards based on the number of shares granted and the share price at grant date, and any other applicable benefits in kind or cash benefits. The cost of providing insurance cover for death in service and Permanent Health Insurance benefits was estimated to be 1.5% of base pay for all individuals and is included in the pay calculation. Deferred bonus elements are excluded from the calculation.

The calculation is based on all employees in the Group on the 15th June which is consistent with the period used in the Gender pay Gap Information Act. The snapshot period used is the twelve months preceding the 15th June, representing the mid-point of the reporting period. An analysis has been carried out to validate the information in the snapshot period is consistent with the year end reporting date.

Purchasing power adjustments are not relevant as all employees are based in Ireland.

Age Diversity as at 31/12/2024:

	Total
under 30 years old	20.6 %
30-50 years old	58.7 %
over 50 years old	20.7 %
Total	**100.0 %**

Age diversity has been calculated using FTE and excludes non-employees such as the non-executive Board of Directors. Age of employees is determined based on the data of birth recorded on the HR system.

Training and Skills Development

Our approach and policies

FBD's Learning and Development mission is to enable the implementation and delivery of FBD's strategy through the development of curious, innovative, resilient and engaged people.

The success of FBD in delivering the right outcomes for our shareholders, wider society and regulators is directly related to the capabilities of our employees and our ability to achieve standards of excellence through the services we provide to our customers. In order to achieve and sustain these standards we are committed to providing employees at all levels with appropriate training, development and education and we have a number of programmes in place to support this.

Our clearly defined behaviour and technical competency framework provides the foundation to make many of the things we do simpler and more consistent; for example, how we define and articulate roles, how we recruit the right people, how we plan development with our employees and how we provide career options and pathways.

Actions

- We provide all our employees with ongoing access to a targeted development mix which includes professional qualification attainment, technical training, further third level education, exposure to projects, secondments, mentoring programmes, professional coaching, psychological safety campaigns and line manager support.

- Research shows time and time again that it is people leaders who are key to unlocking employee engagement. The best people leaders know how to create the right environment to enable their team to deliver a standout performance. Our Mindful Leadership Programme continues to be the bedrock of our leadership capability development empowering our leaders, at all levels, to develop, support and enable their teams to deliver. The programme is run annually and aimed at new and upcoming people leaders.
- FBD also run induction training for new people leaders and have a dedicated people leader hub providing tools and supports to enable effective leadership.
- We offer specific training aimed at insurance and specialist competencies as required and we have career mapped all roles to support rotation and career progression.
- We conduct ongoing due diligence with respect to the Central Bank of Ireland's Fitness & Probity Regime, and Minimum Competency Code and training support in relation to the CBI Individual Accountability Framework obligations.

We will continue to keep capability building as a key enabler of strategy delivery into 2025 with a focus on data-led training.

Remediation and Channels to Raise Concern

Speak Up / Whistleblowing

Every organisation faces the inherent risk that issues will arise either accidentally or otherwise. It is vital that a channel whereby concerns can be raised is in place so we can address any possible issues as early as practicable. Our process is outlined in our Speak-Up Policy. Further information on our Speak-Up policy and how we protect whistleblowers against retaliation, is outlined within section G1 on business conduct.

Grievance & Dignity at Work Process

Employee grievances as well as concerns or challenges about interpersonal conflicts including employees who feel bullied or harassed at work are addressed through appropriate dignity at work, recruitment and selection, disciplinary and grievance policies and procedures. All employees can take action with full support from an internal support person or progress a formal complaint. Complaints are treated seriously and dealt with in a confidential, expeditious manner in as far as reasonably practicable. Employees who make complaints will not be victimised for doing so. Victimisation as well as false accusations, if proven, may result in disciplinary action.

Reports During the Period

Five incidents were raised through our remediation channels above during the reporting period.

During 2024 there were no work-related incidents of discrimination reported to Human Resources or via the whistleblower system on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period. This includes incidents of harassment as a specific form of discrimination.

No fines, penalties, or compensation for damages arose as a result of the incidents and complaints disclosed above.

Effectiveness and Awareness

Any incidents raised are tracked and monitored through designated channels with appropriate polices and procedures in place in support of this. Polices are easily accessible online and mandatory training is rolled out to all employees with regard to whistle-blower reporting and our code of conduct - see page 167. We gain valuable insights through our listening survey and from our wider engagement with our workforce on the effectiveness of these channels.

Characteristics of Employees

Employees by country as at 31/12/2024::

	Number of Employees FTE
Ireland	**1,026**

All of the Group's operations are located in Ireland.

Employees by contract type as at 31/12/2024:

	Ireland	Total
Number of employees (FTE)	**1,026**	**1,026**
Permanent employees (FTE)	985	985
Temporary employees (FTE)	41	41
Non-guaranteed hours employees (FTE)	-	-

Employee Turnover during the reporting period:

	2024
Leavers during the reporting period (FTE)	152
Average number of employees during the reporting period (FTE)	1,016
Total employee turnover rate	**15.0 %**

The employee turnover rate is calculated as the number of employees who left during the reporting period whether voluntarily or due to dismissal, retirement, or death in service relative to the average number of employees during the reporting period.

Note 9 of the financial statements presents the average number of people employed during the period whereby the number of employees is not converted to FTE.

European Sustainability Reporting Standard (ESRS) S4 - Consumers and End Users

S4 CONSUMERS AND END-USERS

Privacy

- 28 Failure to safeguard consumers' and end users' personal information impacting individuals
- 29 Failure to safeguard consumers' and end users' personal information impacting FBD

Access to (Quality) Information

- 30 Providing a valuable and quality service to customers
- 31 Enhanced customer trust and loyalty by providing valuable, trustworthy and transparent services

Entity- Specific : Farm Safety

- 32 Promoting and encouraging farm safety to farming customers

IRO legend

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

FBD was established in the 1960s by farmers for farmers. We have built on our roots in agriculture to become a leading insurer in Ireland serving the needs of our consumers and end users being Farmer, Business and Retail customers. We pride ourselves on providing excellent customer service and putting the customer at the heart of what we do.

Access to (Quality) Information

Engaging with our Consumers and End Users

FBD appreciate that only by having a complete understanding of our consumers we can deliver a proposition they value.

During 2024 FBD won the CSR/Community/Green Loyalty Programme of the year at the prestigious Irish Loyalty & CX Awards. The Irish Loyalty & CX Awards recognises excellence, innovation and achievement in loyalty and customer experience for Irish companies who are building lasting and profitable relationships with customers within Ireland across every sector. This award is an acknowledgement of the level of our support across several community initiatives including our local and national sponsorship portfolio.

User Research

FBD carry out market research to gain insights into consumer preferences for products and services. This research is conducted on an ad-hoc basis to help inform FBD's Strategy.

We conduct regular brand health checks via third party providers throughout the year to assess how our brand is performing in terms of awareness, consideration and customer preference.

We undertake website usability testing at least twice a year which involves observing consumers completing specific tasks and obtaining feedback from them. The findings from these tests are used to implement customer experience improvements, which are measured to assess their impact. We also conduct targeted user interviews directly with customers to understand their experience on our website. FBD utilise third party web analytics to continuously monitor user experience on progression through our website, as well as a website usability monitoring tool to help us to improve our online customer experience.

Social Media and Online Communication Channels

The Group utilises various social media (Facebook, X, LinkedIn) to communicate with stakeholders. A "Contact us" section is available on the Group's website for shareholder, investor, media and general queries.

In partnership with Trustpilot consumers can rate their overall experience dealing with FBD and give feedback at any point in time. Overall ratings and feedback are visible on our website and we also invite our customers (via email) to rate and review their customer experience after they have completed a purchase.

Complaints

We operate a comprehensive complaints process, which is designed to provide our customers with the opportunity to share their experience and enables us to learn and improve. We endeavour to address any concerns highlighted in a timely manner.

Board Representation

One of our Board members is the President of the Irish Farmers' Association, the largest representation body of our farming customer base. The same Board member is also Vice President of the Committee of Professional Agricultural Organisations and represents Irish farmers at a European level on COPA, which is the official umbrella representative body for European farmers.

Consumer and Culture Committee (CCC)

Our Consumer and Culture Committee (CCC) is tasked with monitoring key consumer risk appetite metrics and trends and taking action when relevant. The Committee is a subcommittee of the Executive Risk Committee (ERC) and supports operational functions within FBD ensuring that the material consumer risks facing the Group have been identified and that appropriate arrangements are in place to manage and mitigate those risks effectively.

The Group Chief Commercial Officer, Chief Underwriting Officer and Chief Claims Officer are the executive management with specific responsibility for Consumer Risk in FBD. To meet this responsibility operational functions provide quarterly updates to the CCC. These updates enable the CCC to assess the effectiveness of FBD's engagement with customers and ensure remediation action is taken when required.

While FBD is always reviewing and enhancing its customer service, no specific action plans were deemed necessary to address customer service related IROs.

Privacy

Our approach and policies

FBD processes personal information from and about our farm, business and retail customers and third parties. This is a vital and necessary part of providing insurance products. All customer groups could potentially be negatively impacted if a privacy or data breach were to occur. Keeping information secure is an important priority for us. We continue to implement appropriate technical and organisational measures to protect data from unlawful or unauthorised processing and against accidental loss, destruction, damage, alteration or disclosure.

FBD has a wide range of policies and procedures in place in support of this. Key polices are described in further detail below.

In accordance with the GDPR, FBD has a designate DPO who plays an integral role in safeguarding the personal information of our consumers and end users.

Our Data Protection policy sets out the organisational structures, policies and procedures, and technical measures which FBD has implemented to ensure compliance with GDPR and the Data Protection Acts, and to ensure that all FBD employees are aware of their responsibilities in this area. This policy is owned by our designated DPO and reviewed at least annually by the Board.

All personal data must be processed, stored, shared and disposed of in a manner which protects the data subject and FBD. This is particularly important when processing sensitive personal data. FBD achieve this by having Information Security Policies that define where and how data is transmitted, stored and accessed. Our Information Security Policy applies to all employees, is owned by the Group Chief Technology and Operations Officer and reviewed at least annually by the Board.

FBD's Data Protection Statements set out how FBD processes and protects personal data so the data subject is aware of how we process their personal Data and the legal basis for doing so. These statements are issued/made available to all data subjects whose data we process. A data protection notice is displayed on the FBD website and is issued with all policy and claim engagements. Data Protection is also addressed within FBD's Terms of Business which are provided to all customers.

FBDs Cookie Policy sets out how we deploy cookies and manage cookie consent on our websites. Our Cookie Policy is owned by the Group Chief Technology and Operations Officer and is reviewed at least annually by Security Steering Committee. FBD websites have a cookie notice displayed which allows the customer to understand what cookies FBD want to place and allow the data subject to consent to the level of cookies that they will allow FBD to place on their computer. FBDs cookie policy is available on our website.

The Records Retention Policy sets out the maximum and minimum periods for which personal data should be retained. Our Records Retention Policy is owned by the DPO and reviewed at least annually by the Executive Management Team. Material amendments to this policy are reviewed by the Board.

The Data Protection Acts provide data subjects specific rights over their data, i.e. the right to be informed, the right of access, the right to be forgotten, the right of rectification, and the right to object to processing. FBD has processes that govern the handling of data subject Rights requests that must be responded to in most cases within 30 days unless the complexity requires an extension.

Our Data Breach Reporting process provides a framework for data breach escalation and reporting procedures, both internally and to the Data Protection Commissioner (DPC). FBD must report data breaches to the DPC within 72 hours of discovery, unless the data breach is unlikely to result in a risk to the rights and freedoms of the data subject, and all employees are aware of this obligation and assist in achieving this measure.

The FBD Clean Desk and Clear Screen Policy requires that all FBD employees secure personal data and business confidential data when unattended. This policy is owned by the Group Chief Technology and Operations Officer and reviewed at least annually by the Security Steering Committee.

Actions:

- Our Data Protection notices are subject to annual review, and if a major change is made, the statement needs to be reissued to data subjects impacted. The data protection notice is displayed on the FBD website and issued with all policy and claim engagements.
- A record of all processing activities is reviewed annually by the DPO and periodic privacy impact and maturity assessments are conducted with respect to customer and end user data.
- Confidentiality, integrity and availability of consumer data is protected through a range of ongoing business and technical controls including security awareness training for all employees, specialist security training for specific groups, malware protection, device and user authentication, appropriate Business Continuity Policy, IT Disaster Recovery plans as well as capacity and configuration. The Business Continuity Policy owned by the Chief Technology and Operations Officer and reviewed at least annually by the Board.
- FBD conduct risk assessments and utilise Non-Disclosure Agreements (NDAs) before engaging any third party for the provision of services that allow them access to FBD information assets. FBD define the process for IT security assessment in our IT Security Supplier Policy. Our Security Supplier Policy is owned by Group Chief Technology and Operations Officer and is reviewed at least annually by Security Steering Committee
- An appropriate Business Continuity Policy and IT Disaster Recovery plan allow FBD to manage a natural disaster, malicious attack, accident or other disruptive event. These are communicated to all relevant parties, regularly tested and maintained.

Entity-Specific : Farm Safety

Our approach

Farming is a high-risk industry and one of FBD's objectives is to support initiatives which will make the farm a safer place for all our farm customers and wider community. FBD's Farm Safety campaigns aim to encourage farmers to make small but meaningful changes to their working behaviour. We focus on promoting awareness of the critical behavioural changes required through press, online adverts, social media safety messages and farm safety signs through our network of branches and via the farm safety campaigns and events. Below is a summary of 2024 farm initiatives.

Actions

Farm safety is a critical aspect of sustainability in agriculture. FBD's ongoing actions in this area relate to all our farm customers. The actions can be grouped into three main categories, communications and awareness, accident prevention measures and training.

Communications and awareness:

- 10,000 farm safety signs were distributed through the FBD branch network to farm customers during 2024. These signs are designed to improve safety awareness and to help keep farmers, farm workers, family members and visitors focused on safety when they enter the farm.

- The FBD National Marts Farm Safety Awareness and Remembrance Campaign was launched in December 2024 and for 2 weeks. This campaign was a partnership with The Irish Co-operative Organisation Society (ICOS), Associated Livestock Marts (ALM), The Health & Safety Authority (HSA), the Farm Safety Partnership (FSP) and Embrace Farm. The aim of the campaign was to start the farm safety conversation in marts, improve farm safety awareness and help prevent accidents from occurring. The focus of the campaign was on Livestock and Safety of the Elderly.
- FBD runs regular farm safety communications in the media. During 2024, FBD ran monthly farm safety adverts in the Irish Farmers Journal and in the Irish Farmers Monthly. These articles were supported by social media safety campaigns using video clips from the "Managing Farm Health and Safety" video series. These focused on timely, seasonal hazards, their associated risks and appropriate safety controls and message.

- FBD worked closely with the IFA to promote Farm Safety Week 2024. During this week farmers were encouraged to review working practices to ensure their farm is safe. The IFA and FBD promoted the initiative through videos, leaflets and a targeted media campaign incorporating both traditional and digital media.

Accident prevention measures :

- FBD have a dedicated Risk Survey Team who work directly with farms, marts, and agricultural businesses to help improve safety standards and awareness in the workplace. FBD's Underwriting Head of Product represents FBD on the National Farm Safety Partnership Advisory Committee (FSPAC) to the Health and Safety Authority. During 2024 the FSPAC worked on the delivery of the actions highlighted in the Farm Safety Action Plan 2021-2024, which aims to reduce the level of fatalities, serious injuries, and ill health in the agriculture sector.
- During 2024 , FBD offered all its mart customers free independent mart risk management surveys. The idea of the service was to support customers and help advise them of HSA guidance and best practice regarding facility and operational standards.

Training Programmes

- FBD worked with Teagasc in developing and delivering farm safety exhibits at the Grange open day 2024 to promote farm safety. The topics covered by the exhibits included tractors, machinery, livestock, work at height and farm buildings.

Pictured at 2024 Grange open day (Left to Right) Darren Akins, (HSA), Martin Heydon TD (recently appointed Minister for Agriculture, Food and the Marine), Liam Herlihy (FBD) and Ciaran Roche (FBD).

- FBD organised and participated in "Champions for Safety" seminars and events across all Agricultural Colleges around the country during the year. The initiative has been running for over a decade and encourages farming students to become champions for safety and stop taking risks.
- FBD sponsored the annual FBD Health and Safety Awards at the UCD School of Agriculture and Food Science Awards Ceremony. This awards ceremony celebrates and acknowledges the excellent achievements of students during the academic session 2023/2024. Three students won awards and a number of students were awarded certificates for their achievements in the Health Welfare and Safety module.
- Farm Safety Live is delivered by Farm Relief Services (FRS) Training, the HSA and FBD in conjunction with the Tullamore Show. It is an interactive exhibition of farm safety demonstrations, developed to get people thinking more about safety on the farm, giving them practical tips and actions to take home.

Pictured at the launch of "Farm Safety Live" (Left to Right): Joe Molloy (Chair Tullamore Show) , Martina Gormely (HSA), Jim Dockery (FRS) and Ciaran Roche (FBD).

Human Rights of Consumers - Social Inclusion

Our approach and policies

FBD offices are nationwide and our sales employees can provide our services in a location that suits the customer.

FBD does not discriminate in the provision of its products and services on any of the grounds prohibited by the Equal Status Acts 2000-2015. Our robust pricing governance is in place to support the application of principals of fairness. We have a robust Product Oversight and Governance process in place and conduct an annual Pricing Practice Review. These processes allow us to confirm our compliance with the General Principles of the Consumer Protection Code to act honestly and fairly and the best interest of customers, to assess customer risk and ensure customer outcomes are considered in our pricing and product design.

Our Vulnerable Customer Policy outlines our approach to identifying and managing vulnerable customers in accordance with the Consumer Protection Code. This policy is owned by the Group Chief Commercial Officer and reviewed annually by the Compliance function.

Our Code of Conduct policy has been updated to explicitly highlight our dedication to honouring internationally recognised human rights relating to our consumers and end users. More information on our Code of Conduct policy is available under section G1 Business Conduct.

Actions:

- We continue to update the wordings across our suite of policy booklets to ensure that they use plain language and are more readily understood by our customers. We complete annual reviews of our wordings, utilising a range of inputs including customer feedback and complaints. This action ensures that all customer groups who are dependent on accurate and accessible information can make informed decisions.

- The European Accessibility Act coming into force in 2025 mandates that a range of applications and services, including many types of online experiences such as e-commerce websites and mobile apps, are accessible to people with disabilities. We are currently working towards a AAA accessibility rating.
- FBD is a member of Age Friendly Ireland. This programme is a Government initiative to prepare for the rapid ageing of our population. It aims to create an inclusive, equitable society in which older people can live full, active, valued and healthy lives. Age Friendly Ireland supports businesses to implement low cost changes which signal a strong welcome for older people. Employee training has taken place to support FBD employees in contributing to this programme.

Remediation and Channels to Raise Concern

Consumer Complaints

FBD welcomes feedback from consumers about the service it provides. A consumer complaint can be an opportunity to address consumer dissatisfaction, retain consumer loyalty and improve service delivery to prevent similar issues reoccurring. We are committed to ensuring a positive experience for all consumers and we aim to resolve complaints as efficiently and as fairly as possible. The Consumer Protection Code (CPC) requires that all financial services providers have in place written procedures for the effective handling of complaints. FBD's complaints procedure is available on our website and outlines how complaints can be made via phone, in person at any of our sales offices nationwide or by e-mail and outlines the relevant contact details. All employees are responsible for being knowledgeable about FBD's consumer complaint process and endeavour to resolve complaints at the first point of contact.

Some complaints may not warrant a formal investigation. These are still recorded to facilitate early service improvements, and it is crucial to confirm that the consumer does not want a formal investigation.

Complaints under formal investigation are managed by designated employees within each business area and must be logged immediately in the complaints database, with all related communications saved, adhering to CPC regulations.

The Financial Services and Pensions Ombudsman (FSPO) is a statutory office which deals independently with unresolved complaints from consumers about their dealings with financial services providers. FSPO complaints are referred to the FSPO for investigation and follow specific procedures and timelines. The FSPO will only accept complaints if there is evidence the consumer has already informed the company of the issue and given the company a reasonable opportunity to resolve the complaint.

FBD engage the services of other companies to act on their behalf. Complaints may be received directly by a service provider from a FBD customer or the customer can make the complaint about the service provider directly to FBD. Service providers submit their complaint logs to FBD on, at least, a quarterly basis.

Business areas report regularly to relevant governance fora on new errors identified, progress on remediation of open complaints, organisational learning insights and verification of continuous respect for Human Rights and Principles. The EMT receive a quarterly overview of all complaints, including those escalated to the FSPO and their outcomes.

Our Consumer Complaints Policy is owned by FBD's Complaints Steering Group and reviewed at least annually.

Reports during the period

No cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers and/or end-users have been reported in our downstream value chain.

Targets

Currently, we have not set time-bound and outcome-oriented targets that meet the criteria for effectively reducing negative impacts, advancing positive impacts, or managing material risks and opportunities related to consumer and end users, as the work on determining IROs is a relatively new exercise for FBD.

However, we recognise the importance of establishing robust targets to drive meaningful progress in this area and are working to establish a clear consumer engagement process that will involve engaging directly with FBD's customers and end users. In the meantime, we are focused on gathering data and assessing current practices to ensure that future targets are effective and aligned with stakeholder needs.

In relation to the farm safety entity-specific disclosure, FBD will continue to support farm safety initiatives, however do not plan on setting any targets in this area given the downstream impact is outside of FBD's direct control.

Governance

Governance considers how sustainable a company is (business model; financial and outputs) and how a company functions ethically across its corporate culture, its board and management and its disclosures

European Sustainability Reporting Standard (ESRS) G1 - Business Conduct

G1 BUSINESS CONDUCT

Corporate Culture

- 33 ESG-linked incentives prioritising the ESG agenda
- 34 Robust governance increasing oversight and control of ESG performance
- 35 Reputational damage owing to unethical business conduct
- 36 Failure to maintain an adequate governance structure leading to regulatory and/or reputational issues

Corruption and Bribery

- 37 Compliance management for all stakeholders
- 38 Reputational damage owing to the existence of corruption or bribery in the value chain

Management of Relationships with Suppliers

- 39 Penalties/reputational damage owing to delayed payments to suppliers

Protection of Whistle-blowers

- 40 Whistleblowing policy implementation for workers

IRO legend

- Positive Impact
- Negative Impact
- Opportunity
- Risk

IRO listing on page 113-118

Corporate culture

Risk can never be fully eliminated in business, and good business conduct relies on the appropriate and responsible behaviour of individuals. Consequently, the matters of ethics and adequate governance structures are considered material from a financial perspective in our own operations. Our culture defines the values and behaviours that we will champion and promote as a Group. FBD believes that real sustainable culture is developed and shaped by the behaviour of individuals at all levels across the organisation.

Our approach and policies

The Group's Board and senior management set the ethical tone for the Group. There are a number of Group policies in place and adherence with these policies influence employee behaviour.

Policy	Objective	Approved By	Policy Owner
Code of Conduct	To outline the core values, standards of conduct and behaviour expected from each individual within the organisation.	Board, at least annually	Group Chief Human Resources Officer
Conflicts of Interest	To set out standards to assist in the identification of conflicts of interest (actual, perceived or potential) and where they arise to ensure that they are managed in a manner consistent with the overall business strategy, risk appetite, in the best interests of the Group and all its stakeholders including consumers.	Board, at least annually	Group Chief Human Resources Officer
Speak Up	To ensure that concerns are appropriately investigated and that all employees are aware of the arrangements and protection in place for raising concerns in respect of wrongdoing in the Group in line with the Protected Disclosures (Amendment) Act 2022.	Board, at least annually	Group Chief Human Resources Officer
Reputational Risk	To outline the Group's prudent and proactive approach to managing reputational risk.	Board, at least annually	Group Chief Executive Officer
Anti-Fraud	To set out the principles around; Roles and Responsibilities, Actions constituting fraud, Reporting and Investigation Responsibilities, Disciplinary Procedures and Recovery of losses.	Board, at least annually	Group Chief Financial Officer
Fitness and Probity	To ensure that FBD has processes and procedures to demonstrate compliance with the Standards and the Central Bank (Individual Accountability Framework) Act 2023.	Board, at least annually	Group Chief Human Resources Officer
Individual Accountability Policy	To ensure that FBD has structures in place to ensure and demonstrate compliance with the Central Bank of Ireland's Individual Accountability (IAF) Framework.	Board, at least annually	Group Chief Human Resources Officer
Conduct Standards Policy	To support the implementation and embedding of the Conduct Standards outlined in the Central Bank of Ireland's Individual Accountability (IAF) Framework. the IAF Act.	Board, at least annually	Group Chief Human Resources Officer

FBD's Code of Conduct Policy outlines the core values expected from each individual within the organisation and lays down five overarching standards of responsibility and ethical conduct expected of all employees of the Group.

The five standards are:

1. Integrity and Honesty
2. Errors Prevention and Reporting
3. Confidentiality
4. Professionalism
5. Compliance

The five standards address topics such as equitable treatment amongst colleagues and customers, gifts and hospitality, use of social media, error prevention and reporting, confidentiality, professionalism, competency and compliance as well as conflicts of interest. Certain functions within the Group such as Finance, Claims, Sales, pose elevated risks for corruption and bribery due to their involvement in critical financial transactions, interactions with external stakeholders, and sensitivity to regulatory and ethical compliance. We require all our workers, at every level, to align their behaviour with this code.

The FBD Competency Framework links our values to our behaviours.

Our Values

RESPECT

BELIEF

INNOVATION

COMMUNITY

OWNERSHIP

COMMUNICATION

OUR BEHAVIOURAL COMPETENCIES

- **Customer Focus Problem Solving**
- **Cultivating Relationships Communicating Effectively**
- **Build Integrity & Trust**
- **Continuously Seeking to Improve**
- **Leading Self Leading Others**

The Board and EMT take a leading role in establishing, developing, communicating, promoting and evaluating the desired culture. This is achieved through a number of ways, including:

- a clearly defined Strategy that is aligned to our culture and is actively considered and set by the Board and EMT;
- ongoing EMT communication to all employees, including through regular town halls, relating to our Values and their importance to the delivery of the strategy;
- investment in leadership development to build competence and embed the desired leadership culture;
- holding our people to account for how their behaviour aligns to FBD's values, including embedding a consideration into employee objectives and reward structures;
- ESG-linked incentives in place for CEO and CFO;
- having Company policies readily accessible online;
- all employees are required to complete compulsory e-learning courses on conduct as part of their annual compliance passports. The training covers a wide range of topics across each quarter of the reporting period, providing a good understanding of FBD's policy on good business conduct including whistleblower reporting channels, anti-corruption and ethical guidelines.

Individual Accountability Framework

In 2023 FBD saw the introduction of the Central Bank of Ireland's Individual Accountability Framework (IAF) seeking to incentivise positive behaviours and promote an improved and more transparent culture in regulated financial service providers. The framework places greater emphasis on individual accountability and makes it clearer who is responsible for what within firms.

The IAF has four distinct elements:

1. Senior Executive Accountability Regime (SEAR): SEAR requires in-scope firms to set out clearly where responsibility and decision-making lie within the firm's senior management structure. It also imposes a "duty of responsibility" on those in a Pre-approval Controlled Function (PCF) role to take reasonable steps on an ongoing basis to meet the required SEAR requirements.
2. Conduct Standards: Introduces three tiers of Conduct Standards; Business Conduct Standards, Common Conduct Standards and Additional Conduct Standards. The Common Conduct Standards apply to all those in Controlled Function (CF) roles, while the Additional Conduct Standards only apply to those in PCF and 'significant influence' roles (CF1 roles). The Business Conduct Standards apply at an entity level i.e., to FBD. It also imposes a "duty of responsibility" on those in CF roles to take reasonable steps on an ongoing basis to meet the required Conduct Standards.
3. Enhancements to the Central Bank's existing Fitness and Probity (F&P) regime: Under the IAF, firms are required to certify in writing that they are satisfied that a person complies with the F&P standards. The regime also brings holding companies in scope of the Fitness and Probity requirements for the first time.
4. Increased Enforcement Powers for the Central Bank: Amends the Administrative Sanctions Procedure (ASP), so that the Central Bank can now take direct enforcement action against an individual for a breach of their obligations under the IAF i.e., for a breach of the Duty of Responsibility or the Common/Additional Conduct Standards .

FBD welcome this regulation and have implemented enhancements to our existing policies, processes and training regime in support of the regulation including introducing an overarching Individual Accountability policy, Conducts Standards Policy, Reasonable Steps Guidance and enhanced the existing Fitness and Probity Policy.

Protection of Whistle-blowers

FBD has no appetite for breaches of compliance and regulatory requirements. Our commitment to business integrity is clearly articulated in our Speak Up Policy and procedures. The Speak Up Policy applies to those defined as a "worker" under the Protected Disclosures Act, this includes permanent, part-time and fixed-term employees, senior management, Directors, non-executive Directors, volunteers, trainees, shareholders, consultants, former employees and job applicants. The policy identifies concerns that may constitute potential or actual wrongdoings including:

- acts of bribery;
- corruption or fraud;
- breaches of applicable laws/regulations;
- gross negligence, mismanagement or malpractice that may harm the reputation or financial wellbeing of FBD;
- environmental and health and safety issues;
- confidentiality breaches;
- serious breaches of the Group's policies and procedures; and
- misleading or unethical behaviour.

In accordance with the Protected Disclosures Act 2022, FBD have established a standard operating procedure to ensure that concerns are thoroughly and objectively investigated in a timely manner. FBD encourages individuals to come forward and promises to protect whistleblowers, acting in good faith, against retaliation. All reporting is dealt with confidentially and will only be shared on a strict need to know basis. Investigators are separate from the chain of management involved in the matter. Whistleblowers have the option to remain anonymous. The Group Chief Human Resources Officer reports periodically to the Audit Committee on Speak Up activity and following the completion of any formal investigation, the Group Chief Human Resources Officer will inform the Group Chief Executive Officer, Group Chief Financial Officer, Audit Committee Chairs and FBD Holdings plc Chair and FBD Insurance plc Chair of the conclusion from the investigation including details of any action taken or proposed to be taken.

Corruption and Bribery

Prevention and detection including training

Our commitment to operating responsibly and conducting our operations to the highest ethical and professional standards is outlined in our Conduct policies listed under the corporate culture section above. Our Speak Up Policy and procedures outlined under the 'Protection of whistleblowers' section above covers concerns relating to bribery and corruption.

FBD's code of conduct policy governs both the giving and receiving of gifts and is applicable to all employees. Under the policy, every employee has the obligation to declare and record where gifts and hospitality valued, greater than a specified minimal threshold, have been offered by suppliers or any bodies of interest and whether these were accepted or declined.

FBD conduct an annual business wide anti-money laundering (AML) and countering of the financing of terrorism (CFT) risk assessment co-ordinated by our Compliance Function. This report aids in our ongoing efforts to prevent and address such incidents. Specific Anti money laundering, Countering the financing of terrorism and Financial Sanctions (AML/CFT) policies and procedures are in place setting out a range of measures used by the Group in respect of:

- identifying and verifying the identify of customers;
- on-going monitoring of business relationship with customers;
- reporting suspicious transactions internally and to the relevant authorities as required;
- financial sanction screening;
- mandatory group-wide staff training; and
- ensuring overall compliance with the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 and any financial sanctions imposed by the European Union or the United Nations.

Enhanced due diligence is applied to any identified high-risk customers including any identified Politically Exposed Person (PEP).

The AML/CFT policy is owned by the Head of Compliance who holds the Central Bank of Ireland Pre-Approval Controlled Function Role 'PCF-52 Head of Anti-Money Laundering and Counter Terrorist Financing'. This policy is reviewed at least annually by the Board.

Additionally, FBD have an Anti-fraud policy which outlines the roles and responsibilities for the reporting and investigation of fraud.

Annual mandatory compliance training is rolled out to all employees irrespective of level and is designed to ensure that employees understand their legal obligations, ethical responsibilities, and the potential consequences of non-compliance. During the period the below coverage was noted:

Percentage of functions-at-risk covered by training programmes	100 %
Topics Covered:	
Ethics	
Vulnerable Customer	
Code of Conduct	
Error Reporting	
Consumer Protection Code	
Anti Money Laundering	
Speak Up Policy	
Operational Resilience	
Data Protection 2024	
Complaints Handling	
FBD Safety Statement	
Risk Function	
Information security	

Non-executive Directors are not included as part of the employee mandatory compliance training. Details of the Board composition, diversity, experience and skills, including expertise on business conduct matters, are disclosed within the Corporate Governance report.

Incidents

No convictions or fines for violation of anti-corruption laws and anti-bribery laws were reported during the period. While FBD is always reviewing and enhancing its control environment, no specific actions were required to be taken to address breaches in procedures and standards of anti-corruption and anti-bribery.

Management of Relationships with Suppliers Including Payment Practices

FBD is a responsible buyer and we set high standards for ourselves and our supply chain. We insist that all of our business activities are conducted lawfully and above all, ethically. FBD expects the same of our suppliers and have outlined this in greater detail through the FBD Supplier Charter. The FBD Supplier Charter is publicly available on the FBD Group website and all Purchase Orders received by a supplier have a direct hyperlink to its location. Larger, more strategic supplier agreements also include a clause directly referencing the FBD Supplier Charter and how breach of the charter will be considered a material breach of agreement.

Suppliers must comply with all relevant legislation and respect our Health & Safety Culture. We support the Universal Declaration of Human Rights and work to enforce these rights within our supply chain. We expect the same of our suppliers. FBD expects that all of our suppliers pay their employees at least the minimum wage, or a fair representation of the prevailing industry wage (whichever is the higher), and provide each employee with all legally mandated benefits.

FBD's centralised Procurement Policy provides a framework to establish best practice and alignment of procurement standards across all FBD business units. This includes a sustainability decision approach supported by the use of an ESG questionnaire in FBD's tender process. Returns of the ESG questionnaire typically form 10% of the overall scoring criteria. The Procurement Policy is owned by the Group Chief Financial Officer and is reviewed at least annually by the Executive Management Team.

Annually, all FBD suppliers are assigned tiers dependent on the contract value and associated risks. Tiered contracts are then managed accordingly through the established procurement policies and procedures.

FBD conduct regular systematic risk based and operational performance reviews of all Critical Outsource Service Providers in line with FBD's Outsourcing Policy and regulatory guidelines. A suite of annual due diligence requirements are completed on all Outsource Service Providers (Critical and non-Critical).

FBD understand how important prompt payment is. We do not apply payment terms to supplier invoices hence we do not delay payments to match credit terms. Payments are made in the next available payment run once the invoice and supplier are fully approved. Standard payment runs are made three times per month allowing for timely payment to suppliers. Continuous monitoring of the timing of payments is embedded within FBD's Risk Management Framework.

In 2024 suppliers were paid on average 35 days from invoice date, which is within our target of less than 38 days. This excludes any amounts paid directly to suppliers that are linked to individual claims as these are monitored in accordance with the Central Bank of Ireland's Consumer Protection Code.

As at the year-end reporting date there were no legal proceedings outstanding for late payments.

Appendix

Disclosure requirements complied with

The following tables provide a list of disclosure requirements in preparing the Sustainability Statement, following the outcome of the materiality assessment, including the page numbers and/or paragraphs where the related disclosures are located.

Cross-cutting standards Disclosure requirements				
ESRS 2 General disclosures		Section/ Report	Page	Additional Information
BP-1	General basis for preparation of the Sustainability Statement	SS	101	General Basis for Preparation
BP-2	Disclosures in relation to specific circumstances	SS	121	Double Materiality Assessment Process 3. IRO Identification - time horizons
	Datapoints that derive from other EU legislation	SS	174	Appendix Datapoints that derive from other EU legislation.
GOV-1	The role of the administrative, management and supervisory bodies	SS	106	Sustainability Governance framework
		MR	42	Corporate Governance Report
		MR	67	Nomination & Governance Report
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SS	106	Sustainability Governance framework
		SS	119	Double Materiality Assessment Process
		SS	125	Future-proofing our IRO management process
GOV-3	Integration of sustainability-related performance in incentive schemes	MR	74	Report on Directors' Remuneration
GOV-4	Statement on sustainability due diligence	SS	172	Appendix Statement on sustainability due diligence
GOV-5	Risk management and internal controls over sustainability reporting	MR	18	Risk & Uncertainties Report
		SS	109	Features of Internal Control in relation to the non-financial reporting process
SBM-1	Strategy, business model and value chain (products, markets, customers)	MR	16	Business Model
		SS	98	ESG Strategy
	Strategy, business model and value chain (headcount by country)	SS	156	Characteristics of Employees
SBM-2	Interests and views of stakeholders	SS	121	Stakeholder Mapping and Engagement
		MR	62	Engagement with Stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	101	General Basis for Preparation
		SS	106	Sustainability Governance framework
		SS	119	Double Materiality Assessment Process
		SS	110	DMA outcome
		SS	113	Material IROs identified
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SS	119	Double Materiality Assessment Process
IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement	SS	169	Appendix Disclosure requirements complied with

SS Sustainability Statement

MR Management's review

Environmental standards Disclosure requirements

ESRS E1 Climate Change		Section/ Report	Page	Additional Information
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive scheme	SS	106	Sustainability Governance framework
E1-1	Transition plan for climate change mitigation	SS	133	Climate change – Actions
		SS	135	Climate change – Targets
ESRS 2, SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	SS	119	Double Materiality Assessment Process
ESRS 2, IRO-1	Description of the processes to identify and assess material climate related impacts, risks and opportunities	SS	119	Double Materiality Assessment Process
		SS	126	Climate Risk
E1-2	Policies related to climate change mitigation and adaptation	SS	131	Climate change – Policies
E1-3	Actions and resources in relation to climate change policies	SS	132	Climate change – Actions
E1-4	Targets related to climate change mitigation and adaptation	SS	134	Climate change – Targets
E1-5	Energy consumption and mix	SS	135	Energy consumption and mix
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SS	136	Gross Scope 1, 2, 3 and total GHG emissions
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SS	139	GHG removals and GHG mitigation projects financed through carbon credits
E1-8	Internal carbon pricing	SS	139	Internal carbon pricing

SS Sustainability Statement

MR Management's review

Social standards Disclosure requirements

ESRS S1 Own workforce		Section/ Report	Page	Additional Information
ESRS 2, SBM-2	Interests and views of stakeholders	SS	121	Stakeholder Mapping and Engagement
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	101	General Basis for Preparation
		SS	106	Sustainability Governance framework
		SS	119	Double Materiality Assessment Process
		SS	110	DMA outcome
		SS	113	Material IROs identified
S1-1	Policies related to own workforce	SS	146	Key policies
		SS	148	Human rights policy commitments
		SS	150	Workplace accident prevention system
		SS	151	Diversity and inclusion
S1-2	Processes for engaging with own workers and workers' representatives about impacts	SS	147	Engaging with our own workforce
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SS	155	Remediation and channels to raise concerns
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS	125	Future-proofing our IRO management process
		SS	148	Actions
		SS	150	Actions
		SS	152	Actions
		SS	154	Actions

Social standards Disclosure requirements				
ESRS S1 Own workforce		Section/ Report	Page	Additional Information
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	147	Listening Survey Scores
		SS	151	Gender Representation
		SS	152	Diversity Gold accreditation
S1-6	Characteristics of the undertaking's employees	SS	153	Gender diversity by contract type
		SS	156	Employee turnover
		SS	156	Headcount by country
S1-8	Collective bargaining and social dialogue	SS	149	Coverage rates
S1-9	Diversity metrics	SS	154	Age Distribution
		SS	153	Gender distribution in number
		SS	151	Gender distribution in percentage
S1-10	Adequate wages	SS	149	Metrics
S1-14	Health and safety metrics	SS	150	Health and safety Incidents during the reporting period
S1-16	Compensation metrics (pay gap and total compensation)	SS	153	Compensation Metrics
S1-17	Incidents, complaints and severe human rights impacts	SS	149	Metrics

SS Sustainability Statement

MR Management's review

Social standards Disclosure requirements				
ESRS S4 Consumers and End-Users		Section/ Report	Page	Additional Information
ESRS 2, SBM-2	Interests and views of stakeholders	SS	121	Stakeholder Mapping and Engagement
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	101	General Basis for Preparation
		SS	106	Sustainability Governance framework
		SS	119	Double Materiality Assessment Process
		SS	110	DMA outcome
		SS	113	Material IROs identified
S4-1	Policies related to consumers and end-users	SS	158	Privacy
		SS	161	Social Inclusion
S4-2	Processes for engaging with consumers and end users about impacts	SS	157	Engaging with our consumers and end users
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SS	162	Consumer Complaints
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions.	SS	125	Future-proofing our IRO management process
		SS	159	Actions
		SS	159	Actions
		SS	161	Actions
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	162	Targets

SS Sustainability Statement

MR Management's review

Governance standards Disclosure requirements				
ESRS G1 Business conduct		Section/ Report	Page	Additional Information
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	SS	106	Sustainability Governance framework
		MR	42	Corporate Governance Report
		MR	67	Nomination & Governance Report
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SS	119	ESRS 2, Double Materiality Assessment Process
G1-1	Business conduct policies and corporate culture	SS	163	Corporate Culture
		SS	166	Protection of Whistle-blowers
G1-2	Management of relationships with suppliers	SS	168	Management of relationships with suppliers including payment practices
G1-3	Prevention and detection of corruption and bribery	SS	167	Corruption and bribery, Prevention and detection including training
G1-4	Incidents of corruption or bribery	SS	168	Corruption and bribery, Incidents
G1-6	Payment practices	SS	168	Management of relationships with suppliers including payment practices

SS Sustainability Statement

MR Management's review

Statement on sustainability due diligence

The below table provides a mapping to where in our Sustainability Statement we provide information about our due diligence process, including how we apply the main aspects and steps of our due diligence process

Statement on sustainability due diligence				
Core elements of due diligence		Section/ Report	Page	Additional Information
a)	**Embedding due diligence in governance, strategy, and business model**			
	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)	General	106	Sustainability governance framework
		General	125	DMA validation and approval
		General	125	Future-proofing our IRO management process
	Integration of sustainability-related performance in incentive schemes (GOV-3)	Managements Review	74	Report on Directors' Remuneration
	Information about the resilience of the undertaking's strategy and business model regarding its capacity to address its material impacts and risks and to take advantage of its material opportunities. (SBM-3)	General	119	Value Chain Analysis
		General	121	Stakeholder mapping and engagement
		General	126	Future-proofing our IRO management process
	Information about the resilience of the undertaking's strategy and business model in relation to climate change. (E1 SBM-3)	General	126	Climate Risk
		Environmental	128	Climate Resilience Analysis
b)	**Engaging with affected stakeholders in all key steps of the due diligence**			
	How the interests and views of its stakeholders are taken into account by the undertaking's strategy and business model. (SBM-2)	General	121	Stakeholder mapping and engagement
	Consultation with affected stakeholders to understand how they may be impacted (IRO-1)	General	121	Stakeholder mapping and engagement

Statement on sustainability due diligence				
Core elements of due diligence		Section/ Report	Page	Additional Information
	Processes for engaging with own workers and workers' representatives about impacts (S1-2)	Social	147	Engaging with our own workforce
	Processes for engaging with consumers and end-users about impacts (S4-2)	Social	157	Engaging with our consumers and end users
	Consideration given to the interests of stakeholders in setting policies (S1-1, S4-1,G1-1, G1-2, MDR-P)	Environmental	131	Climate change policies
		Social	146	People Policies
		Social	158	Privacy policies
		Social	161	Social inclusion policies
		Governance	166	Protection of whistle-blowers
		Governance	168	Management of relationships with suppliers
c)	**Identifying and assessing adverse impacts**			
	Processes to identify and assess (IRO-1)	General	119	Double materiality assessment process
		General	126	Future-proofing our IRO management process
		Environmental	128	Climate resilience analysis
	Whether and how the undertaking developed an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm. (S1 SBM-3)	General	121	Stakeholder mapping and engagement
	Whether and how the undertaking developed an understanding of how consumers and/or end-users with particular characteristics, or those using particular products or services, may be at greater risk of harm. (S4 SBM-3)	General	121	Stakeholder mapping and engagement
d)	**Taking actions to address those adverse impacts:**			
	Actions and resources related to climate change mitigation and adaptation (E1-3, MDR-A)	Environmental	132	Climate change – Actions
	Approaches to mitigating material risks related to consumers and end-users (S4-4, MDR-A)	Social	159	Privacy – Actions
e)	**Tracking the effectiveness of these efforts and communicating:**			
	Metrics and targets related to climate change mitigation and adaptation (E1-4, MDR-T, E1-5, E1-6)	Environmental	134	Climate change – Targets
		Environmental	135	Energy consumption - Metrics
		Environmental	136	Gross Scope 1, 2, 3 and total GHG emissions
	Tracking effectiveness of policies and actions through targets (S4-5, MDR-T)	Social	162	Consumers and end users – Targets

Phased-in concessions availed of

Phased-in concessions availed of in accordance with ESRS 1 Appendix C		
ESRS	Disclosure Requirement	ESRS Options
ESRS 2, SBM-1	Breakdown of total revenue, as included in its financial statements, by significant ESRS sectors.	As the European Commission has not adopted a delegated act specifying the list of ESRS sectors, undertakings are not required to disclose the information referred to in ESRS 2 paragraph 40 (b) and 40 (c)
ESRS 2, SBM-3	Description of the processes to identify and assess material impacts, risks and opportunities	The undertaking may omit the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects) for the first year of preparation of its Sustainability Statement.
ESRS E1, E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	The undertaking may omit the information prescribed by ESRS E1-9 for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-7	Characteristics of non-employee workers in the undertaking's own workforce	The undertaking may omit reporting for all datapoints in this Disclosure Requirement for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-11	Social protection	The undertaking may omit the information prescribed by ESRS S1-11 for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-12	Percentage of employees with disabilities	The undertaking may omit the information prescribed by ESRS S1-12 for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-13	Training and skills development	The undertaking may omit the information prescribed by ESRS S1-13 for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-14	Health and safety	The undertaking may omit reporting on non-employees for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-14	Health and safety	The undertaking may omit the data points on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health for the first year of preparation of its Sustainability Statement.
ESRS S1, S1-15	Work-life balance	The undertaking may omit the information prescribed by ESRS S1-15 for the first year of preparation of its Sustainability Statement.

Datapoints that derive from other EU legislation

Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS 2, GOV-1	21(d)	Board's gender diversity	SFDR/BRR	MR	72
ESRS 2, GOV-1	21(e)	Percentage of board members who are independent	BRR	MR	43
ESRS 2, GOV-4	30	Statement on due diligence	SFDR	SS	172
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	SFDR/P3/BRR	Not material	-
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	SFDR/BRR	Not material	-
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	SFDR/BRR	Not material	-
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco	BRR	Not material	-
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	EUCL	SS	133 135
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks	P3/BRR	Not relevant	-

Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS E1-4	34	GHG emission reduction targets	SFDR/P3/BRR	SS	135
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	Not relevant	-
ESRS E1-5	37	Energy consumption and mix	SFDR	SS	135
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	SFDR	Not relevant	-
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	SFDR/P3/BRR	SS	136
ESRS E1-6	53-55	Gross GHG emissions intensity	SFDR/P3/BRR	SS	137
ESRS E1-7	56	GHG removals and carbon credits	EUCL	SS	139
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	BRR	Not stated – phased in concession	–
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk	P3	Not stated – phased in concession	-
ESRS E1-9	67 C)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	P3	Not stated – phased in concession	-
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities	BRR	Not stated – phased in concession	–
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	SFDR	Not material	-
ESRS E3-1	9	Water and marine resources	SFDR	Not material	-
ESRS E3-1	13	Dedicated policy	SFDR	Not material	-
ESRS E3-1	14	Sustainable oceans and seas	SFDR	Not material	-
ESRS E3-4	28 c)	Total water recycled and reused	SFDR	Not material	-
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 (a) i	Activities negatively affecting biodiversity-sensitive areas	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 (b)	Land degradation, desertification, or soil sealing	SFDR	Not material	-
ESRS 2-SBM 3-E4	16 c)	Threatened species	SFDR	Not material	-
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	SFDR	Not material	-
ESRS E4-2	24 c)	Sustainable oceans / seas practices or policies	SFDR	Not material	-
ESRS E4-2	24 (d)	Policies to address deforestation	SFDR	Not material	-
ESRS E5-5	37 (d)	Non-recycled waste	SFDR	Not material	-
ESRS E5-5	39	Hazardous waste and radioactive waste	SFDR	Not material	-
ESRS 2-SBM3-S1	14 (f)	Risk of incidents of forced labour	SFDR	SS	148
ESRS 2-SBM3-S1	14 (g)	Risk of incidents of child labour	SFDR	SS	148
ESRS S1-1	20	Human rights policy commitments	SFDR	SS	148 147 155
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BRR	SS	148
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	SFDR	SS	148
ESRS S1-1	23	Workplace accident prevention policy or management system	SFDR	SS	150
ESRS S1-3	32 c)	Grievance/complaints handling mechanisms	SFDR	SS	155

Datapoints that derive from other EU legislation.

The table below includes all the datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, indicating where the data points can be found in our report and which data points are assessed as 'Not material'.

Disclosure Requirement	Data point	Disclosure Requirement	Legislation	Section/ Report	Page
ESRS S1-14	88 (b) and c)	Number of fatalities and number and rate of work-related accidents	SFDR/BRR	SS	150
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	SFDR	Not stated – phased in concession	-
ESRS S1-16	97(a)	Unadjusted gender pay gap	SFDR/BRR	SS	153
ESRS S1-16	97(b)	Excessive CEO pay ratio	SFDR	SS	153
ESRS S1-17	103 (a)	Incidents of discrimination	SFDR	SS	149
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	SFDR/BRR	SS	149
ESRS 2-SBM3-S2	11 (b)	Significant risk of child labour or forced labour in the value chain	SFDR	Not material	-
ESRS S2-1	17	Human rights policy commitments	SFDR	Not material	-
ESRS S2-1	18	Policies related to value chain workers	SFDR	Not material	-
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR/BRR	Not material	-
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BRR	Not material	-
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	Not material	-
ESRS S3-1	16	Human rights policy commitments	SFDR	Not material	-
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR/BRR	Not material	-
ESRS S3-4	36	Human rights issues and incidents	SFDR	Not material	-
ESRS S4-1	16	Policies related to consumers and end users	SFDR	SS	161 157 162
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR/BRR	SS	162
ESRS S4-4	35	Human rights issues and incidents	SFDR	SS	162
ESRS G1-1	10 (b)	United Nations Convention against Corruption	SFDR	SS	167
ESRS G1-1	10 (d)	Protection of whistle- blowers	SFDR	SS	166
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery law	SFDR/BRR	SS	168
ESRS G1-4	24 (b)	Standards of anti- corruption and anti-bribery	SFDR	SS	168

SFDR	Sustainable Finance Disclosure Regulation
P3	EBA Pillar 3 disclosure requirements
BRR	Climate Benchmark Standards Regulation
EUCL	EU Climate Law

Independent practitioners' limited assurance report on FBD Holdings plc's Sustainability Statement

To the Directors of FBD Holdings plc

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated Sustainability Statement of FBD Holdings plc (the "Group"), included in the Sustainability Statement section of the Report of the Directors (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended, prepared in accordance with Part 28 of the Companies Act 2014.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the Sustainability Statement. These are cross referenced from the Sustainability Statement and are identified as subject to limited assurance.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with Part 28 of the Companies Act 2014, including:

- compliance of the sustainability reporting with the European Sustainability Reporting Standards ("ESRS");
- the process carried out by the Group to identify the information reported pursuant to the sustainability reporting standards, is in accordance with the description set out in the section titled 'Double Materiality Assessment Process' on page 119 to page 125; and
- compliance of the disclosures in subsection 'EU Taxonomy Regulation' within the 'Environmental' section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (Ireland) 3000, *Assurance engagements other than audits or reviews of historical financial information - assurance of sustainability reporting in Ireland* ("ISAE (Ireland) 3000 "), issued by the Irish Auditing & Accounting Supervisory Authority (IAASA).The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Practitioners' responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standard Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the independence requirements of the Companies Act 2014 and the Code of Ethics issued by Chartered Accountants Ireland that are relevant to our limited assurance engagement of the Sustainability Statement in Ireland.

The firm applies International Standard on Quality Management (Ireland) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Sustainability Statement

As explained more fully in the Statement of Directors' Responsibilities for the Sustainability Statement as set out on page 97, the Directors' of the Group are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section 'Double Materiality Assessment Process' on page 119 to page 125 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Directors of the Group are further responsible for the preparation of the Sustainability Statement, in accordance with Part 28 of the Companies Act 2014, including:

- compliance with the ESRS;
- preparing the disclosures in subsection 'EU Taxonomy Regulation' within the 'Environmental' section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that the Directors determine is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

Certain metrics reported within the Sustainability Statement may be subject to inherent limitations, for example, value chain information relating to emissions data provided by third parties (as discussed in section 'Environmental', subsection 'Gross Scopes 1, 2, 3 and Total GHG emissions', and subsection 'Key estimates and judgements' within the 'General Basis for Preparation' section of the Sustainability Statement).

In reporting forward-looking information in accordance with ESRS, the Directors of the Group are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Practitioners' responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE (Ireland) 3000 we exercise professional judgement and maintain professional scepticism throughout the engagement. Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in section 'Double Materiality Assessment Process' on page 119 to page 125.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents) and reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in section 'Double Materiality Assessment Process' on page 119 to page 125.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Performed inquiries of relevant personnel on selected information in the Sustainability Statement;

- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the Financial Statements and Report of the Directors;
- Evaluated the methods assumptions and data for developing estimates and forward-looking information; and
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

Other Matter – Compliance with the requirement to mark-up the Sustainability Statement

Section 1613(3)(c) of the Companies Act 2014 requires us to report on the compliance by the Group with the requirement to mark-up the Sustainability Statement in accordance with Section 1600 of that Act. Section 1600 of the Companies Act 2014 requires that the Directors' Report is prepared in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and shall mark-up the Sustainability Statement. However, at the time of issuing our limited assurance report, the electronic reporting format has not been specified nor become effective by Delegated Regulation. Consequently, the Group is not required to mark-up the Sustainability Statement. Our conclusion is not modified in respect of this matter.

Other Matter - References to external sources or websites

The references to external sources or websites in the Sustainability Statement are not part of the Sustainability Statement and therefore are not within the scope of our limited assurance engagement.

Other Matter- Comparative Information

The comparative information included in the Sustainability Statement of the Group as at 31 December 2023 and for the year then ended was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Use of this report

Our report is made solely in accordance with Section 1613 of the Companies Act 2014 to the Directors of the Group.

Our assurance work has been undertaken so that we might state to the Directors those matters we are required to state to them in a limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and its Directors, as a body, for our limited assurance work, for this report, or for the conclusions we have formed.

Padraig Osborne

for and on behalf of PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

Dublin

6 March 2025


FUNDING
local clubs.


BACKING
small business owners.


DONATING
to charity partners.

Additional support provided by FBD and its partners to the Agricultural and Wider Communities

2023 Teagasc Student of the Year, Danny Doyle, pictured with Frank O'Mara (Director of Teagasc), Maureen O'Meara (FBD), Liam Herlihy (FBD) Charlie McConalogue TD (former Minister for Agriculture, Food and the Marine),Michael Berkery (FBD Trust). Anne-Marie Butler (Head of Education, Teagasc) and John Cahalan (FBD).

FBD supporting the Agricultural Community

For over 50 years FBD has been invested in agriculture, farming and rural life in Ireland. We believe farmers, businesses, retail customers and wider society feel real economic and social benefits as a result of our business activities. As a Group that has been providing insurance for Irish farmers for more than 50 years, we are uniquely placed to support Irish farmers and the agricultural industry in Ireland. Our sponsorships and initiatives reflect our brand promise of support, reinforcing our commitment to farmers and their communities while offering us the opportunity for meaningful customer engagement

The FBD Trust

FBD Trust CLG ("FBD Trust") was established over fifty years ago to advance the interests of farm families and the Agricultural sector generally in Ireland with income generated from shares in FBD allocated by the original farmer investors in the Group. This support is given primarily through financing research, educational scholarships, training and development and support of groups and organisations representing and advocating effectively for Irish Agriculture and rural communities. Since 1975, FBD Trust has been a company limited by guarantee, which does not have shareholders, but whose members' liability is limited to the nominal amount of the guarantee given by them. FBD Trust derives its income primarily from its interests in the Group.

FBD Trust is proud to partner with FBD to support a wide range of research, educational and social initiatives and knowledge transfer which benefit rural communities, Irish farmers, and the food industry. FBD Trust's philanthropic objectives are directed towards strengthening the competitiveness, environmental sustainability and profitability of Irish agriculture.

FBD Trust contributes approximately €2 million annually to projects which include:

Teagasc / FBD Student of the Year Awards

Teagasc / FBD Student of the Year awards are presented to the highest achieving graduates of the previous year from Teagasc agricultural colleges across the country. Nominees for these awards are the next generation of farm leaders and innovators. FBD has supported the Student of the Year Awards since their inception by providing a bursary to the winner, category winners and finalists.

2023 Teagasc Student of the Year, Danny Doyle, pictured with Frank O'Mara (Director of Teagasc), Maureen O'Meara (FBD), Liam Herlihy (FBD) Charlie McConalogue TD (former Minister for Agriculture, Food and the Marine),Michael Berkery (FBD Trust). Anne-Marie Butler (Head of Education, Teagasc) and John Cahalan (FBD).

Nuffield Scholarships

Nuffield Ireland is part of Nuffield International, a global network which includes organisations in eight countries. The Nuffield Farming Scholarship is a leadership development programme, in which scholars are given a bursary to travel, research and present a report on their chosen topic. Nuffield Ireland identifies future leaders in the Irish agricultural sector and supports them to reach their full potential through scholarships, international travel, and global connections. Nuffield Ireland's Annual Conference features panel discussions from industry experts along with presentations from graduating scholars. FBD supports both the Nuffield scholarship fund and the Nuffield conference to promote excellence by developing and supporting these individuals.

Nuffield Scholars Thomas Murray, Liagh Whelehan, David Fennelly, Bryan Daniels, Gillian Willis and Margaret Edgill pictured with Joe Leonard (Nuffield Ireland Chairman) and Michael Berkery (FBD Trust Chairman) pictured at the Nuffield Ireland conference held at Mount Wolseley Hotel, Tullow, Co. Carlow.

ASA Conference Partner & ASA Fellowship

The Agricultural Science Association (ASA) is the professional body for graduates in agricultural, horticultural, forestry, environmental and food science. It is the voice of the Agricultural profession in Ireland. FBD has been the ASA conference partner for many years and in 2024 also sponsored their Resilient Industry: Adapting to Change event which was held in honour of International Women's Day.

The FBD Young Farmer of the Year Awards

The FBD Young Farmer of the Year is a national competition held in conjunction with Macra. The purpose of these awards is to identify and recognise young farmer excellence and to inspire and empower the next generation of young farmers in Ireland. The awards recognises top-performing young farmers. It promotes knowledge-sharing and networking and it provides a platform to showcase and highlight Irish agriculture and the fantastic work being done by young farmers. Adjudication is based on several criteria including business initiative, sustainability and innovation on the farm alongside enterprise quality, farm safety, environmental protection awareness, agricultural knowledge and community involvement. The 2024 FBD Young Farmer of the Year is Christopher Cahill from Co. Cavan..

FBD Young Farmer of the Year, Christopher Cahill, pictured at the awards ceremony with Liam Herlihy (FBD), Francie Gorman (IFA president), Elaine Houlihan (Macra President) and Tomás Ó Midheach (FBD).

Women & Agriculture

FBD is the main sponsor of the annual 'Women & Agriculture Conference'. This conference celebrates the role of women in agriculture while highlighting gender issues in farming and the agri-food sector. It acknowledges the essential role that women play on farms across the country and more widely in the Agri sector as a whole. The conference provides an important opportunity for engagement, networking and knowledge sharing.

Patricia O'Halloran (Head of Sales) speaking at the Women & Agriculture conference 2024

The Burren Winterage Weekend

At the end of summer, Burren farmers follow the ancient tradition of herding their cattle onto 'Winterage' pastures. These cattle spend the Winter grazing in the Burren's limestone uplands and this practice is key to the survival of the region's famous flora and fauna. The Burren Winterage Weekend is a celebration of this tradition of Winterage and includes a wide range of farming, heritage, cultural and family events around the October Bank Holiday weekend each year. The Burren Winterage School is held as part of the Winterage weekend and it aims to unite farmers, researchers, advisors and government representatives to share ideas on sustainable pastoral land management.

The annual Burrenbeo Winterage Weekend, supported by FBD, celebrates not only the unique farming traditions of the Burren, but also highlights, celebrates and supports the broader significance of pastoral farming in shaping much of the Irish landscape.

Patron Member of Agri Aware

A founding member of Agri Aware, FBD was one of a number of agri-businesses that recognised the need for an independent body to provide the general public with information and education on the importance of agriculture and the food industry to the Irish economy. FBD's annual support assists Agri Aware in continuing its programme of educational and public awareness initiatives among the non-farming community. Topics include modern agriculture, the rural environment, animal welfare, food quality and safety.

Grass10 – Grassland Excellence for Irish Livestock

Working in partnership with Teagasc, the 'Grass10' programme aims to increase grass utilisation on Irish livestock farms along with ambitious targets. Achieving 'Grass10' targets will require changes in farm practices associated with both grass production and utilisation, delivering best practice, and promoting sustainable agricultural methods.

AHI CellCheck Awards

The annual Animal Health Ireland CellCheck Milking for Quality awards has been sponsored by FBD since they were established in 2014. The purpose of the CellCheck Awards is to recognise and reward farmers who have demonstrated excellence in the field of dairy herd health management. Awards recognise farmers who have implemented best practices in herd health management, such as cell counting, and achieved excellent herd health and milk production results.

The CellCheck Award is given to the 500 milk suppliers nationally with the lowest weighted annual average Somatic Cell Count (SCC) for the previous year's supply. The winners were honoured at the awards ceremony which was held in Killashee Hotel in November 2024.

Patrick & Ann Campion (CellCheck Champions) pictured with Kevin McConnell (CEO Animal Health Ireland), Michael Berkery (FBD Trust Chairman), John Cahalan (FBD Insurance CCO), John Martin (Centenary Thurles Co-Op) and James Lynch (Chairman, Animal Health Ireland) .

Make the Moove / UCD Agri Mental Health Group

Make the Moove is a charity founded by Macra members in North Tipperary in 2018 to address the rise in the levels of self-harm and suicide amongst farmers and other rural dwellers. This initiative has been bolstered by support from UCD Agri Mental Health Group whose empirical research released in October 2022 found that almost 25% of farmers surveyed were in danger of suicide.

FBD recognised Make the Moove and UCD's common purpose to support the area of mental health and brought them together to further their combined work through knowledge and resource sharing.

Patricia O'Halloran (FBD), Conor Holohan (Make the Moove Programme Director), Michael Berkery (FBD Trust Chairman), Elaine Houihan (Macra President), Tomás Russell (UCD) pictured at the 2024 national ploughing championship.

University Research & Support - At home and abroad

FBD offers a wide range of supports and grants to universities including academic positions and agri-related organisations and events. Recent academic sponsorships include Sustainable Soil research in UCC, UCD Farm Safety Awards and FBD Trust Overall Student of the Year Award at UCC 2024 Conferring Ceremony.

FBD Holdings plc and FBD Trust have pledged a philanthropic contribution in support of a new research and teaching facility at UCD Lyons Farm. The 'UCD FBD Agricultural Science Centre' will enhance UCD's ability to deliver both teaching and research to the highest international standards. It will provide a centre where researchers, students, innovators and industry experts can collaborate on projects aimed at addressing the most pressing challenges facing modern farming and agriculture.

FBD Better Farming Awards

These awards aim to identify the highest levels of achievement made in the industry's move towards a more sustainable sector and to reward initiatives, research and practices that are helping Irish agriculture meet its economic, social and environmental challenges. The award categories included a mix from across the Agri industry, food producers and farmers.

Tom and Kathy Barry were named winners of the FBD Insurance Overall Better Farming Award.

Kathy & Tom Barry overall winners of FBD Insurance Better Farming Awards, pictured with Liam Herlihy (FBD Insurance Chairman), Emer O'Byrne and Maureen O'Meara (FBD)

University Research & Support - At home and abroad

The inaugural Teagasc FBD Environmental Sustainability Awards were held in October 2024. The competition was established to promote environmentally sustainable farming practices and highlight the progress that Irish farmers are making in their efforts to work with nature while continuing to produce high-quality, nutritious food in a profitable manner. Five enterprise awards and four category awards were presented. The overall winners at the awards were father and son partnership John & Brendan Walsh from Co. Tipperary.

Teagasc FBD Environmental Sustainability Awards

The inaugural Teagasc FBD Environmental Sustainability Awards were held in October 2024. The competition was established to promote environmentally sustainable farming practices and highlight the progress that Irish farmers are making in their efforts to work with nature while continuing to produce high-quality, nutritious food in a profitable manner. Five enterprise awards and four category awards were presented. The overall winners at the awards were father and son partnership John & Brendan Walsh from Co. Tipperary.

John and Brendan Walsh overall winners of the inaugural Teagasc/FBD Environmental Sustainability Awards pictured receiving their award from Laura Burke (Director of the EPA)

The Padraig Walshe Centre for Sustainable Animal & Grassland Research

A significant contribution from FBD Holdings plc, FBD Trust and Farmer Business Developments Plc will support the development of a new research facility at Teagasc Moorepark Campus. This new centre will advance climate-focused research and innovative solutions for sustainable pasture-based systems. The facility will work to enhance Ireland's ruminant sector by improving efficiency and helping farmers meet climate targets, ensuring environmental, economic, and social sustainability for future generations.

Tractor Training Skills

FBD continues to support the FRS tractor training skills course for young people over the age of 14, to ensure that safe driving practices are adopted at an early age.

Irish Show Association (ISA) Safety Seminars

FBD continues to support the ISA by providing Event Safety Management presentations at their national regional safety seminars. The seminars are designed to help the Show Committees, and their Safety Officers manage safety at the shows they organise.

FBD SUPPORTING THE WIDER COMMUNITY

At the heart of everything we do is a commitment to serving communities, not just within the farming sector but across the wider localities where we live and work. With 34 branches nationwide and decades of experience, we are well positioned to make a meaningful impact. Our sponsorships and community initiatives are a reflection of our brand promise to support and strengthen these communities, while helping us build genuine, lasting connections with our customers.

Guaranteed Irish

FBD is a proud member of the Guaranteed Irish programme. The Guaranteed Irish symbol is a trusted mark of distinction, awarded to companies that demonstrate a steadfast commitment to creating high-quality jobs, contributing meaningfully to local communities, and upholding the values of Irish provenance. This partnership underscores our dedication to supporting Irish businesses and their needs.

Chambers of Commerce

With 34 branches located around Ireland, FBD is a committed member of many local Chambers of Commerce. Working collaboratively with local businesses, Chambers of Commerce provide a forum to promote initiatives, knowledge sharing and to assist local business in communities across Ireland.

SME Support: Big Support for Small Business

Recognising the exceptional challenges small businesses have faced recently, we wanted to take our ongoing support of SMEs a step further and create a meaningful impact by offering a €140,000 combined marketing support package for seven local businesses. Local branch managers from our Cork, Waterford, Letterkenny, Baggot Street, Sligo, Galway, Drumcondra, and Limerick branches selected businesses representing a diverse range of industries, including retail, restaurants, pubs, food, and manufacturing.

These businesses received recognition on Ireland's largest billboard in Dublin, as well as on local billboards, radio, and in press coverage in their counties. Through this initiative, we aimed to listen to our customer needs which allowed them to amplify their voices, provide them with the platform they deserve, and make a real difference in their business journey..

Ronald McDonald House

FBD is proud to be supporting the Ronald McDonald House at the new National Children's Hospital. The charity provides a "home away from home" for families with seriously ill children undergoing medical treatment, easing the emotional and financial strain of travel and accommodation. By partnering with Ronald McDonald House, we hope to not only help ensure access to vital services like warm meals, lodging and emotional support but also actively contribute to building stronger, more compassionate communities. This sponsorship reflects a deep commitment to community well-being, creating lasting bonds and making a profound difference for families in need.

GAA Clubs & FBD Semple Stadium

FBD Insurance is proud to support the GAA nationwide. This partnership reflects FBD's long-standing commitment to Irish communities, promoting the values of teamwork, resilience, and passion that lie at the heart of Gaelic games.

Our sponsorship of FBD Semple Stadium in Thurles underscores our dedication to community engagement. Semple Stadium is more than a venue; it is an iconic place in Irish culture and a fantastic gathering place for fans, families, and players who share a love for Gaelic games.

Through our branch network we support many GAA clubs nationwide which brings people together, fosters community pride, and nurtures young talent. We hope our support contributes to the development of players and clubs, ensuring the continuation of a rich cultural tradition that unites people across the country.

Tomas Ó Midheach (FBD CEO) pictured with children of FBD staff at the Family Fun Day at FBD Semple Stadium .

Partnerships

To strengthen relationships with key business customers, we partner with many organisations whose membership base is made up of our customers, such as Good Food Ireland, the Restaurants Association of Ireland and community groups like Men's Sheds. Through these partnerships, our commercial experts share valuable advice and insights by speaking at group meetings, presenting at conferences, sponsoring awards and engaging directly with businesses and their communities.

Grow It Yourself (GIY)

At FBD we have a strong focus on supporting our local communities. Our branch staff take a personal and human approach to supporting businesses and local communities. This is why we are so delighted to be supporting GIY with the Grow at School Campaign. Our local branch managers will be connecting directly with the schools we are supporting to bring this valuable programme to children in eight schools in counties across Ireland. This programme is supporting young people building sustainable food habits that will benefit themselves, their communities and the future planet

Country Shows

As part of our community focus, we support the Irish Shows Association and a number of country shows, most of which are run by local committees on an entirely voluntary basis. These events play a vital role in showcasing the Irish food producers and livestock industry while also serving as vibrant community gatherings. FBD employees from the closest local branch attend these shows which provide an important opportunity for community engagement.

FINANCIAL STATEMENTS

In this Section

Independent Auditors' Report	189
Consolidated Income Statement	198
Consolidated Statement of Comprehensive Income	199
Consolidated Statement of Financial Position	200
Consolidated Statement of Cash Flows	202
Consolidated Statement of Changes in Equity	203
Company Statement of Financial Position	204
Company Statement of Cash Flows	205
Company Statement of Changes in Equity	206
Notes to the Financial Statements	207

FBD BUSINESS INSURANCE CUSTOMER

"It has been very exciting to be asked to be a part of the FBD campaign. The locals here in Adare/Limerick have seen the paper ad and the weekend magazine and have been very lovely about it all with lots of congratulatory messages coming in via Instagram and Facebook. The appointments are booking in for mid-May and into June, usually this time of year is quiet for us. FBD's support has definitely made a positive difference to the business."

Ann Stokes Gilvarry
Áibhéil of Adare, Co. Limerick

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

Independent auditors' report to the members of FBD Holdings plc

Report on the audit of the financial statements

Opinion

In our opinion, FBD Holdings plc's consolidated financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the group's and the company's assets, liabilities and financial position as at 31 December 2024 and of the group's profit and the group's and the company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and, as regards the company's financial statements, as applied in accordance with the provisions of the Companies Act 2014; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the consolidated financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated and Company Statements of Financial Position as at 31 December 2024;
- the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated and Company Statements of Cash Flows for the year then ended;
- the Consolidated and Company Statements of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by IAASA's Ethical Standard were not provided to the group or the company.

Other than those disclosed in note 8 to the financial statements, we have provided no other services to the group or the company in the period from 1 January 2024 to 31 December 2024.

Our audit approach

Overview

Overall materiality

- €4.4 million (2023: €4.0 million) - Consolidated financial statements
- Based on circa 1% of insurance revenue.
- €1.1 million (2023: €1.0 million) - Company financial statements
- Based on circa 1% of equity attributable to equity holders of the parent.

Performance materiality

- €3.3 million (2023: €3.0 million) - Consolidated financial statements.
- €0.83 million (2023: €0.75 million) - Company financial statements.

Audit scope

- We performed a full scope audit of the complete financial information of the group's principal operating entity, FBD Insurance plc, and the holding company. We performed audit procedures on certain balances and transactions of the group's shared services entity, FBD Corporate Services Limited.
- Taken together, the entities where we performed a full scope audit of the complete financial information and those selected balances at the group's shared services entity on which we performed audit procedures accounted for in excess of 95% of group revenues, 95% of group profit before taxation and 95% of the group's total assets.

Key audit matters

- Methodologies and assumptions applied in the valuation of the liability for incurred claims ("LIC") (Group).
- Recoverability of Investments in Subsidiaries (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Methodologies and assumptions applied in the valuation of the liability for incurred claims ("LIC") (Group)	
Refer to Note 3 (E) (ii) - 'Summary of material accounting policies - Insurance contracts – Insurance and reinsurance contracts accounting treatment', Note 3 (X) - 'Summary of material accounting policies - Critical accounting estimates and judgements in applying accounting policies', Note 16 – ' Insurance and reinsurance contracts', and Note 37(g) - Financial Risk Management - Insurance Risk' to the consolidated financial statements. The measurement of LIC comprises: • an actuarial best estimate of the ultimate settlement cost of claims incurred at the reporting date including estimates for claims incurred but not reported ("IBNR") and events not in data ("ENID") at 31 December 2024; • an adjustment to the best estimate cashflows to reflect the time value of money and the financial risks related to those cash flows, to the extent that the financial risks are not included in the estimates of cash flows; and • a risk adjustment for non-financial risk, reflecting the compensation the group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the group fulfills insurance contracts. The actuarial best estimate is determined using complex actuarial calculations and requires the consideration of detailed methodologies, complex assumptions and significant judgements. Long tail lines of business are generally more difficult to project and subject to greater uncertainties than short tail, higher frequency claims. Methodologies and assumptions vary by class of business. The key items underlying the valuation include past claims development patterns, assumptions in respect of expected loss ratios and the expected frequency and severity of claims. We determined the valuation of the actuarial best estimate to be a key audit matter due to the judgements and level of estimation involved in the measurement thereof.	Based on the results of our risk assessment, we selected certain long tail classes of business for independent valuation of the actuarial best estimate by PwC actuarial specialists. This involved consideration of key assumptions including expected loss ratios and the frequency and severity of claims informed by the group's historical claims experience and developments in the Irish claims environment. The independent estimates by reserving classes were compared to the group's valuation of the actuarial best estimate and we understood the reasoning behind any significant differences. In respect of other classes of business, we assessed the reasonableness of the group's actuarial best estimate with the assistance of our actuarial specialists. This involved: • Assessing the reasonableness of assumptions and methodologies underpinning management's actuarial valuation; and • Considering the development of prior years estimates and analysis of current accident year estimate including consideration of the group's historical claims experience and developments in the Irish claims environment for these classes of business. Based on the results of these procedures we concluded that the valuation of the actuarial best estimate included within the group's liability for incurred claims is reasonable. We also assessed the appropriateness of the disclosures of the key methodologies and assumptions as disclosed in the financial statements.
Recoverability of Investments in Subsidiaries (Company)	
Refer to Note 3 (C) - 'Summary of material accounting policies - Investments in Subsidiaries (Company only)', and Note 32 - 'Principal Subsidiaries' to the consolidated financial statements. The company has investments in subsidiaries of €91.8 million at 31 December 2024 which are stated at cost less accumulated impairment. We determined this to be a key audit matter as investments in subsidiaries are the principal assets held by the company.	We considered management's assessment as to whether there were any indicators of impairment at year end taking into account the market capitalisation of the Company. Based on our procedures we determined that management's conclusion that there are no impairment indicators was reasonable.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

The group consists of the holding company, FBD Insurance plc (an insurance provider), five other entities (four of which are non-trading) and a group shared services entity, FBD Corporate Services Limited. All group entities are managed and reported on from a single head office. The consolidated financial statements are a consolidation of these individual entities.

On the basis of the group structure all audit procedures were performed by the group audit engagement team. We performed a full scope audit of the complete financial information of FBD Insurance plc and the holding company. Specific audit procedures on certain balances and transactions were performed in respect of FBD Corporate Services Limited. We also tested the consolidation process. This gave us the desired level of audit evidence for our opinion on the consolidated financial statements as a whole.

This gave us coverage in excess of 95% of group revenues, 95% of group profit before taxation and 95% of the group's total assets.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Consolidated financial statements	Company financial statements
Overall materiality	€4.4 million (2023: €4.0 million).	€1.1 million (2023: €1.0 million).
How we determined it	Circa 1% of insurance revenue.	Circa 1% of equity attributable to equity holders of the parent.
Rationale for benchmark applied	We have applied this benchmark as it provides a more stable measure as the group's result can fluctuate. We also assessed the appropriateness of this benchmark by reference to other potential benchmarks and determined the overall materiality level to be appropriate.	We have applied this benchmark as it is considered appropriate given the company's activity as a holding company.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to €3.3 million (group audit) and €0.83 million (company audit).

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €220,000 (group audit) (2023: €200,000) and €55,000 (company audit) (2023: €50,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group and company's ability to continue to adopt the going concern basis of accounting included:

- evaluating management's going concern assessment and underlying forecasts for the period of the going concern assessment (being the period of 12 months from the date on which the financial statements are authorised for issue);
- testing the mathematical integrity of the forecasts and the models, and reconciling these to Board approved budgets;
- considering the projected solvency position of FBD Insurance plc under a number of stress scenarios set out in the group's Own Risk and Solvency Assessment and comparing these to the group's regulatory solvency capital requirement; and
- considering the group's liquidity position for the period of assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's or the company's ability to continue as a going concern.

In relation to the company's reporting on how they have 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.

We are required to report if the directors' statement relating to going concern in accordance with the Listing Rules for Euronext Dublin is materially inconsistent with our knowledge obtained in the audit. We have nothing to report in respect of this responsibility.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the Companies Act 2014 (excluding the information included in the "Non Financial Statement" and the sustainability reporting required by that Act on which we are not required to report) have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below.

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors (excluding the information included in the "Non Financial Statement" and the sustainability reporting on which we are not required to report) for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors (excluding the information included in the "Non Financial Statement" and the sustainability reporting on which we are not required to report).
- In our opinion, based on the work undertaken in the course of the audit of the financial statements,
  - the description of the main features of the internal control and risk management systems in relation to the financial reporting process; and
  - the information required by Section 1373(2)(d) of the Companies Act 2014; included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2) of the Companies Act 2014.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in

relation to the financial reporting process and the information required by section 1373(2)(d) of the Companies Act 2014 included in the Corporate Governance Statement.

- In our opinion, based on the work undertaken during the course of the audit of the financial statements, the information required by section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 and regulation 6 of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 is contained in the Corporate Governance Statement.

Corporate Governance Statement

The Listing Rules and ISAs (Ireland) require us to review the directors' statements in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the company's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex (the "Code") specified for our review. Our additional responsibilities with respect to the Corporate Governance Statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

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

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Irish insurance laws and regulations and in particular the Solvency II Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risk related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with the Audit Committee, management and internal audit, including consideration of whether there are known or suspected instances of non-compliance with laws and regulation and fraud;
- Inspecting relevant correspondence with the Central Bank of Ireland ('CBI'), including those in relation to compliance with laws and regulations;
- Reading relevant meeting minutes including those of the Board, Audit Committee and Board Risk Committee;
- Challenging assumptions made by management in accounting estimates and judgements, in particular in relation to the valuation of the liability for incurred claims as described in the related key audit matter;
- Identifying and testing journal entries based on risk criteria; and
- Designing audit procedures to incorporate unpredictability in our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the company financial statements to be readily and properly audited.
- The Company Statement of Financial Position is in agreement with the accounting records.

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

We are required by the Listing Rules to review the six specified elements of disclosures in the report to shareholders by the Board on directors' remuneration. We have no exceptions to report arising from this responsibility.

Prior financial year Non Financial Statement

We are required to report if the company has not provided the information required by Regulation 5(2) to 5(7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 in respect of the prior financial year. We have nothing to report arising from this responsibility.

Prior financial year Remuneration Report

We are required to report if the company has not provided the information required by Section 1110N of the Companies Act 2014 in respect of the prior financial year. We have nothing to report arising from this responsibility.

Appointment

We were appointed by the directors on 10 August 2016 to audit the financial statements for the year ended 31 December 2016 and subsequent financial periods. The period of total uninterrupted engagement is 9 years, covering the years ended 31 December 2016 to 31 December 2024.

Padraig Osborne

for and on behalf of PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

Dublin

6 March 2025

Consolidated Income Statement

For the financial year ended 31 December 2024

	Note	2024 €000s	2023 €000s
Insurance revenue	4(a)	**441,005**	401,026
Insurance service expenses	4(c)	**(278,452)**	(210,052)
Reinsurance expense		**(34,082)**	(39,776)
Change in amounts recoverable from reinsurers for incurred claims		**(17,371)**	(24,890)
Net expense from reinsurance contracts held	4(a)	**(51,453)**	(64,666)
Insurance service result	4(a)	**111,100**	126,308
Total investment return	5	**26,087**	19,094
Finance expense from insurance contracts issued	6	**(7,459)**	(4,160)
Finance income from reinsurance contracts held	6	**1,225**	1,249
Net insurance finance expenses		**(6,234)**	(2,911)
Net insurance and investment result		**130,953**	142,491
Other finance costs		**(2,556)**	(2,559)
Non-attributable expenses	4(c)	**(37,804)**	(34,018)
Other provision charges	25	**(6,695)**	(18,331)
Revenue from contracts with customers	4(a)	**3,667**	2,468
Financial services income and expenses	4(a)	**(10,600)**	(6,933)
Revaluation/(Impairment) of property, plant and equipment	4(a)	**100**	(1,708)
Profit before taxation		**77,065**	81,410
Income taxation charge	10	**(9,860)**	(11,869)
Profit for the period		**67,205**	69,541
Attributable to:			
Equity holders of the parent		**67,205**	69,541

Earnings per share

	Note	2024 Cent	2023 Cent
Basic	12	**186**	194
Diluted[1]	12	**183**	190

[1] Diluted earnings per share reflects the potential vesting of share-based payments.

The 'A' ordinary shares of €0.01 each that are in issue have no impact on the earnings per share calculation.
The accompanying notes form an integral part of the financial statements.
The financial statements were approved by the Board and authorised for issue on 6 March 2025.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2024

	Note	2024 €000s	2023 €000s
Profit for the period		**67,205**	69,541
Items that will or may be reclassified to profit or loss in subsequent periods:			
Movement on investments in debt securities measured at FVOCI	5	**18,426**	39,423
Movement transferred to the Consolidated Income Statement on disposal during the period	5	**605**	1,969
Finance expense from insurance contracts issued	6	**(6,197)**	(17,253)
Finance income from reinsurance contracts held	6	**927**	3,676
Income tax relating to these items		**(1,720)**	(3,477)
Items that will not be reclassified to profit or loss:			
Re-measurements of post-employment benefit obligations, before tax	17 (d)	**(699)**	(1,608)
Revaluation/(Impairment) of owner occupied property	22	**5**	(84)
Income tax relating to these items		**86**	229
Other Comprehensive Income after taxation		**11,433**	22,875
Total comprehensive income for the period		**78,638**	92,416
Attributable to:			
Equity holders of the parent		**78,638**	92,416

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Financial Position

At 31 December 2024

	Note	2024 €000s	2023 €000s
Assets			
Cash and cash equivalents	13	**152,320**	142,399
Equity and debt instruments at fair value through profit or loss	14	**132,767**	161,178
Debt instruments at fair value through Other Comprehensive Income	14	**891,956**	855,989
Deposits		**—**	2,885
Investment assets		**1,024,723**	1,020,052
Other receivables	15	**22,631**	17,150
Loans		**386**	478
Reinsurance contract assets	16	**75,096**	97,520
Retirement benefit surplus	17	**6,393**	7,044
Intangible assets	18	**36,789**	27,735
Policy administration system	19	**10,750**	17,926
Investment property	20	**11,300**	11,953
Right of use assets	21	**2,741**	3,503
Property, plant and equipment	22	**23,139**	20,821
Deferred taxation asset	23	**—**	493
Total assets		**1,366,268**	1,367,074

Consolidated Statement of Financial Position (continued)

At 31 December 2024

	Note	2024 €000s	2023 €000s
Liabilities			
Current taxation liabilities		**1,429**	2,230
Other payables	24(a)	**43,066**	35,852
Other provisions	25(a)	**14,398**	20,083
Reinsurance contract liabilities	16	**73**	480
Insurance contract liabilities	16	**767,779**	774,921
Lease liabilities	21	**3,056**	3,828
Subordinated debt	26	**49,780**	49,721
Deferred taxation liabilities	23	**560**	—
Total liabilities		**880,141**	887,115
Equity			
Called up share capital presented as equity	27	**21,768**	21,744
Capital reserves	28(a)	**27,932**	34,479
Retained earnings		**445,263**	444,617
Other reserves	29	**(11,759)**	(23,804)
Shareholders' funds - equity interests		**483,204**	477,036
Preference share capital	30	**2,923**	2,923
Total equity		**486,127**	479,959
Total liabilities and equity		**1,366,268**	1,367,074

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 6 March 2025.

They were signed on its behalf by:

Liam Herlihy
Chairman

Tomás Ó Midheach
Group Chief Executive Officer

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	Note	2024 €000s	2023 €000s
Cash flows from operating activities			
Profit before taxation		**77,065**	81,410
Adjustments for:			
Movement on investments classified as fair value		**(10,125)**	(7,960)
Interest and dividend income		**(18,023)**	(15,653)
Depreciation/amortisation of property, plant and equipment, intangible assets and policy administration system	18, 19, 22	**15,287**	12,012
Depreciation on right of use assets	21	**762**	787
Fair value movement on investment property	20	**600**	3,099
(Revaluation)/Impairment of property, plant and equipment	22	**(100)**	1,708
Other non-cash adjustments		**3,520**	2,602
Operating cash flows before movement in working capital		**68,986**	78,005
Movement on insurance and reinsurance contract liabilities/assets		**9,605**	(26,270)
Movement on other provisions	25	**(5,685)**	8,980
Movement on receivables		**(6,489)**	(3,961)
Movement on payables		**9,625**	2,642
Cash generated from operations		**76,042**	59,396
Interest and dividend income received		**19,230**	17,854
Income taxes paid		**(11,142)**	(12,161)
Net cash from operating activities		**84,130**	65,089
Cash flows from investing activities			
Purchase of investments classified as fair value through profit or loss		**(12,071)**	(34,803)
Sale of investments classified as fair value through profit or loss		**52,070**	19,041
Purchase of investments classified as FVOCI	37(d)	**(126,185)**	(135,372)
Sale of investments classified as FVOCI	37(d)	**107,791**	151,277
Purchase of property, plant and equipment	22	**(4,606)**	(2,188)
Additions to policy administration system	19	**—**	(1,401)
Sale of investment property	20	**53**	—
Purchase of intangible assets	18	**(14,772)**	(16,186)
Maturities of deposits invested with banks		**2,885**	10,000
Additional deposits invested with banks	14(a)	**—**	(2,885)
Net cash generated from / (used in) investing activities		**5,165**	(12,517)
Cash flows from financing activities			
Ordinary and preference dividends paid	31	**(72,080)**	(72,026)
Purchase and cancellation of own shares		**(4,000)**	—
Interest payment on subordinated debt	26	**(2,500)**	(2,500)
Principal elements of lease payments	21	**(924)**	(955)
Net cash used in financing activities		**(79,504)**	(75,481)
Net increase/(decrease) in cash and cash equivalents		**9,791**	(22,909)
Cash and cash equivalents at the beginning of the year	13	**142,399**	165,240
Effect of exchange rate changes on cash and cash equivalents		**130**	68
Cash and cash equivalents at the end of the year	13	**152,320**	142,399

.The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

	Called up share capital presented as equity	Capital reserves	Other reserves	Retained earnings	Attributable to ordinary shareholders	Preference share capital	Total equity
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Balance at 1 January 2023	21,583	30,192	(48,087)	450,318	454,006	2,923	456,929
Profit after taxation	—	—	—	69,541	69,541	—	69,541
Other comprehensive income/(expense) for the period	—	—	24,283	(1,408)	22,875	—	22,875
Total comprehensive income for the period	—	—	24,283	68,133	92,416	—	92,416
Dividends paid and approved on ordinary and preference shares	—	—	—	(72,026)	(72,026)	—	(72,026)
Issue of ordinary shares[1]	161	1,647	—	(1,808)	—	—	—
Recognition of share-based payments	—	2,640	—	—	2,640	—	2,640
Balance at 31 December 2023	21,744	34,479	(23,804)	444,617	477,036	2,923	479,959
Balance at 1 January 2024	**21,744**	**34,479**	**(23,804)**	**444,617**	**477,036**	**2,923**	**479,959**
Profit after taxation	—	—	—	67,205	67,205	—	67,205
Other comprehensive income/(expense) for the period	—	—	12,045	(612)	11,433	—	11,433
Total comprehensive income for the period	—	—	12,045	66,593	78,638	—	78,638
Dividends paid and approved on ordinary and preference shares	—	—	—	(72,080)	(72,080)	—	(72,080)
Purchase of own shares	—	(4,000)	—	—	(4,000)	—	(4,000)
Cancellation of own shares	(190)	4,190	—	(4,000)	—	—	—
Issue of ordinary shares[1]	214	1,650	—	(1,864)	—	—	—
Recognition of share-based payments	—	3,610	—	—	3,610	—	3,610
Transfer of share-based payments to retained earnings	—	(11,997)	—	11,997	—	—	—
Balance at 31 December 2024	**21,768**	**27,932**	**(11,759)**	**445,263**	**483,204**	**2,923**	**486,127**

[1]In 2023 and 2024 new ordinary shares were allotted to employees of FBD Holdings plc as part of the performance share awards scheme.

Company Statement of Financial Position

At 31 December 2024

	Note	2024 €000s	2023 €000s
Assets			
Investments			
Investment in subsidiaries	32	**91,832**	91,831
Financial assets		**1**	1
		91,833	91,832
Cash and cash equivalents		**15,833**	11,072
Retirement benefit surplus		**1,386**	1,549
Other receivables		**5,581**	4,781
Total assets		**114,633**	109,234
Equity and liabilities			
Equity			
Called up share capital presented as equity	27	**21,768**	21,744
Capital reserves	28(b)	**27,932**	34,479
Retained earnings		**54,732**	44,593
Shareholders' funds – equity interests		**104,432**	100,816
Preference share capital	30	**2,923**	2,923
Equity attributable to equity holders of the parent		**107,355**	103,739
Liabilities			
Other provisions	25(b)	**—**	2,500
Other payables	24(b)	**7,105**	2,801
Deferred taxation liability		**173**	194
Total equity and liabilities		**114,633**	109,234

The profit attributable to shareholders in the financial statements of the holding company for the year ended 31 December 2024 was €74,549,000 (2023: €69,096,000). As permitted by Section 304 of the Companies Act 2014, the Income Statement of the Company has not been separately presented in these financial statements.

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board and authorised for issue on 6 March 2025.

They were signed on its behalf by:

Liam Herlihy
Chairman

Tomás Ó Midheach
Group Chief Executive Officer

Company Statement of Cash Flow

For the financial year ended 31 December 2024

	2024 **€000s**	2023 **€000s**
Cash flows from operating activities		
Profit before taxation	**74,132**	68,683
Adjustments for:		
Share-based payment expense	**3,610**	4,350
Operating cash flows before movement in working capital	**77,742**	73,033
Movement on receivables	**(379)**	1,889
Movement on payables	**1,769**	2,649
Net cash generated from operating activities	**79,132**	77,571
Net cash generated from investing activities	**—**	—
Cash flows from financing activities		
Ordinary and preference dividends paid	**(72,080)**	(72,026)
Purchase of own shares	**(4,000)**	—
Proceeds of re-issue of ordinary shares	**1,709**	—
Net cash used in financing activities	**(74,371)**	(72,026)
Net increase in cash and cash equivalents	**4,761**	5,545
Cash and cash equivalents at the beginning of the financial year	**11,072**	5,527
Cash and cash equivalents at the end of the financial year	**15,833**	11,072

The accompanying notes form an integral part of the financial statements.

Company Statement of Changes in Equity

For the financial year ended 31 December 2024

	Called up share capital presented as equity	Capital reserves	Retained earnings	Attributable to ordinary shareholders	Preference share capital	Total equity
	€000s	€000s	€000s	€000s	€000s	€000s
Balance at 1 January 2023	21,583	30,192	48,069	99,844	2,923	102,767
Profit after taxation	—	—	69,096	69,096	—	69,096
Other comprehensive expense after taxation	—	—	(448)	(448)	—	(448)
Total comprehensive income for the year	—	—	68,648	68,648	—	68,648
Issue of ordinary shares[1]	161	1,647	(98)	1,710	—	1,710
Dividends paid and approved on ordinary and preference shares	—	—	(72,026)	(72,026)	—	(72,026)
Recognition of share-based payments	—	2,640	—	2,640	—	2,640
Balance at 31 December 2023	21,744	34,479	44,593	100,816	2,923	103,739
Balance at 1 January 2024	**21,744**	**34,479**	**44,593**	**100,816**	**2,923**	**103,739**
Profit after taxation		**—**	**74,549**	**74,549**	**—**	**74,549**
Other comprehensive expense after taxation	**—**	**—**	**(172)**	**(172)**	**—**	**(172)**
Total comprehensive income for the year	**—**	**—**	**74,377**	**74,377**	**—**	**74,377**
Purchase of own shares	**—**	**(4,000)**	**—**	**(4,000)**	**—**	**(4,000)**
Cancellation of own shares	**(190)**	**4,190**	**(4,000)**	**—**	**—**	**—**
Issue of ordinary shares[1]	**214**	**1,650**	**(155)**	**1,709**	**—**	**1,709**
Dividends paid and approved on ordinary and preference shares	**—**	**—**	**(72,080)**	**(72,080)**	**—**	**(72,080)**
Recognition of share-based payments	**—**	**3,610**	**—**	**3,610**	**—**	**3,610**
Transfer of share-based payments to retained earnings	**—**	**(11,997)**	**11,997**	**—**	**—**	**—**
Balance at 31 December 2024	**21,768**	**27,932**	**54,732**	**104,432**	**2,923**	**107,355**

[1]In 2023 and 2024 new ordinary shares were allotted to employees of FBD Holdings plc as part of the performance share awards scheme.

Notes to the Financial Statements

1. GENERAL INFORMATION

FBD Holdings plc is an Irish registered public limited company. The registration number of the company is 135882. The address of the registered office is FBD House, Bluebell, Dublin 12, Ireland. FBD is one of Ireland's largest property and casualty insurers, looking after the insurance needs of farmers, businesses and retail customers. Established in the 1960s by farmers for farmers, FBD has built on those roots in agriculture to become a leading general insurer serving the needs of its direct agricultural, business and retail customers throughout Ireland. It has a network of 34 branches nationwide.

2. GOING CONCERN

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

In making this assessment the Directors considered up to date solvency, liquidity and profitability projections for the Group. The basis of this assessment was the Budget 2025 and projections for 2026 which reflect the latest assumptions used by the business, including an allowance for January 2025 weather events. The economic environment may impact on premiums including potential reductions in exposures, new business and retention levels. Expense assumptions can change depending on the level of premiums as discretionary spend and resources are adjusted. There were a number of scenario projections run as part of the ORSA process as well as a number of more extreme stress events and in all scenarios the Group's capital ratio remained in excess of the Solvency Capital Requirement and in compliance with liquidity policies.

The Directors considered the liquidity requirements of the business to ensure it is projected to have cash resources available to pay claims and other expenditure as they fall due. The business is expected to have adequate cash resources available to support business requirements. In addition the Group has a highly liquid investment portfolio with over 75% of the portfolio invested in corporate and sovereign bonds with an average rating of A-. In 2023, the Group developed an Operational Resilience Framework and in 2024 the Group further embedded Operational Resilience best practices into the business.

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

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of preparation

The Group and Company financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation. The Group and Company financial statements are prepared in compliance with the Companies Acts 2014.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Consideration of climate change

In preparing the financial statements the Directors have considered the impact of climate change. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- Viability assessment of the Group and future cash flow forecasts;
- Cash flow forecasts included in the impairment testing on page 226; and
- Valuation of the investment property on page 256 and property held for own use on pages 258 to 259.

The Directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against estimates and judgements made in preparation of the Group's financial statements.

Adoption of new and revised International Financial Reporting Standards ("IFRSs")

Standards adopted during the period

In the current year, the Group has adopted or applied amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024, unless otherwise stated.

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

The adoption of these new and amended standards did not have a material impact on the FBD Group's accounting policies, financial position, or performance. Consequently, the FBD Group has not made any significant changes to its accounting policies or disclosures.

Accounting policies

The principal accounting policies adopted by the Board are detailed below. All accounting policies are applicable to the consolidated and Company financial statements unless stated otherwise.

A) ACCOUNTING CONVENTION

The consolidated and Company financial statements are prepared under the historical cost convention as modified by the revaluation of property, investments classified as fair value through profit and loss, investments classified as fair value through Other Comprehensive Income and investment property, which are measured at fair value and insurance contracts and reinsurance contracts have been measured in accordance with accounting policies described in Note 3 E).

B) BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings to 31 December. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over an investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all the relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control over the subsidiaries are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any transaction costs incurred are expensed in the period in which they occur. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups), that are classified as held for sale in accordance with IFRS 5, Non Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs of sale.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the Consolidated Income Statement.

When the Group loses control of a subsidiary, the profit or loss on the sale is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in the Consolidated Statement of Comprehensive Income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities are disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, costs on initial recognition of an investment in an associate or jointly controlled entity.

C) INVESTMENTS IN SUBSIDIARIES (Company only)

Investments in subsidiaries are accounted for at cost less accumulated impairment losses. The Company reviews whether there is any indication of impairment at each reporting date. Impairment testing involves comparing the carrying amount of the investment to its recoverable amount. The

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

recoverable amount is higher of the fair value less costs of disposal and its value in use. If impairment occurs, this loss is recognised in the Income Statement.

Dividend income from investments in subsidiaries is recognised when the Company's right to receive has been established.

D) REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received or receivable on the following;

- Insurance revenue – insurance revenue is accounted for in accordance with policy (E).
- Investment income, included within 'Total investment return', is accounted for as per below.
- Interest income is accrued on a time basis with reference to the principal outstanding at the effective interest rate applicable.
- Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.
- Rental income is recognised on a straight-line basis over the period of the lease.
- 'Revenue from contracts with customers' comprises broking commission which is recognised as the Group satisfies its performance obligations. The Group's performance obligation in relation to broking commissions is satisfied at the point in time when the underlying policy has been contractually agreed between the insured and the provider. The transaction price is the expected commission income receivable by the Group for the satisfaction of this performance obligation. The transaction price includes a variable consideration estimation on the basis that elements of commissions receivable are dependent on the outcome of future events, namely the underlying policies sold remaining in force, and are paid in future periods. Thus, an expected level of lapses is applied to policies sold in order to calculate an appropriate commission receivable in relation to the satisfaction of the performance obligation. Variable consideration is only recognised to the extent that it is highly probable that a significant reversal of revenue would not occur.

E) INSURANCE CONTRACTS

(i) Definition and classification

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include Motor, Property, Liability and Personal Accident which are classified into Motor and Non-Motor for reporting. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of an insured event occurring.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

(ii) Insurance and reinsurance contracts accounting treatment

Separating components from insurance and reinsurance contract

Before the Group accounts for an insurance contract based on the guidance of IFRS 17, it assesses whether the contract contains distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Group applies IFRS 17 to all remaining components of the insurance contract. Currently, engineering inspection risk, which is not material, is the only non-insurance component which forms part of any insurance contracts that requires unbundling.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Level of aggregation/Unit of account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. FBD assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. There are currently no contracts grouped into 'no significant possibility of becoming onerous', due to the nature of the insurance risks covered by the Group. All of the contracts issued have a maximum claim pay-out potential that is greater than the premium received.

Recognition, modification and de-recognition

The Group recognises groups of insurance contracts it issues from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

The Group derecognises insurance contracts when:

- the rights and obligations relating to the contract are extinguished (i.e. discharged, cancelled or expired), or
- the contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification of the contract as an adjustment to the relevant liability for remaining coverage (LRC).

Contract boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when the Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Initial and subsequent measurement - groups of contracts measured under the PAA

The Group applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds. The PAA is an optional simplified measurement model in IFRS 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria.

The Group is eligible to apply the PAA because the following criteria are met at initial recognition:

- insurance contracts and losses-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.
- risk-attaching reinsurance contracts: The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the measurement that would be produced applying the general measurement model (GMM).

The estimates of future cash flows:

- are based on a probability weighted mean of the full range of possible outcomes;
- are determined from the perspective of the Group;
- reflect conditions existing at the measurement date; and
- include a separate estimate for non-financial risk.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as, but not limited to, Chain Ladder, Bornheutter-Ferguson, Initial Expected Loss Ratio and frequency-severity methods.

The main assumption underlying these techniques is that a group's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by significant business lines and claim types. Large claims are separately addressed, separately projected in order to reflect their future development. Explicit assumptions are made regarding future rates of claims inflation or loss ratios. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

In its claims incurred assessments, the Group uses internal and market data. Internal data is derived mostly from the Group's claims reports. This information is used to develop scenarios related to the latency of claims that are used for the projections of the ultimate number of claims.

As part of the claims settlement process, under some of the insurance contracts that have been written in the property line of business where there are salvageable items, the Group will dispose or sell such items. The Group also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include delays in settlement and inflation rates.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims (LIC).

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts. The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result. Methods

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

and assumptions used to determine the risk adjustment for non-financial risk are discussed in accounting policy X.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage period of contracts, which is one year or less. The estimates of future cash flows related to incurred claims are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity characteristics of the insurance contracts. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

The Group estimates certain fulfilment cash flows (FCF) at the portfolio level or higher and then allocates such estimates to groups of contracts.

Insurance acquisition cash flows

The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

- costs directly attributable to individual contracts and groups of contracts; and
- costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

For all groups, insurance acquisition cash flows will be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in non-attributable expenses as incurred.

Initial measurement

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- the LRC; and
- the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

The Group estimates the LIC as the FCF related to incurred claims.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in the Consolidated Income Statement for the net outflow, resulting in the carrying amount of the liability for the group being equal to the FCF. A loss component is established by the Group for the LRC for such onerous groups depicting the losses recognised and included in the LRC.

Subsequent measurement

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The FCF associated with incurred claims, therefore the LIC, is updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

If a group of contracts becomes onerous, the Group increases the carrying amount of the LRC by the addition of a loss component provision. The inclusion of a loss component provision sets the value of the LRC equal to the value that would be measured if the GMM was used as the measurement model. The amount of the loss component is recognised in insurance service expenses. The loss component is amortised over the remaining coverage period of the contracts within the onerous group. If subsequent facts and circumstances indicate that the expected fulfilment cash flows for the LRC of the onerous group has changed, then the Group will remeasure the FCF and readjust the loss component accordingly.

Reinsurance contracts held

Reinsurance contracts held are measured on the same basis as insurance contracts, except that:

- The adoption of the PAA is adapted to reflect the features of reinsurance contracts that differ from insurance contracts;
- References to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract. By the nature of the Group's reinsurance treaties currently in effect, there are no reinsurance contracts held that are a net gain on initial recognition nor that are deemed as having no significant possibility of being a gain.
- The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:
    - the beginning of the coverage period of the group of reinsurance contracts held. (However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held); and
    - the date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.
- The risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.
- Reinsurance held cash flows are defined to be within the contract boundary of the reinsurance contract if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.
- The excess of loss reinsurance contracts held provide coverage for claims incurred during an accident year.
- All cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.
- In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.
- On initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid. The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

- the remaining coverage; and
- the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Instead of at initial recognition, where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

At each of the subsequent reporting dates, the remaining coverage is:

- increased for ceding premiums paid in the period; and
- decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

Where a loss component provision has been established for a group of onerous insurance contracts then a corresponding loss-recovery component may be established for any expected reinsurance recovery in respect of those onerous contracts. The loss-recovery component shall not exceed the portion of the loss component that the entity expects to recover from the relevant group of reinsurance contracts held.

Methods used and judgements applied in determining the IFRS 17 transition amounts

The Group has been able to apply the fully retrospective approach with the exception of using the modified retrospective approach for the choice of initial recognition yield curves for underwriting years 2015 and prior.

For underwriting years 2015 and prior, the Group did not have reasonable and supportable information to determine discount rates applicable on the date of initial recognition of the group of contracts, the Group estimated the discount rates using an observable yield curve.

(iii) Amounts recognised in comprehensive income

Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

Insurance service expenses

Insurance service expenses include the following:

- incurred claims and benefits excluding investment components;
- other incurred insurance acquisition expenses;
- amortisation of insurance acquisition cash flows;
- changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
- changes that relate to future service (i.e. losses/reversals of onerous groups of contracts from changes in the loss components).

For the contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Net income/(expense) from reinsurance contracts held

The Group presents separately on the face of the Consolidated Income Statement, the change in amounts recoverable from reinsurers and the reinsurance expense. Re-instatement premiums contingent on claims on the underlying contracts are treated as part of the claims that are expected to be reimbursed under the reinsurance contracts held. Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Finance income/ (expense) from insurance contracts issued

Insurance finance income or expense comprise the change in the carrying amount of the group of insurance contracts arising from:

- interest accreted on the LIC; and
- the effect of changes in interest rates and other financial assumptions.

The Group disaggregates insurance finance income or expenses on insurance contracts issued between the Consolidated Income Statement and the statement of comprehensive income. The impact of changes in market interest rates on the value of the insurance contract liabilities are reflected in the Consolidated OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities.

The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the group contracts. In determining the constant rate, the Group estimates the expected insurance finance income or expenses over the remaining duration of the group that is partly implicit in the estimated cash flows.

The Group's financial assets backing the insurance portfolios are predominantly measured at fair value through Other Comprehensive Income (FVOCI).

F) OTHER PROVISIONS

Other provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the provision can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at management's best estimate, at the balance sheet date, of the expenditure required to settle the obligation.

The provision for State subsidies represents the Group's current estimate of the constructive obligation arising from the deduction of State subsidies from Business Interruption claims payments following Covid-19 closures. The best estimate of the constructive obligation is based on the current information available to the Group.

G) PROPERTY, PLANT AND EQUIPMENT

(i) Property

Property held for own use in the supply of services or for administrative purposes is stated at revalued amounts, being the fair value at the date of revaluation which is determined by professional valuers, less subsequent depreciation for buildings. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date. Any revaluation increase arising on the revaluation of such property is recognised in Other Comprehensive Income and credited to the revaluation reserve within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised. A decrease on revaluation is charged as an expense to the Consolidated Income Statement to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to previous revaluation of that asset.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement and any associated revaluation surplus is transferred to retained earnings.

(ii) Computer equipment and fixtures and fittings

Computer equipment and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

(iii) Depreciation

Depreciation is provided in respect of computer equipment and fixtures and fittings, and is calculated in order to write off the cost or valuation of the assets over their expected useful lives on a straight line basis over a three to ten year period. Depreciation on assets under development commences when the assets are ready for their intended use.

Buildings are depreciated to their residual value over the useful economic life of the building, on a straight line basis. Land is not depreciated.

The assets' residual values, useful lives and methods of depreciation are reviewed at least each financial year end and adjusted if appropriate.

The estimated useful lives of property, plant and equipment are as follows:

Buildings: 30 years

Computer equipment: 3-5 years

Fixtures and fittings: 10 years

H) POLICY ADMINISTRATION SYSTEM

The policy administration system is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided in respect of the policy administration system and is calculated in order to write off the costs incurred to date, over its remaining useful life which is determined to be 1.5 years on a straight line basis.

I) INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortisation and less any accumulated impairment losses. Intangible assets comprise computer software and these assets are amortised on a straight line basis over a five year period.

J) INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is recognised initially at cost and stated at fair value at the reporting date being the value determined by qualified independent professional valuers. Gains or losses arising from changes in the fair value are recognised in the Consolidated Income Statement for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Income Statement for the period in which the property is derecognised.

K) FINANCIAL INSTRUMENTS

a. Recognition, classification and measurement

Financial assets and financial liabilities are recognised in the Statement of Financial Position when, and only when, the Group becomes party to the contractual provisions of the instrument.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The Group classifies its financial assets, subsequent to initial recognition, at either:

- amortised cost;
- fair value through Other Comprehensive Income (FVOCI); or
- fair value through profit and loss (FVTPL).

The Group determines the appropriate classification based on:

(i) the business model for managing the financial assets: how the Group manages its financial assets in order to generate cash flows—either by collecting contractual cash flows, selling the asset or both; and

(ii) the contractual cash flow characteristics of the financial asset: the Solely Payments of Principal and Interest (SPPI) test - whether the contractual terms of the financial asset give rise to, on specified dates, cash flows that are solely payments of principal and interest.

A financial asset is measured at amortised cost if both the following conditions are met:

(i) the financial asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and

(ii) the contractual terms of the financial asset give rise on specific dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset is measured at FVOCI if both the following conditions are met:

(i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(ii) the contractual terms of the financial asset give rise on specific dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset is measured at fair value though profit and loss (FVTPL), unless it is measured using either of the above two methods – amortised cost or FVOCI.

Investments at FVOCI

FVOCI investments relate to quoted debt securities. These investments pass the SPPI test and are classified as FVOCI as they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. They are recognised on a trade date basis at fair value, and are subsequently revalued at each reporting date to fair value, with gains and losses being included directly in the Statement of Comprehensive Income until the investment is disposed of or determined to be impaired, at which time the cumulative gain or loss previously recognised in the Statement of Comprehensive Income, is included in the Consolidated Income Statement for the year.

Interest revenue using the effective interest method and foreign exchange gains and losses on the financial asset are recognised in the Consolidated Income Statement.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount.

The Expected Credit Loss (ECL) on debt instruments measured at FVOCI does not reduce the carrying amount of the asset in the statement of financial position, which remains at fair value. Instead an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in Consolidated OCI with a corresponding charge to provision for credit losses in the Consolidated Income Statement.

Investments at FVTPL

Investments at FVTPL are stated at fair value and include quoted shares, collective investment schemes and unquoted investments. These investments are classified as FVTPL as they do not pass the SPPI test. They are recognised on a trade date basis at fair value and are revalued at subsequent reporting dates at fair value, with gains and losses being included in the Consolidated Income

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Statement in the period in which they arise. Any dividend or interest earned on FVTPL investments is also recognised in the Consolidated Income Statement.

Loans

Loans are recognised on a trade date basis at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method. When it is not possible to estimate reliably the cash flows or the expected life of a loan, the projected cash flows over the full term of the loan are used to determine fair value.

Other receivables

Other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost, after recognising a loss allowance for ECLs (note 3 K (c)).

Deposits with banks

Term deposits with banks comprise cash held for the purpose of investment. Short term deposits with banks are held for operating purposes and included in cash and cash equivalents. Deposits with banks and cash and cash equivalents are valued at amortised cost.

Subordinated debt

Subordinated debt issued by the Group comprise callable dated deferrable subordinated notes. This is callable by FBD Insurance plc. The subordinated debt is measured at amortised cost using the effective interest rate method. Interest and amortisation relating to the financial liability is recognised in the Consolidated Income Statement.

b. Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows of the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability to the extent of its continuing involvement in the financial asset. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

c. Impairment of financial instruments

The Group recognises loss allowances for ECLs at each balance sheet date for the following financial instruments that are not measured at FVTPL;

- financial assets at FVOCI
- financial assets at amortised cost

Financial assets at FVOCI

The Group categorises financial instruments classified as FVOCI into the following categories at each reporting date.

Stage 1: 12-month expected credit losses (not credit-impaired)

These are financial instruments where there has not been a significant increase in credit risk since initial recognition. An impairment loss allowance equal to the 12-month ECL is recognised, which is the portion of the lifetime ECL resulting from default events that are possible within the next 12 months.

Stage 2: Lifetime expected credit losses (not credit-impaired)

These are financial instruments where there has been a significant increase in credit risk since initial recognition but which are not credit-impaired. The Group assesses whether the risk of default over the remaining expected life of the financial instrument is significantly higher than had been anticipated at initial recognition. The credit risk is always considered as significantly increased if any contractual payments are more than 30 days past due. An impairment loss allowance equal to the lifetime ECL is recognised, being the ECL resulting from all possible default events over the expected life of the financial instrument.

Stage 3: Lifetime expected credit losses (credit-impaired)

These are financial instruments which are credit-impaired at the reporting date but were not credit-impaired at initial recognition. If the financial instrument is more than 90 days past due or if there is other evidence of financial distress (for example, a legal bankruptcy or default), the instrument is classified as credit-impaired (stage 3) which means the impairment loss has to reflect the lifetime ECL as in stage 2. The interest, for Stage 3 assets, is calculated by applying the effective interest rate (EIR) to their carrying value; if the asset is no longer credit-impaired, the calculation of interest income reverts to the gross basis.

Financial assets at amortised cost

The Group calculates a loss allowance for financial assets at amortised cost. The Group considers the best reasonable and supportable information when considering ECLs for 'Loans' and 'Other receivables'. The Group calculates ECL on loans at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months (stage 1). It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs (stage 2) or where significant increase in credit risk has occurred and the asset is credit-impaired (stage 3). For 'Other receivables' the Group uses the simplified approach, and therefore does not track the changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. Impairment loss allowances for ECL on financial assets at amortised cost are presented as a reduction in the gross carrying amount in the Statement of Financial Position.

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant inputs used.

L) LEASES

(i) The Group as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the operating lease term.

(ii) The Group as Lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use; and
- The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the lease liability is measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. The right of use asset is recognised as an amount equal to the lease liability, adjusted for amount of any prepaid or accrued lease payments relating to the lease.

The Group depreciates the right of use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The Group also assesses the right of use assets for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

M) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits and money market funds with maturities of 95 days or less held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Deposits with banks and cash and cash equivalents are valued at amortised cost. The money market funds are valued at fair value through profit and loss.

The Group classifies cash flows related to the purchase and sale of equity and debt instruments and deposits with banks as investing cash flows. In the Group's view, this gives more useful information to the users of the financial statements given the nature and scope of the activities of the Group.

The Group has chosen to present interest paid and interest received on debt and equity instruments as operating cash flows. The group classifies cash flows related to interest on subordinated debt as financing activities. In the Group's view, this gives more useful information to the users of the financial statements given the nature and scope of the activities of the Group.

N) TAXATION

Income tax expense or credit represents the sum of income tax currently payable and deferred income tax. Income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are not taxable or deductible.

The Group's liability for income tax is calculated using rates that have been enacted or substantively enacted at the reporting date. Income tax is recognised in the Consolidated Income Statement except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity.

Accounting adjustments to opening reserves as a result of the adoption of IFRS 9 and IFRS 17 (i.e. the retrospective effect of adopting the accounting standard recognised in opening reserves) will be brought into account as a transitional adjustment and spread over 5 years for tax purposes.

Deferred income tax is provided, using the liability method, on all differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realised or the liability to be settled.

Deferred tax assets are recognised for all deductible differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit would be available to allow all or part of the deferred income tax asset to be utilised.

Deferred taxation liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to set off current taxation assets against current taxation liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle on a net basis.

O) RETIREMENT BENEFITS

The Group provides either defined benefit or defined contribution retirement benefit schemes for the majority of its employees.

(i) Defined benefit scheme

A full actuarial valuation of the scheme is undertaken every three years and is updated annually to reflect current conditions in the intervening periods for the purposes of preparing the financial statements.

The liability or asset recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Income Statement.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Statement of Financial Position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Income Statement as past service costs.

(ii) Defined contribution schemes

Costs arising in respect of the Group's defined contribution retirement benefit schemes are charged to the Consolidated Income Statement in line with the service received.

P) CURRENCY

For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in Euro, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

On consolidation, the assets and liabilities of the Group's non Euro-zone operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly, in which case the exchange rates at the date of transactions are used. Exchange differences that are classified as equity are transferred to the translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Q) SHARE-BASED PAYMENTS AND LONG TERM INCENTIVE PLANS

The Group operates a long-term incentive plan based on non-market vesting conditions. The fair value of the non-market based awarded shares is determined with reference to the share price of the Group at the date of grant. The cost is expensed in the Consolidated Income Statement over the vesting period at the conclusion of which the employees become unconditionally entitled to the shares once performance conditions are met. The corresponding amount to the expense is credited to a separate reserve in the Statement of Financial Position. At each period end, the Group reviews its estimate of the number of shares that it expects to vest and any adjustment relating to current and past vesting periods is brought to the Consolidated Income Statement. The share awards are all equity settled.

R) TREASURY SHARES

Where any Group company purchases the Company's equity share capital, the consideration paid is shown as a deduction from ordinary shareholders' equity. Consideration received on the subsequent sale or issue of treasury shares is credited to ordinary shareholders' equity. Treasury shares are excluded when calculating earnings per share.

S) IMPAIRMENT OF ASSETS

(i) Impairment of tangible and intangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows attributable to the asset (or cash-generating unit) are discounted to their present value using a pre-taxation discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where a revaluation loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no revaluation loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of a revaluation loss, other than in relation to goodwill, is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the revaluation loss is treated as a revaluation increase.

(ii) Impairment of financial assets

Note 3 (K) (c) outlines the policy for accounting for impairment of financial assets.

T) OTHER PAYABLES

Other payables are recognised initially at their fair value and subsequently measured at amortised cost which approximates to fair value given the short-term nature of these liabilities.

U) CALLED UP SHARE CAPITAL

Ordinary shares are classified in shareholders' equity when there is no obligation to transfer cash or other assets to the holders.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

V) CAPITAL RESERVES

Capital reserves represents transfers from share capital, retained earnings and other reserves in accordance with relevant transactions throughout the reporting period.

W) PREFERENCE SHARE CAPITAL

Preferred shares issued by the Group are recorded as equity when there is no contractual obligation to redeem and there is no contractual obligation to deliver cash or other financial assets.

X) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The principal accounting policies adopted by the Group are set out on pages 207 to 226. In the application of these accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The key sources of judgement and estimation in the preparation of the financial statements are detailed below. The judgements and estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting judgements and estimates are recognised in the period in which the judgement or estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Estimates of future cash flows to fulfil insurance / reinsurance contracts

The Group estimates insurance liabilities in relation to claims incurred. In estimating future cash flows, the Group incorporate, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal information and external historical data about claims and other experience, updated to reflect current expectations of future events.

Uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding final claim settlement amounts leading to claims and claims-handling expenses growth. This is particularly the case for long tail classes of insurance. As a result of the uncertainties noted, the Group holds a risk adjustment for non-financial risk in the insurance contracts liabilities to reflect the uncertainty relating to all non-financial risks.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Methods used to measure the LIC

The Group estimates insurance liabilities and reinsurance assets in relation to claims incurred on a risk basis. Estimates are performed on an accident year basis with further allocation to annual cohorts of portfolios based on available data. Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the claims incurred. In certain instances, different techniques or a combination of techniques have been selected for individual accident years or groups of accident years within the same type of contracts.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as, but not limited to, Chain Ladder, Bornheutter-Ferguson, Initial Expected Loss Ratio and frequency-severity methods.

The liabilities for incurred claims represent the cost of claims outstanding. Actuarial techniques, based on statistical analysis of past experience, are used to calculate the estimated cost of claims outstanding at the period end.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The estimation of outstanding claims also includes factors such as the potential for inflation and the potential impact of the Personal Injuries Guidelines and its upcoming revision. Provisions for more recent claims make use of techniques that incorporate expected loss ratios and average claims costs (adjusted for inflation) and frequency methods. The average claims cost and frequency methods are particularly relevant when calculating the ultimate cost of the current accident year.

FBD have now settled over 90% of its Covid-19 Business Interruption claims. This has significantly reduced the uncertainty related to the measurement of losses.

The calculation of reserves is particularly sensitive to the actuarial best estimate of the ultimate cost of claims, in particular for the long tail classes of business. Actual claims experience may differ from the assumptions on which the actuarial best estimate is based and the cost of settling individual claims may exceed that assumed.

The actual amount recovered from reinsurers is sensitive to the same uncertainties as the underlying claims. To the extent that the underlying claim settles at a lower or higher amount than that assumed this will have an influence on the associated reinsurance asset.

To minimise default exposure, the group's policy is that all reinsurers should have a credit rating of A- or better or have provided alternative satisfactory security.

Discount rates

The Group is required to discount future cash flows related to incurred claims as the weighted time to settlement is greater than one year from the date claim occurred.

The Group determines the discount rate using a bottom-up approach. Under this approach, the discount rate is determined as the risk-free yield curve adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an illiquidity premium).

The Group uses the Euro denominated EIOPA prescribed rates under Solvency II as the risk-free yield. The EIOPA EUR spot rates are derived from market observable EUR swap rates for durations one to twenty years.

The illiquidity premium is determined by reference to observable market rates. The reference asset portfolio for the company's liabilities is the sovereign and corporate bond portfolio. The liquidity profile of the assets is similar to the liquidity profile of the liabilities. The Group's approach to determining the illiquidity premium in the bond portfolio is to determine the yield reference asset portfolio and deduct the equivalent risk-free rate after adjusting for credit risk. The yield curves used to discount the estimates of future cash flows are as follows

	Currency	1 year	3 years	5 years	10 years	15 years	20 years
31 Dec 2024	**EUR**	**2.5 %**	**2.4 %**	**2.4 %**	**2.6 %**	**2.6 %**	**2.5 %**
31 Dec 2023	EUR	3.5 %	2.6 %	2.5 %	2.5 %	2.6 %	2.5 %

Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. As the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates. Diversification benefits were considered to account for the low probability of all unfavourable outcomes occurring at the same time and the correlation (or lack thereof) of some possible outcomes.

The risk adjustment is calculated at the entity level and then allocated down to each group of contracts in accordance with their risk profiles. Allocations of the risk adjustment to each underwriting year (annual cohort) of contracts and over portfolios are made based on a systematic approach using management judgement. This typically involves allocating a higher proportion of risk adjustment to longer tailed lines and more recent underwriting years that are less developed and therefore more

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

uncertain, compared to the proportion of risk adjustment allocated to older, more developed years. A confidence level approach is used to derive the overall risk adjustment for non-financial risk. The Group aim to target a risk adjustment within a range between the 75th and 80th percentiles. At year-end 2024, the risk adjustment for non-financial risk was at the 80th percentile, and was unchanged from year-end 2023.

As the Group is using the PAA method, a risk adjustment for non-financial risk is only required for the LIC and not the LRC (unless there is an onerous group).

To determine the risk adjustment for non-financial risk for reinsurance contracts, the Group will apply these techniques both gross and net of reinsurance and derive the amount of risk transferred to the reinsurer as the difference between the two results. The methods used to determine the risk adjustment for non-financial risk were unchanged for year-end 2024. The assumptions were updated to take account of the changing environment over the year, in particular the recommended changes to awards under the Personal Injury Guidelines.

Uncertainties in impairment testing

As at the reporting date FBD Holdings plc, whose market capitalisation, that is the quoted share price multiplied by the number of ordinary shares in issue, was lower than the Shareholders' Funds as per the Statement of Financial Position. There are a large number of factors driven by market conditions that can influence the market capitalisation of a company which include but are not limited to factors such as shares being traded less frequently. The market capitalisation being below net assets is considered to be an external indicator of impairment and creates a necessity to make a formal estimate of recoverable amount to test whether any actual impairment exists. For tangible and intangible assets, the recoverable amount of an asset is the higher of its value in use or its fair value less costs to sell.

The Group has carried out impairment testing on tangible and intangible assets. The recoverable amount of an asset is the higher of its value in use or its fair value less costs to sell. In the case of the Property, Plant and Equipment (excluding Owner occupied property which is held at revalued amount), Policy administration system, Intangible assets and Right of use assets there is no reliable estimate of the price at which an orderly transaction to sell the assets would take place and there are no direct cash-flows expected from the individual assets.

These assets are an integral part of the FBD General Insurance business, therefore, the smallest group of assets that can be classified as a cash generating unit is the FBD General Insurance business.

The Value in Use cash flow projections are based on the budget 2025 figures approved by the Board in December 2024 and the five year strategic projections approved by the Board in quarter four 2024, and factor in both past experience as well as expected future outcomes related to market data and the strategy adopted. An allowance for January 2025 weather events was included in projections. The 2030 figures are extrapolated assuming the performance in 2030 is in line with 2029. The time period of six years used in the cash flow projections is less than the weighted average remaining useful life of the assets in the FBD General Insurance business being assessed. This projection and plan represent management's best estimate of future underwriting profits and fee income for FBD.

The underlying assumptions of these forecasts include average premium, number of policies written, claims frequency, claims severity, weather experience, inflation, commission rates, fee income charges and expenses. The average gross written premium growth rate used for 2025 is 4%, for 2026 is 5%, followed by a 4% growth rate for 2027, 3% for 2028, 2% for 2029 and flat for 2030. Future cash flows are discounted using an estimated weighted average cost of capital (WACC) of 8.8% which is considered a reasonable estimate following the recent increase in risk free rates.

Sensitivity analysis was performed on the projections to allow for possible variations in the amount of the future cash flows and potential discount rate changes. The sensitivities include climate change scenarios in line with the ORSA, claims frequency and severity increases, reduced growth rates and positive impacts of new initiatives.

The value in use of the cash generating unit exceeded the carrying value of the assets in the base case and in all the sensitivities, demonstrating that no reasonably possible change in key assumptions would result in an impairment of the assets. The largest reduction in the level of headroom was from a climate change scenario.

4. SEGMENTAL INFORMATION

(a) Operating segments

Basis of Organisation

The Group determines its reportable segments based on the internal reports regularly reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance. The Group has identified its operating segments by considering the nature of its business activities, the way it manages these activities and the financial information available for decision-making.

In the front part of the Annual Report, the Group provides a discussion of performance across various sectors (Farmer, Business and Retail) as part of its narrative reporting. This analysis is based solely on a sales view of gross written premium (GWP) and is intended to provide insight into the Group's business activities and market dynamics.

However, in accordance with IFRS 8, these sectors do not qualify as operating segments. The determination of operating segments is based on the internal reports reviewed by the CODM for resource allocation and performance assessment. The CODM reviews and manages the Group's underwriting activities as a single portfolio under the General insurance segment. No discrete financial information is prepared or no resource allocation is performed at the sector level.

This approach ensures that the disclosed operating segments reflect the manner in which the business is managed internally.

The Group is organised around two primary business activities:

- General insurance: This includes all underwriting activities for motor and non-motor products.
- Other services: Comprises all non-underwriting activities, including administrative functions and financial services.

These segments reflect the way management internally reviews performance and allocates resources.

Factors Used to Identify Reportable Segments

- Nature of Products and Services

The *General insurance* segment encompasses underwriting operations for motor and non-motor insurance portfolios, while the *Other services* segment relates to non-insurance activities, such as administrative costs and financial services and are presented as *All other segments* as these business units do not meet the quantitative thresholds as per IFRS 8 - Operating segments.

- Review by the CODM

The CODM, identified as the Executive Management Team (EMT), reviews financial and operational data for the *General insurance* and *Other services* segments. Although GWP are reviewed by sector and product internally, resource allocation decisions are made for the underwriting and non-underwriting businesses activities as a whole.

- Availability of Discrete Financial Information

Discrete financial information is available at the level of *General insurance* (underwriting) and *Other services* (non-underwriting). This includes detailed financial results, such as revenue, expenses, and profitability metrics.

4 SEGMENTAL INFORMATION (continued)

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments:

2024	General insurance €000s	All other segments €000s	Total €000s
Insurance revenue	441,005	—	441,005
Insurance service expenses	(278,452)	—	(278,452)
Net expense from reinsurance contracts held	(51,453)	—	(51,453)
Insurance service result	111,100	—	111,100
Total investment return	25,554	533	26,087
Net insurance finance expenses	(6,234)	—	(6,234)
Net insurance and investment result	130,420	533	130,953
Other finance costs	(2,556)	—	(2,556)
Non-attributable expenses	(37,804)	—	(37,804)
Movement in other provisions	(6,695)	—	(6,695)
Revenue from contracts with customers	—	3,667	3,667
Financial services income and expenses	475	(11,075)	(10,600)
Revaluation of property, plant and equipment	100	—	100
Profit/(loss) before taxation	83,940	(6,875)	77,065
Income taxation (charge)/credit	(10,433)	573	(9,860)
Profit/(loss) for the period	73,507	(6,302)	67,205
Other information			
Insurance acquisition expenses	(84,633)	—	(84,633)
Depreciation/amortisation	(16,049)	—	(16,049)
Impairment of other assets	(500)	—	(500)
Capital additions	7,041	788	7,829
Statement of financial position			
Segment assets	1,333,453	32,815	1,366,268
Segment liabilities	(870,209)	(9,932)	(880,141)

4 SEGMENTAL INFORMATION (continued)

2023	General insurance €000s	All other segments €000s	Total €000s
Insurance revenue	401,026	—	401,026
Insurance service expenses	(210,052)	—	(210,052)
Net expense from reinsurance contracts held	(64,666)	—	(64,666)
Insurance service result	126,308	—	126,308
Total investment return	18,707	387	19,094
Net insurance finance expenses	(2,911)	—	(2,911)
Net insurance and investment result	142,104	387	142,491
Other finance costs	(2,559)	—	(2,559)
Non-attributable expenses	(34,018)	—	(34,018)
Movement in other provisions	(15,831)	(2,500)	(18,331)
Revenue from contracts with customers	—	2,468	2,468
Financial services income and expenses	237	(7,170)	(6,933)
Impairment of property, plant and equipment	(1,708)	—	(1,708)
Profit/(loss) before taxation	88,225	(6,815)	81,410
Income taxation (charge)/credit	(12,387)	518	(11,869)
Profit/(loss) for the period	75,838	(6,297)	69,541
Other information			
Insurance acquisition expenses	(75,909)	—	(75,909)
Depreciation/amortisation	(12,799)	—	(12,799)
Impairment of other assets	(4,807)	—	(4,807)
Capital additions	10,643	—	10,643
Statement of financial position			
Segment assets	1,335,515	31,559	1,367,074
Segment liabilities	(878,344)	(8,771)	(887,115)

The Group's reportable segment derives revenue from various products and services, offering insurance cover for Motor, Employers' and Public Liability, and Property.

The Group's customer base is diverse and it has no reliance on any major customer. Insurance risk is not concentrated on any area or on any one line of business.

The accounting policies of the reportable segments are the same as the Group accounting policies. Segment profit represents the profit earned by each segment. Central administration costs and Directors' salaries are allocated based on actual activity.

Income taxation is a direct cost of each segment.

In monitoring segment performance and allocating resources between segments:

a. All assets are allocated to reportable segments. Assets used jointly by reportable segments are allocated on the basis of activity by each reportable segment; and
b. All liabilities are allocated to reportable segments. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(b) Geographical segments

The Group's operations are located in Ireland.

4 SEGMENTAL INFORMATION (continued)

(c) Insurance service expenses

Insurance service expenses, in the General Insurance segment, comprise the following:

	2024 €000s	2023 €000s
Incurred claims and other expenses	**(266,747)**	(238,133)
Changes that relate to past service - changes in FCF relating to the LIC	**72,928**	103,990
Amortisation of insurance acquisition cash flows	**(84,633)**	(75,909)
Total	**(278,452)**	(210,052)

Total insurance acquisition and non-attributable expenses, in the General Insurance segment, comprise the following:

	2024 €000s	2023 €000s
Amortisation of insurance acquisition cash flows	**(84,633)**	(75,909)
Non-attributable expenses	**(37,804)**	(34,018)
Total expenses	**(122,437)**	(109,927)

The below tables provide further details of the expenses of the Group by reportable segments.

2024	Amortisation of insurance acquisition cash flows €000s	Non-attributable €000s	Total General insurance €000s	All other segments €000s	Total €000s
Employee benefit expense	**42,337**	**21,058**	**63,395**	**4,487**	**67,882**
Depreciation	**1,373**	**1,782**	**3,155**	**—**	**3,155**
Amortisation	**12,060**	**834**	**12,894**	**—**	**12,894**
Other	**28,863**	**14,130**	**42,993**	**6,588**	**49,581**
Total	**84,633**	**37,804**	**122,437**	**11,075**	**133,512**

2023	Amortisation of insurance acquisition cash flows €000s	Non-attributable €000s	Total General insurance €000s	All other segments €000s	Total €000s
Employee benefit expense	38,780	18,183	56,963	3,760	60,723
Depreciation	1,478	1,630	3,108	—	3,108
Amortisation	8,976	715	9,691	—	9,691
Other	26,675	13,490	40,165	3,410	43,575
Total	75,909	34,018	109,927	7,170	117,097

5. NET INVESTMENT RETURN

The net gain or loss for each class of financial instrument by measurement category is as follows:

2024	Amortised Cost €000s	FVOCI Designated €000s	FVTPL Designated €000s	FVTPL Mandatory €000s	Total €000s
Interest income from financial assets					
Cash and cash equivalents	1,918	—	—	2,599	4,517
Government bonds	—	1,347	—	—	1,347
Other debt securities	—	9,769	—	—	9,769
	1,918	11,116	—	2,599	15,633
Net gain on FVTPL investments					
Collective investment scheme	—	—	—	11,744	11,744
Unquoted investments	—	—	—	32	32
	—	—	—	11,776	11,776
Other					
Expenses, net of income, from investment properties	—	—	—	(58)	(58)
Unrealised loss on investment properties	—	—	—	(600)	(600)
Net credit impairment loss	—	(59)	—	—	(59)
Net gain on FVOCI debt securities	—	18,426	—	—	18,426
	—	18,367	—	(658)	17,709
Recognised in Consolidated Income Statement	1,918	10,452	—	13,717	26,087
Recognised in Consolidated OCI	—	19,031	—	—	19,031
Recognised in total comprehensive income	1,918	29,483	—	13,717	45,118

During the period to 31 December 2024 a realised loss of €605,000 (2023: loss of €1,969,000) on FVOCI investments was reclassified from Other Comprehensive Income to the Consolidated Income Statement.

5 NET INVESTMENT RETURN (continued)

2023	Amortised Cost €000s	FVOCI Designated €000s	FVTPL Designated €000s	FVTPL Mandatory €000s	Total €000s
Interest income from financial assets					
Cash and cash equivalents	1,843	—	—	1,634	3,477
Government bonds	—	1,848	—	—	1,848
Other debt securities	—	6,659	—	—	6,659
	1,843	8,507	—	1,634	11,984
Net gain on FVTPL investments					
Collective investment scheme	—	—	—	12,016	12,016
Unquoted investments	—	—	—	—	—
	—	—	—	12,016	12,016
Other					
Income, net of expenses, from investment properties	—	—	—	1	1
Unrealised loss on investment properties	—	—	—	(3,100)	(3,100)
Net credit impairment gain	—	162	—	—	162
Net gain on FVOCI debt securities	—	39,423	—	—	39,423
	—	39,585	—	(3,099)	36,486
Recognised in Consolidated Income Statement	1,843	6,700	—	10,551	19,094
Recognised in Consolidated OCI	—	41,392	—	—	41,392
Recognised in total comprehensive income	1,843	48,092	—	10,551	60,486

During the year to 31 December 2023 a realised loss of €1,969,000 on FVOCI investments was reclassified from Other Comprehensive Income to the Consolidated Income Statement.

6. FINANCE INCOME/(EXPENSE) RECOGNISED IN COMPREHENSIVE INCOME

The Group disaggregates finance income or expense on insurance contracts issued and reinsurance contracts held between Consolidated Income Statement and Consolidated OCI. The impact of changes in market interest rates on the value of the insurance liabilities are reflected in Consolidated OCI, in order to minimise accounting mismatches between the accounting for financial assets and (re)insurance assets and liabilities.

The Group adopts a conservative investment strategy to ensure that its insurance contract liabilities net of the reinsurance contract assets/liabilities are matched by cash and fixed interest securities of low risk and similar duration. All of the Group's fixed interest securities are classified as FVOCI whereby accumulated mark to market gains or losses are reclassified to the profit and loss account on liquidation.

The tables below detail:

a. the element of interest accretion on the LIC from the prior reporting period; and

b. the effect of changes in interest rates and other financial assumptions during the period on the finance income/(expense) recognised in comprehensive income.

6 FINANCE INCOME/(EXPENSE) RECOGNISED IN COMPREHENSIVE INCOME (continued)

Total investment return during the period is detailed in note 5 including the corresponding mark to market gains or losses on FVOCI recognised.

Finance (expense)/income from insurance contracts issued recognised in comprehensive income:	**2024** €000s	2023 €000s
Interest accreted	**(15,018)**	(15,359)
Effect of changes in interest rates and other financial assumptions during the period	**1,362**	(6,054)
Total	**(13,656)**	(21,413)
Represented by:		
Amounts recognised in profit or loss	**(7,459)**	(4,160)
Amounts recognised in OCI	**(6,197)**	(17,253)

Finance income /(expense) from reinsurance contracts held recognised in comprehensive income:	**2024** €000s	2023 €000s
Interest accreted	**2,429**	3,570
Effect of changes in interest rates and other financial assumptions during the period	**(277)**	1,355
Total	**2,152**	4,925
Represented by:		
Amounts recognised in profit or loss	**1,225**	1,249
Amounts recognised in OCI	**927**	3,676

7. PROFIT BEFORE TAXATION

	2024 €000s	2023 €000s
Profit before taxation has been stated after charging:		
Depreciation and amortisation	**16,049**	12,799

The remuneration of the Directors is disclosed in the audited section of the Report on Directors' Remuneration on pages 74 to 94. These disclosures form an integral part of the financial statements.

8. INFORMATION RELATING TO AUDITORS' REMUNERATION

An analysis of fees payable to the statutory audit firm is as follows:

		2024		2023
	Company €000s	Group €000s	Company €000s	Group €000s
Description of service				
Audit of statutory financial statements	**396**	**548**	202	606
Other assurance services	**40**	**375**	100	202
Total auditors remuneration	**436**	**923**	302	808

Fees payable by the Company are included with the fees payable by the Group in each category.

8 INFORMATION RELATING TO AUDITORS' REMUNERATION (continued)

Other assurance services relate to CSRD limited assurance (2024 only), Solvency II audit, the audit of the defined contribution scheme, an agreed upon procedures engagement in respect of the MIBI return, all of which are prescribed under law or regulation, and the review of the Group's interim report.

9. STAFF COSTS AND NUMBERS

The average number of persons employed by the Group was as follows:

	2024 No.	2023 No.
Underwriting	1,015	964
Financial services	23	24
Total	1,038	988

The aggregate employee benefit expense was as follows:	2024 €000s	2023 €000s
Wages and salaries	62,735	57,094
Social welfare costs	6,966	5,771
Pension costs	5,200	4,910
Share-based payments	3,610	2,640
Total employee benefit expense	78,511	70,415

10. INCOME TAXATION CHARGE

	2024 €000s	2023 €000s
Irish corporation taxation charge	(10,547)	(11,679)
Adjustments in respect of prior financial years	106	(302)
Current taxation charge	(10,441)	(11,981)
Deferred taxation credit	581	112
Income taxation charge	(9,860)	(11,869)

10 INCOME TAXATION CHARGE (continued)

The taxation charge in the Consolidated Income Statement is higher (2023: higher) than the standard rate of corporation taxation in Ireland. The differences are explained below:

	2024 €000s	2023 €000s
Profit before taxation	77,065	81,410
Corporation taxation charge at standard rate of 12.5% (2023: 12.5%)	9,633	10,176
Effects of:		
Non-taxable income/unrealised gains/losses or expenses not deductible for tax purposes	320	1,368
Higher rates of taxation on other income	13	23
Adjustments in respect of prior financial years	(106)	302
Income taxation charge	9,860	11,869
Taxation as a percentage of profit before taxation	12.8 %	14.6 %

In addition to the amount charged to the Consolidated Income Statement, the following taxation amounts have been recognised directly in the Consolidated Statement of Comprehensive Income:

	2024 €000s	2023 €000s
Deferred taxation on:		
Actuarial movement on retirement benefit obligations	87	201
Insurance/reinsurance finance expenses/income from contracts	659	1,697
Revaluation of owner occupied property	(1)	28
Unrealised gains on FVOCI investments	(2,379)	(5,174)
Total income taxation charge recognised directly in the Consolidated Statement of Comprehensive Income	(1,634)	(3,248)

11. PROFIT FOR THE YEAR (COMPANY ONLY)

FBD Holdings plc (Company only) profit for the financial year determined in accordance with IFRS, as adopted by the European Union, is €74,711,000 (2023: €69,096,000). The Company's other comprehensive loss for the financial year is €172,000 (2023 other comprehensive loss: €448,000).

In accordance with section 304 of the Companies Act 2014 the Company is availing of the exemption from presenting its individual Income Statement to the AGM and from filing it with the Registrar of Companies.

12. EARNINGS PER €0.60 ORDINARY SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary shareholders is based on the following data:

Number of shares	2024 No.	2023 No.
Weighted average number of ordinary shares for the purpose of basic earnings per share (excludes treasury shares)	**35,954,427**	35,787,761
Weighted average number of ordinary shares for the purpose of diluted earnings per share (excludes treasury shares)	**36,624,115**	36,650,830
	Cent	Cent
Basic earnings per share	**186**	194
Diluted earnings per share	**183**	190

The 'A' ordinary shares of €0.01 each that are in issue have no impact on the earnings per share calculation. See note 27 for a description of the 'A' ordinary shares.

The below table reconciles the profit attributable to the parent entity for the year to the amounts used as the numerators in calculating basic and diluted earnings per share for the year and the comparative year including the individual effect of each class of instruments that affects earnings per share:

	2024 €000s	2023 €000s
Profit attributable to the parent entity for the year	**67,205**	69,541
2024 dividend of 8.4 cent (2023: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	**(113)**	(113)
2024 dividend of 4.8 cent (2023: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	**(169)**	(169)
Profit for the year for the purpose of calculating basic and diluted earnings	**66,923**	69,259

The below table reconciles the weighted average number of ordinary shares used as the denominator in calculating basic earnings per share to the weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share including the individual effect of each class of instruments that affects earnings per share:

	2024 No.	2023 No.
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	**35,954,427**	35,787,761
Potential vesting of share-based payments	**669,688**	863,069
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share	**36,624,115**	36,650,830

13. CASH AND CASH EQUIVALENTS

	2024 €000s	2023 €000s
Short term deposits	**60,446**	54,701
Money market fund	**71,181**	71,140
Cash on hand	**20,693**	16,558
Total cash and cash equivalents	**152,320**	142,399

14. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

(a) Financial Instruments

	2024 €000s	2023 €000s
Financial Assets		
At amortised cost:		
Cash and cash equivalents	**81,139**	71,259
Deposits	**—**	2,885
Other receivables	**22,631**	17,150
Loans	**386**	478
At fair value:		
Cash and cash equivalents	**71,181**	71,140
Quoted equity and debt instruments at FVTPL - mandatory	**131,619**	160,050
Unquoted equity and debt instruments at FVTPL - mandatory	**1,148**	1,128
Debt instruments at FVOCI - designated	**891,956**	855,989
Financial Liabilities		
At amortised cost:		
Other payables	**43,066**	35,852
Lease liabilities	**3,056**	3,828
Subordinated debt (note 26)	**49,780**	49,721

An ECL for 'Debt instruments at FVOCI' of €517,000 (31 December 2023: €512,000) does not reduce the carrying amount of the asset in the statement of financial position, which remains at fair value. Instead an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in Consolidated OCI with a corresponding charge to a provision for credit losses in the Consolidated Income Statement.

An ECL of €53,000 (31 December 2023: €142,000) has reduced the carrying value of 'Other receivables' and an ECL of €8,000 (31 December 2023: €16,000), has reduced the carrying value of 'Loans'.

14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

(b) Fair value measurement

The following table compares the carrying value of financial instruments not held at fair value with the fair value of those assets and liabilities:

	2024	2024	2023	2023
	Fair value €000s	Carrying value €000s	Fair value €000s	Carrying value €000s
Assets				
Loans	**463**	**386**	574	478
Financial liabilities				
Subordinated debt	**48,860**	**49,780**	46,868	49,721

The carrying amount of the following assets and liabilities is considered a reasonable approximation of their fair value:

a. Cash and cash equivalents
b. Deposits
c. Other receivables
d. Other payables
e. Lease liabilities

Certain assets and liabilities are measured in the Consolidated Statement of Financial Position at fair value using a fair value hierarchy of valuation inputs. The following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 Fair value measurements derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Debt instruments at fair value through Other Comprehensive Income – quoted debt securities are fair valued using latest available closing bid price.
- Collective investment schemes, fair value through profit or loss (Level 1) are valued using the latest available closing NAV of the fund.

Level 2 Fair value measurements derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). There are no assets/liabilities deemed to be held at this level at end of the periods disclosed.

14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

Level 3 Fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Valuation techniques used are outlined below;

- Collective investment schemes, fair value through profit or loss (Infrastructure Equity, Global Impact and Senior Private Debt funds) are valued using the most up-to-date valuations calculated by the fund administrator allowing for any additional investments made up until period end. These collective investment schemes are fund-of-funds and typically apply the International Private Equity and Venture Capital Valuation Guidelines (IPEV) as well as other industry guidance and standards. Valuations are subject to external audit at both the underlying fund and fund-of-funds level. It is not possible to provide quantitative information about the significant unobservable inputs as this information is not provided by the underlying funds.
- Unquoted investments, fair value through profit or loss, are classified as Level 3 as they are not traded in an active market.
- Investment property and property held for own use were fair valued by independent external professional valuers at year end 2024. Group occupied properties have been valued using the investment method on a vacant possession basis by applying hypothetical 10-year leases and assumptions of void and rent free periods, market rents, capital yields and purchase costs which are derived from comparable transactions and adjusted for property specific factors as determined by the valuer. Group investment properties have been valued using the investment method based on the long leasehold interest in the subject property, the contracted values of existing tenancies, assumptions of void and rent free periods and market rents for vacant lots, and capital yields and purchase costs which are derived from comparable transactions and adjusted for property specific factors as determined by the valuer. The independent external valuers considered the impact of sustainability factors on the valuation of both the investment property and property held for own use, including physical / climate risk. The table below shows the unobservable inputs used in fair value measurements of the properties.

	Fair Value €000s	Valuation Technique	Unobservable Input	Range
Properties	25,374	Investment Method	Capitalisation Yield	8.25% - 10.5%
			Estimated Rental Value (per square foot)	€7.73 - €46.72

14 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT (continued)

2024	Level 1 €000s	Level 2 €000s	Level 3 €000s	Total €000s
Assets				
Investment property	—	—	11,300	11,300
Property held for own use	—	—	14,074	14,074
Financial assets				
Cash and cash equivalents	71,181	—	—	71,181
Investments at fair value through profit or loss - collective investment schemes	80,656	—	50,963	131,619
Investments at fair value through profit or loss - unquoted investments	—	—	1,148	1,148
Investments at fair value through Other Comprehensive Income - quoted debt securities	891,956	—	—	891,956
Total assets	1,043,793	—	77,485	1,121,278
Total liabilities	—	—	—	—

2023	Level 1 €000s	Level 2 €000s	Level 3 €000s	Total €000s
Assets				
Investment property	—	—	11,953	11,953
Property held for own use	—	—	14,074	14,074
Financial assets				
Cash and cash equivalents	71,140	—	—	71,140
Investments at fair value through profit or loss - collective investment schemes	113,258	—	46,792	160,050
Investments at fair value through profit or loss - unquoted investments	—	—	1,128	1,128
Investments at fair value through Other Comprehensive Income - quoted debt securities	855,989	—	—	855,989
Total assets	1,040,387	—	73,947	1,114,334
Total liabilities	—	—	—	—

A reconciliation of Level 3 fair value measurement of financial assets is shown in the table below:

	2024 €000s	2023 €000s
At 1 January	73,947	59,711
Additions	4,341	19,041
Disposals	(2,996)	—
Impairment	2,298	(4,688)
Unrealised loss recognised in the Consolidated Income Statement	(105)	(117)
At 31 December	77,485	73,947

The Directors review the inputs to assess fair value measurement at least annually to determine the appropriate level to be disclosed. A sensitivity analysis of the Level 3 assets is completed in note 37(f).

15. OTHER RECEIVABLES

	2024	2023
	€000s	€000s
Prepayments and accrued income	**12,774**	8,625
Other debtors	**9,322**	7,724
Accrued interest and rent	**535**	801
Total other receivables	**22,631**	17,150

The Directors consider that the carrying amount of receivables is approximate to their fair value. All receivables are due within one year and none are past due.

16. INSURANCE AND REINSURANCE CONTRACTS

The breakdown of groups of insurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

			2024			2023
	Assets	Liabilities	Net	Assets	Liabilities	Net
	€000s	€000s	€000s	€000s	€000s	€000s
Total insurance contracts issued	**—**	**(767,779)**	**(767,779)**	—	(774,921)	(774,921)
Total reinsurance contracts held	**75,096**	**(73)**	**75,023**	97,520	(480)	97,040

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for major product lines are disclosed in the tables below:

2024					
	Liability for remaining coverage		Liability for incurred claims		Total
Total insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	126,971	—	578,490	69,460	774,921
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	126,971	—	578,490	69,460	774,921
Insurance revenue	(441,005)	—	—	—	(441,005)
Incurred claims and other directly attributable expense	—	—	251,289	15,458	266,747
Amortisation of insurance acquisition cash flows	84,633	—	—	—	84,633
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(53,958)	(18,970)	(72,928)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	84,633	—	197,331	(3,512)	278,452
Insurance service result	(356,372)	—	197,331	(3,512)	(162,553)
Insurance finance expenses	—	—	13,656	—	13,656
Total amounts recognised in comprehensive income	(356,372)	—	210,987	(3,512)	(148,897)
Premium received	459,971	—	—	—	459,971
Claims and other directly attributable expenses paid	—	—	(228,276)	—	(228,276)
Insurance acquisition cash flows	(89,941)	—	—	—	(89,941)
Total cash flows	370,030	—	(228,276)	—	141,754
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	140,629	—	561,201	65,948	767,778
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	140,629	—	561,201	65,948	767,778

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024	Liability for remaining coverage		Liability for incurred claims		Total
Motor insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	58,033	—	279,702	36,155	373,890
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	58,033	—	279,702	36,155	373,890
Insurance revenue	(204,756)	—	—	—	(204,756)
Incurred claims and other directly attributable expense	—	—	117,104	7,416	124,520
Amortisation of insurance acquisition cash flows	40,356	—	—	—	40,356
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(24,913)	(10,393)	(35,306)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	40,356	—	92,191	(2,977)	129,570
Insurance service result	(164,400)	—	92,191	(2,977)	(75,186)
Insurance finance expenses	—	—	6,864	—	6,864
Total amounts recognised in comprehensive income	(164,400)	—	99,055	(2,977)	(68,322)
Premium received	212,650	—	—	—	212,650
Claims and other directly attributable expenses paid	—	—	(108,749)	—	(108,749)
Insurance acquisition cash flows	(42,427)	—	—	—	(42,427)
Total cash flows	170,223	—	(108,749)	—	61,474
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	63,856	—	270,008	33,178	367,042
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	63,856	—	270,008	33,178	367,042

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2024					
	Liability for remaining coverage		Liability for incurred claims		Total
Non - motor insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	68,938	—	298,788	33,305	401,031
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	68,938	—	298,788	33,305	401,031
Insurance revenue	(236,249)	—	—	—	(236,249)
Incurred claims and other directly attributable expense	—	—	134,185	8,042	142,227
Amortisation of insurance acquisition cash flows	44,277	—	—	—	44,277
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(29,045)	(8,577)	(37,622)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	44,277	—	105,140	(535)	148,882
Insurance service result	(191,972)	—	105,140	(535)	(87,367)
Insurance finance expenses	—	—	6,792	—	6,792
Total amounts recognised in comprehensive income	(191,972)	—	111,932	(535)	(80,575)
Premium received	247,321	—	—	—	247,321
Claims and other directly attributable expenses paid	—	—	(119,527)	—	(119,527)
Insurance acquisition cash flows	(47,514)	—	—	—	(47,514)
Total cash flows	199,807	—	(119,527)	—	80,280
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	76,773	—	291,193	32,770	400,736
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	76,773	—	291,193	32,770	400,736

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2023					
	Liability for remaining coverage		Liability for incurred claims		Total
Total insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	117,798	—	641,074	67,749	826,621
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	117,798	—	641,074	67,749	826,621
Insurance revenue	(401,026)	—	—	—	(401,026)
Incurred claims and other directly attributable expense	—	—	223,350	14,783	238,133
Amortisation of insurance acquisition cash flows	75,909	—	—	—	75,909
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(90,918)	(13,072)	(103,990)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	75,909	—	132,432	1,711	210,052
Insurance service result	(325,117)	—	132,432	1,711	(190,974)
Insurance finance expenses	—	—	21,413	—	21,413
Total amounts recognised in comprehensive income	(325,117)	—	153,845	1,711	(169,561)
Premium received	413,637	—	—	—	413,637
Claims and other directly attributable expenses paid	—	—	(216,429)	—	(216,429)
Insurance acquisition cash flows	(79,347)	—	—	—	(79,347)
Total cash flows	334,290	—	(216,429)	—	117,861
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	126,971	—	578,490	69,460	774,921
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	126,971	—	578,490	69,460	774,921

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2023					
	Liability for remaining coverage		Liability for incurred claims		Total
Motor insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	55,265	—	266,273	31,665	353,203
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	55,265	—	266,273	31,665	353,203
Insurance revenue	(188,733)	—	—	—	(188,733)
Incurred claims and other directly attributable expense	—	—	110,863	7,598	118,461
Amortisation of insurance acquisition cash flows	37,127	—	—	—	37,127
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(10,066)	(3,108)	(13,174)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	37,127	—	100,797	4,490	142,414
Insurance service result	(151,606)	—	100,797	4,490	(46,319)
Insurance finance expenses	—	—	9,981	—	9,981
Total amounts recognised in comprehensive income	(151,606)	—	110,778	4,490	(36,338)
Premium received	192,667	—	—	—	192,667
Claims and other directly attributable expenses paid	—	—	(97,349)	—	(97,349)
Insurance acquisition cash flows	(38,293)	—	—	—	(38,293)
Total cash flows	154,374	—	(97,349)	—	57,025
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	58,033	—	279,702	36,155	373,890
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	58,033	—	279,702	36,155	373,890

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2023					
	Liability for remaining coverage		Liability for incurred claims		Total
Non-motor insurance contracts issued	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Insurance contract liabilities as at 01/01	62,533	—	374,801	36,084	473,418
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract liabilities as at 01/01	62,533	—	374,801	36,084	473,418
Insurance revenue	(212,293)	—	—	—	(212,293)
Incurred claims and other directly attributable expense	—	—	112,487	7,185	119,672
Amortisation of insurance acquisition cash flows	38,782	—	—	—	38,782
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes that relate to past service-Changes in FCF relating to the LIC	—	—	(80,852)	(9,964)	(90,816)
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service expenses	38,782	—	31,635	(2,779)	67,638
Insurance service result	(173,511)	—	31,635	(2,779)	(144,655)
Insurance finance expenses	—	—	11,432	—	11,432
Total amounts recognised in comprehensive income	(173,511)	—	43,067	(2,779)	(133,223)
Premium received	220,970	—	—	—	220,970
Claims and other directly attributable expenses paid	—	—	(119,080)	—	(119,080)
Insurance acquisition cash flows	(41,054)	—	—	—	(41,054)
Total cash flows	179,916	—	(119,080)	—	60,836
Net insurance contract liabilities as at 31/12:					
Insurance contract liabilities as at 31/12	68,938	—	298,788	33,305	401,031
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract liabilities as at 31/12	68,938	—	298,788	33,305	401,031

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising on property and liability insurance ceded to reinsurers is disclosed in the tables below:

2024					
	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
Total reinsurance contracts held	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	
	€000s	€000s	€000s	€000s	€000s
Reinsurance contracts held that are liabilities as at 01/01	(502)	—	21	1	(480)
Reinsurance contracts held that are assets as at 01/01	(3,473)	—	91,547	9,446	97,520
Net reinsurance contracts held as at 01/01	(3,975)	—	91,568	9,447	97,040
Reinsurance expense	(34,082)	—	—	—	(34,082)
Change in amounts recoverable for incurred claims and other directly attributable expense	—	—	9,684	932	10,616
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	—	—	(24,389)	(3,600)	(27,989)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Effect of changes in risk of reinsurers' non-performance	—	—	2	—	2
Net income/(expense) from reinsurance contracts held	(34,082)	—	(14,703)	(2,668)	(51,453)
Finance income from reinsurance contracts held	—	—	2,152	—	2,152
Total amounts recognised in comprehensive income	(34,082)	—	(12,551)	(2,668)	(49,301)
Premiums paid, net of commission ceded	33,642	—	—	—	33,642
Recoveries from reinsurance	—	—	(6,359)	—	(6,359)
Total cash flows	33,642	—	(6,359)	—	27,283
Net reinsurance contract assets/(liabilities) held as at 31/12:					
Reinsurance contracts held that are liabilities as at 31/12	(73)	—	—	—	(73)
Reinsurance contracts held that are assets as at 31/12	(4,341)	—	72,658	6,779	75,096
Net reinsurance contracts held as at 31/12	(4,414)	—	72,658	6,779	75,023

16 INSURANCE AND REINSURANCE CONTRACTS (continued)

2023	Assets for remaining coverage		Amounts recoverable on incurred claims		
Total reinsurance contracts held	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk Adjustment	Total
	€000s	€000s	€000s	€000s	€000s
Reinsurance contracts held that are liabilities as at 01/01	(631)	—	20	1	(610)
Reinsurance contracts held that are assets as at 01/01	(2,530)	—	131,797	7,390	136,657
Net Reinsurance contracts held as at 01/01	(3,161)	—	131,817	7,391	136,047
Reinsurance expense	(39,776)	—	—	—	(39,776)
Change in amounts recoverable for incurred claims and other directly attributable expense	—	—	15,010	1,230	16,240
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	—	—	(41,962)	826	(41,136)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Effect of changes in risk of reinsurers' non-performance	—	—	6	—	6
Net expense from reinsurance contracts held	(39,776)	—	(26,946)	2,056	(64,666)
Finance expense from reinsurance contracts held	—	—	4,925	—	4,925
Total amounts recognised in comprehensive income	(39,776)	—	(22,021)	2,056	(59,741)
Premiums paid, net of commission ceded	38,962	—	—	—	38,962
Recoveries from reinsurance	—	—	(18,228)	—	(18,228)
Total cash flows	38,962	—	(18,228)	—	20,734
Net reinsurance contract assets/(liabilities) held as at 31/12:					
Reinsurance contracts held that are liabilities as at 31/1	(502)	—	21	1	(480)
Reinsurance contracts held that are assets as at 31/12	(3,473)	—	91,547	9,446	97,520
Net reinsurance contracts held as at 31/12	(3,975)	—	91,568	9,447	97,040

17. RETIREMENT BENEFIT SURPLUS

Defined Contribution Pension

The Group operates a defined contribution retirement benefit plans for qualifying employees who opt to join. The assets of the plans are held separately from those of the Group in funds under the control of Trustees. The Group recognised an expense of €5,052,549 (2023: €4,867,831) relating to these pension schemes during the year ended 31 December 2024.

Defined Benefit Pension

The Group also operates a legacy funded defined benefit retirement pension scheme for certain qualifying employees. This scheme was closed to new members in 2005 and closed to future accrual in 2015. The defined benefit pension scheme is administered by a separate Trustee Company that is legally separated from the entity. The Trustee Company, who is responsible for ensuring compliance with the Pensions Act 1990 and other relevant legislation, is composed of an independent Trustee and representatives from both the employers and current and former employees. The Trustees are required by law and by its Articles of Association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. deferred members, retirees and employers. They are responsible for the investment policy with regard to the assets of the scheme.

Under the defined benefit pension scheme, qualifying members are entitled to retirement benefits of 1/60th of final salary for each year of service on attainment of a retirement age of 65. A full actuarial valuation of the defined benefit pension scheme was carried out as at 1 July 2022. This valuation was carried out using the projected unit credit method. The minimum funding standard was updated to 31 December 2024 by the schemes' independent and qualified actuary. This confirms that the Scheme continues to satisfy the minimum funding standard. The next full actuarial valuation of the scheme is expected to be completed no later than as at 1 July 2025.

The long-term investment objective of the Trustees and the Group is to limit the risk of the assets failing to meet the liabilities of the scheme over the long term, and to maximise returns consistent with an acceptable level of risk so as to control the long-term costs of the scheme. To meet these objectives, the scheme's assets are primarily invested in bonds with a smaller level of investment in diversified growth funds and property. These reflect the current long-term asset allocation ranges, having regard to the structure of liabilities within the scheme. The scheme typically exposes the Group to actuarial risks such as: investment risk, interest rate risk and longevity risk.

(a) Assumptions used to calculate scheme liabilities

	2024	2023
	%	%
Inflation rate	**2.10**	2.20
Pension payment increase	**0.00**	0.00
Discount rate	**3.30**	3.20

(b) Mortality Assumptions

	2024	2023
	Years	Years
The average life expectancy of current and future retirees used in the scheme at age 65 is as follows:		
Male	**23.6**	23.4
Female	**25.6**	25.5

17 RETIREMENT BENEFIT SURPLUS (continued)

When taking into account members who have not yet retired and those who are currently in receipt of pensions, the weighted average duration of the expected benefit payments from the scheme is circa 12 years.

As required by IAS 19 'Employee Benefits'; the discount rate is set by reference to yields available at 31 December 2024 on high quality corporate bonds having regard to the duration of the schemes liabilities. The actual return on the scheme assets for the year was a profit of €507,000 (2023: profit of €4,220,000).

(c) Consolidated Income Statement

	2024 €000s	2023 €000s
Charged to Consolidated Income Statement:		
Service cost: employer's part of current service cost	**380**	350
Net interest credit	**(233)**	(308)
Charge to Consolidated Income Statement	**147**	42

Charges to the Consolidated Income Statement have been included in insurance service expenses, non-attributable and financial services income and expenses.

(d) Analysis of amount recognised in Group Statement of Comprehensive Income

	2024 €000s	2023 €000s
Net actuarial (gains)/losses in the year due to:		
Remeasurements in the year due to:		
– Changes in financial assumptions	**(933)**	2,693
– Changes in demographic assumptions	**—**	—
– Experience adjustments on benefit obligations	**(96)**	652
Actual return less interest on scheme assets	**1,728**	(1,737)
Total amount recognised in Consolidated OCI before taxation	**699**	1,608
Deferred taxation credit	**(87)**	(201)
Actuarial loss net of deferred taxation	**612**	1,407

17 RETIREMENT BENEFIT SURPLUS (continued)

(e) History of experience gains and losses

	2024 €000s	2023 €000s	2022 €000s	2021 €000s	2020 €000s
Present value of defined benefit obligations	61,734	64,204	62,671	86,693	94,927
Fair value of plan assets	68,127	71,248	71,170	97,594	105,776
Net pension asset	(6,393)	(7,044)	(8,499)	(10,901)	(10,849)
Experience to gains/ (losses) on scheme liabilities	96	(652)	(386)	(520)	1,031
Total amount recognised in Consolidated OCI before taxation	(699)	(1,608)	(2,272)	280	2,326

The cumulative charge to the Consolidated Statement of Comprehensive Income is €106,779,000 (2023: €106,080,000).

(f) Assets in scheme at market value

	2024 €000s	2023 €000s
Managed bond funds - fair value at quoted prices	52,467	52,788
Managed unit trust funds - fair value at quoted prices	3,960	4,147
Managed infrastructure fund - fair value at quoted prices	7,732	7,224
Managed equity fund - fair value at quoted prices	1,682	4,571
Managed liquidity fund - fair value at quoted prices	1,425	1,732
Cash deposits and other - at amortised cost	861	786
Scheme assets	68,127	71,248
Actuarial value of liabilities	(61,734)	(64,204)
Net pension surplus	6,393	7,044

The assets are part of unitised funds which have a broad geographical and industry type spread with no significant concentration in any one geographical or industry type.

(g) Movement in net surplus during the year

	2024 €000s	2023 €000s
Net surplus in scheme at 1 January	7,044	8,499
Current service cost	(380)	(350)
Employer contributions	195	195
Interest on scheme liabilities	(2,002)	(2,175)
Interest on scheme assets	2,235	2,483
Total amount recognised in Consolidated OCI before taxation	(699)	(1,608)
Net surplus at 31 December	6,393	7,044

17 RETIREMENT BENEFIT SURPLUS (continued)

(h) Movement on assets and liabilities

	2024 €000s	2023 €000s
Assets		
Assets in scheme at 1 January	**71,248**	71,170
Actual return less interest on scheme assets	**(1,728)**	1,737
Employer contributions	**195**	195
Interest on scheme assets	**2,235**	2,483
Benefits paid	**(3,823)**	(4,337)
Assets in scheme at 31 December	**68,127**	71,248
Liabilities		
Liabilities in scheme at 1 January	**64,204**	62,671
Experience gains and losses on scheme liabilities	**(96)**	652
Changes in financial assumptions	**(933)**	2,693
Changes in demographic assumptions	**—**	—
Current service cost	**380**	350
Interest on scheme liabilities	**2,002**	2,175
Benefits paid	**(3,823)**	(4,337)
Liabilities in scheme at 31 December	**61,734**	64,204

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as follows:

- A 1% increase in the discount rate would reduce the value of the scheme liabilities by €6.8 million.
- A 1% reduction in the discount rate would increase the value of the scheme liabilities by €8.4 million.
- A 1% increase in inflation would increase the value of the scheme liabilities by €1.9 million.
- A 1% reduction in inflation would reduce the value of the scheme liabilities by €1.7 million.
- The effect of assuming all members of the scheme will live one year longer would increase the scheme's liabilities by €2.0 million.
- The current best estimate of 2025 contributions to be made by the Group to the pension fund is €0.2million (2024: €0.2million).

18. INTANGIBLE ASSETS

Computer Software	€000s
Cost:	
At 1 January 2023	18,312
Additions	7,054
Assets under development	9,132
At 31 December 2023	34,498
Additions	**3,223**
Assets under development	**11,549**
At 31 December 2024	**49,270**

Accumulated amortisation:	€000s
At 1 January 2023	4,230
Amortisation charge for the year	2,533
At 31 December 2023	6,763
Amortisation charge for the year	**5,718**
At 31 December 2024	**12,481**
Carrying amount	
At 31 December 2024	**36,789**
At 31 December 2023	27,735

The additions during 2024 to Intangible Assets are split 100% internally generated assets (2023: 100% internally generated assets).

Assets under development at 31 December 2024 mainly consist of spend relating to the development of the Claims Replacement system and other spend investing in customised software supporting enterprise IT initiatives. These assets are expected to be operational in 2025 and 2026.

The amortisation charge for the year is included in 'Insurance service expenses' and 'Non-attributable expenses' in the Consolidated Income Statement.

19. POLICY ADMINISTRATION SYSTEM

The most significant investment by the Group in recent years is in its underwriting policy administration system. The Group's policy administration system, TIA, is the principal operating and core technology platform of the business.

Policy Administration System	€000s
Cost	
At 1 January 2023	71,838
Additions	1,401
At 1 January 2024	**73,239**
Additions	**—**
At 31 December 2024	**73,239**

Accumulated amortisation	€000s
At 1 January 2023	48,155
Amortisation charge for the year	7,158
At 1 January 2024	**55,313**
Amortisation charge for the year	**7,176**
At 31 December 2024	**62,489**
Carrying amount	
At 31 December 2024	**10,750**
At 31 December 2023	17,926

There were no additions to the policy administration system in 2024. (2023: 100% internally generated assets).

The amortisation charge for the year is included in 'Insurance service expenses' in the Consolidated Income Statement.

20. INVESTMENT PROPERTY

	2024	2023
Fair value of investment property	€000s	€000s
At 1 January	11,953	15,052
Net losses from fair value adjustments	(600)	(3,099)
Disposal of investment property	(53)	—
At 31 December	11,300	11,953

The investment property is a commercial rental property in Dublin City Centre. An immaterial holding of agricultural land in the United Kingdom was sold during 2024.

The investment property was valued at fair value at 31 December 2024 and at 31 December 2023 by independent external professional valuers, CB Richard Ellis, Valuation Surveyors. The valuation was prepared in accordance with RICS Valuation – Global Standards 2022 (Red Book) incorporating the IVSC International Valuation Standards issued January 2022. The valuers confirm that they have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the valuations competently.

In carrying out the valuation of the property, CB Richard Ellis have considered the impact of sustainability factors on the property, including physical / climate risk.

The valuation statement received from the external professional valuers state that the valuation has been prepared on the basis of "Market Value" which they define as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The Directors believe that market value, determined by independent external professional valuers, is not materially different to the fair value.

There was a net decrease in the fair value in 2024 of €600,000 (2023 decrease: €3,099,000).

The rental income earned by the Group from its investment property amounted to €578,850 (2023: €578,850). Direct operating costs associated with investment property amounted to €636,841 (2023: €699,762).

The historical cost of investment property is as follows:

	2024	2023
	€000s	€000s
Historical cost at 1 January	22,053	22,053
Disposal of investment property	(53)	—
Historical cost at 31 December	22,000	22,053

Maturity analysis - undiscounted non-cancellable operating lease receivables	2024	2023
	€000s	€000s
Less than one year	579	579
One to five years	2,315	2,315
More than five years	96	675
Maturity analysis - undiscounted non-cancellable operating lease receivables	2,990	3,569

Fair value hierarchy disclosures required by IFRS13 Fair Value Measurement have been included in note 14, Financial Instruments and Fair Value Measurement.

21. LEASES

Leases held are property leases for office space for the Group's branches and leases for computer equipment. The Group holds a number of property leases with remaining terms ranging from one to twenty years. None of the Group's leases have options for extensions or to purchase. There are no contingent rents payable and all lease payments are fixed and at market rates at inception or renewal of the lease. Additional information on the Group's leases is detailed below:

Right of use assets

	2024 €000s	2023 €000s
Balance at 1 January	3,503	4,290
Depreciation charge for the year	(762)	(787)
Balance at 31 December	2,741	3,503

Lease liabilities

Maturity analysis - contractual undiscounted cash flows	2024 €000s	2023 €000s
Less than one year	(924)	(884)
One to five years	(1,820)	(2,332)
More than five years	(1,129)	(1,490)
Total undiscounted lease liabilities at 31 December	(3,873)	(4,706)
Contractual discounted cash flows		
Current	(516)	(618)
Non - current	(2,540)	(3,210)
Lease liabilities included in the statement of financial position at 31 December	(3,056)	(3,828)

Amounts recognised in profit or loss	2024 €000s	2023 €000s
Depreciation charge on right of use assets (included in insurance service expenses)	(762)	(787)
Interest on lease liabilities (included in insurance service expenses)	(151)	(185)
Expenses related to short-term leases (included in insurance service expenses)	(50)	(50)
Income from sub-leasing right of use assets (included in financial services income and expense)	79	79

Total cash outflows recognised in the period in relation to leases were €924,000 (2023: €955,000).

22. PROPERTY, PLANT AND EQUIPMENT

	Property held for own use €000s	Computer Equipment €000s	Fixtures & Fittings €000s	Total €000s
Cost or valuation				
At 1 January 2023	24,224	100,044	26,544	150,812
Additions	—	817	1,371	2,188
At 31 December 2023	24,224	100,861	27,915	153,000
Additions	**—**	**1,883**	**1,387**	**3,270**
Assets under development	**—**	**1,336**	**—**	**1,336**
At 31 December 2024	**24,224**	**104,080**	**29,302**	**157,606**
Comprising:				
At cost	**—**	**104,080**	**29,302**	**133,382**
At valuation	**24,224**	**—**	**—**	**24,224**
At 31 December 2024	**24,224**	**104,080**	**29,302**	**157,606**

Accumulated depreciation and revaluation	Property held for own use €000s	Computer Equipment €000s	Fixtures & Fittings €000s	Total €000s
At 1 January 2023	8,240	97,722	22,104	128,066
Depreciation charge for the year	118	1,269	934	2,321
Revaluation through the Consolidated Income Statement	1,708	—	—	1,708
Revaluation through the statement of comprehensive income	84	—	—	84
At 31 December 2023	10,150	98,991	23,038	132,179
Depreciation charge for the year	**105**	**1,364**	**924**	**2,393**
Revaluation through the Consolidated Income Statement	**(100)**	**—**	**—**	**(100)**
Revaluation through the statement of comprehensive income	**(5)**	**—**	**—**	**(5)**
At 31 December 2024	**10,150**	**100,355**	**23,962**	**134,467**
Carrying amount				
At 31 December 2024	**14,074**	**3,725**	**5,340**	**23,139**
At 31 December 2023	14,074	1,870	4,877	20,821

Property held for own use

Properties held for own use at 31 December 2024 and 2023 were valued at fair value which is determined by independent external professional surveyors CB Richard Ellis, Valuation Surveyors. CB Richard Ellis confirm that the properties have been valued in accordance with RICS Valuation – Global Standards 2022 (Red Book) incorporating the IVSC International Valuation Standards issued January 2022.

In carrying out the valuation of the properties, CB Richard Ellis have considered the impact of sustainability factors on the properties, including physical/climate risk.

The valuation report states that the valuations have been prepared on the basis of "Market Value" which is defined in the report as "the estimated amount for which an asset or liability should exchange on valuation date between a willing buyer and a willing seller in an arm's-length transaction, after

22 PROPERTY, PLANT AND EQUIPMENT (continued)

proper marketing where the parties had each acted knowledgeably, prudently and without compulsion". The report also states that the market value "has been primarily derived using comparable recent market transactions on arm's length terms".

The Directors believe that the market value, determined by independent professional valuers is not materially different to fair value.

Had the properties been carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been as follows:

	2024	2023
	€000s	€000s
Property held for own use	**13,902**	14,012

Fair value hierarchy disclosures required by IFRS13 Fair Value Measurement have been included in note 14, Financial Instruments and Fair Value Measurement.

23. DEFERRED TAXATION (LIABILITY) / ASSET

	Retirement benefit surplus	Unrealised gains on investments & loans	Insurance/ Reinsurance finance reserve	Revaluation surplus on investment properties	Losses carried forward	Other temporary differences	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
At 1 January 2023	(1,060)	9,974	(2,999)	(1,387)	329	(1,228)	3,629
Credited/(debited) to the Consolidated Statement of Comprehensive Income	201	(5,174)	1,697	—	—	28	(3,248)
(Debited)/credited to the Consolidated Income Statement	(19)	—	—	—	15	116	112
At 31 December 2023	(878)	4,800	(1,302)	(1,387)	344	(1,084)	493
Credited/(debited) to the Consolidated Statement of Comprehensive Income	**87**	**(2,379)**	**659**	**—**	**—**	**(1)**	**(1,634)**
(Debited)/credited to the Consolidated Income Statement	**(6)**	**—**	**—**	**—**	**(344)**	**931**	**581**
At 31 December 2024	**(797)**	**2,421**	**(643)**	**(1,387)**	**—**	**(154)**	**(560)**

24. OTHER PAYABLES

(a) GROUP

	2024 €000s	2023 €000s
Amounts falling due within one year:		
Payables and accruals	41,229	33,937
PAYE/PRSI	1,837	1,915
Total payables	43,066	35,852

(b) COMPANY

	2024 €000s	2023 €000s
Amounts falling due within one year:		
Payables and accruals	7,105	2,801
Total payables	7,105	2,801

Other payables includes ESG initiatives of €4,000,000. €2,500,000 for FBD's contribution for the ESG initiative to develop the Padraig Walsh Centre for Sustainable Animal and Grassland Research, and €1,500,00 for FBD's ESG investment in a new agricultural science centre at UCD Lyons Farm.

25. OTHER PROVISIONS

(a) GROUP

	MIBI Levy €000s	MIICF Contribution €000s	Consequential Payments €000s	State Subsidies €000s	ESG Initiative €000s	Total €000s
Balance at 1 January 2023	6,195	3,642	1,266	—	—	11,103
Provided in the year	5,751	3,854	26	6,200	2,500	18,331
Net amounts paid	(5,439)	(3,642)	(270)	—		(9,351)
Balance at 31 December 2023	6,507	3,854	1,022	6,200	2,500	20,083
Provided for/(released) in the year	5,675	2,132	(712)	(400)	—	6,695
Net amounts paid	(5,826)	(3,855)	(199)	—	—	(9,880)
Reclassification to accruals	—	—	—	—	(2,500)	(2,500)
Balance at 31 December 2024	6,356	2,131	111	5,800	—	14,398

MIBI Levy

The Group's share of the Motor Insurers' Bureau of Ireland "MIBI" levy for 2024 is based on its estimated market share in the current year at the Statement of Financial Position date. The total amount provided for at year end is paid in equal instalments throughout the following year.

MIICF Contribution

The Group's contribution to the Motor Insurers' Insolvency Compensation Fund "MIICF" for 2024 is based on 1% of its Motor Gross Written Premium from 1 January 2024 (previously 2%). Payment is expected to be made in the first half of 2025.

25 OTHER PROVISIONS (continued)

Consequential Payments

The balance of the provision of €111,000 is based on the best estimate of the Consequential Payments provision in respect of the FSPO decisions and payments are expected to be made to impacted policyholders before the end of 2025.

State Subsidies

The Group has included a provision of €5,800,000 in the financial statements in respect of its current estimate of the cost of a constructive obligation arising from the deduction of State subsidies from Business Interruption claims payments following Covid-19 closures. The best estimate of the constructive obligation is based on the current information available to the Group. Payment to the State is expected to be made in the coming year.

ESG Initiative

In 2023, the Group included a provision of €2,500,000 in the financial statements for FBD's contribution for the ESG initiative to develop the Padraig Walshe Centre for Sustainable Animal and Grassland Research. Following the approval of planning permission and the confirmation of timing and amount certainty, the liability has been reclassified to an accrual in 2024. This amount is expected to be settled in the next financial year.

(b) COMPANY

	ESG Initiative €000s	Total €000s
Balance at 1 January 2023	—	—
Provided in the year	2,500	2,500
Net amounts paid	—	—
Balance at 31 December 2023	2,500	2,500
Reclassification to accruals	(2,500)	(2,500)
Net amounts paid	—	—
Balance at 31 December 2024	**—**	**—**

ESG Initiative

In 2023, the Company included a provision of €2,500,000 in the financial statements for FBD's contribution for the ESG initiative to develop the Padraig Walshe Centre for Sustainable Animal and Grassland Research. Following the approval of planning permission and the confirmation of timing and amount certainty, the liability has been reclassified to an accrual in 2024. This amount is expected to be settled in the next financial year.

26. SUBORDINATED DEBT

	2024 €000s	2023 €000s
Balance at 1 January	**49,721**	49,662
Amortised during the year	**59**	59
Balance at 31 December	**49,780**	49,721

The amount relates to €50,000,000 Callable Dated Deferrable Subordinated Notes due in 2028. The coupon rate on the notes is 5%. Finance costs recognised in the Consolidated Income Statement total €2,556,000 in 2024 (2023: €2,559,000). Finance costs are made up of interest costs associated with the subordinated notes totalling €2,500,000 (2023: €2,500,000) which were incurred and recognised

26 SUBORDINATED DEBT (continued)

in the year, amortisation of capitalised borrowing costs in the year of €59,000 (2023: €59,000) and adjusted for accrued amounts at each year end, €nil in 2024 (2023: €nil).

27. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY

	Number	2024 €000s	2023 €000s
(i) Ordinary shares of €0.60 each			
Authorised:			
At the beginning and the end of the year	51,326,000	**30,796**	30,796
Issued and fully paid:			
At 1 January 2023	35,751,284	—	21,451
Issued during the year	269,688	—	161
At the end of the year	36,020,972	—	21,612
At 1 January 2024	36,020,972	**21,612**	—
Share cancellation	(316,200)	**(190)**	
Issued during the year	356,417	**214**	—
At the end of the year	36,061,189	**21,636**	—
(ii) 'A' Ordinary shares of €0.01 each			
Authorised:			
At the beginning and the end of the year	120,000,000	**1,200**	1,200
Issued and fully paid:			
At the beginning and the end of the year	13,169,428	**132**	132
Total – issued and fully paid		**21,768**	21,744

The 'A' ordinary shares of €0.01 each are non-voting. They are non-transferable except only to the Company. Other than a right to a return of paid up capital of €0.01 per 'A' ordinary share in the event of a winding up, the 'A' ordinary shares have no right to participate in the capital or the profits of the Company.

The holders of the two classes of non-cumulative preference shares rank ahead of the two classes of ordinary shares in the event of a winding up (see note 30). Before any dividend can be declared on the ordinary shares of €0.60 each, the dividend on the non-cumulative preference shares must firstly be declared or paid.

The number of ordinary shares of €0.60 each held as treasury shares at the beginning of the year (and the maximum number held during the year) was 164,005 (2023: 164,005). No ordinary shares were re-issued from treasury shares during the year under the FBD Performance Plan. The number of ordinary shares of €0.60 each held as treasury shares at the end of the year was 164,005 (2023: 164,005). This represented 0.5% (2023: 0.5%) of the shares of this class in issue and had a nominal value of €98,403 (2023: €98,403). There were no ordinary shares of €0.60 each purchased by the Company during the year.

The weighted average number of ordinary shares of €0.60 each in the earnings per share calculation has been reduced by the number of such shares held in treasury.

All issued shares have been fully paid.

28. CAPITAL RESERVES

(a) GROUP

	Share premium €000s	Capital conversion reserve €000s	Capital redemption reserve €000s	Share-based payment reserve €000s	Total €000s
Balance at 1 January 2023	8,209	1,627	4,426	15,930	30,192
Issue of ordinary shares[1]	3,493	—	—	(1,846)	1,647
Recognition of share-based payments	—	—	—	2,640	2,640
Balance at 31 December 2023	11,702	1,627	4,426	16,724	34,479
Issue of ordinary shares [1]	**4,526**	**—**	**—**	**(2,876)**	**1,650**
Recognition of share-based payments	**—**	**—**	**—**	**3,610**	**3,610**
Purchase and cancellation of own shares	**—**	**—**	**190**	**—**	**190**
Transfer of share-based payment reserve to retained earnings[2]	**—**	**—**	**—**	**(11,997)**	**(11,997)**
Balance at 31 December 2024	**16,228**	**1,627**	**4,616**	**5,461**	**27,932**

(b) COMPANY

	Share premium €000s	Capital conversion reserve €000s	Capital redemption reserve €000s	Share-based payment reserve €000s	Total €000s
Balance at 1 January 2023	8,209	1,627	4,426	15,930	30,192
Issue of ordinary shares[1]	3,493	—	—	(1,846)	1,647
Recognition of share-based payments	—	—	—	2,640	2,640
Balance at 31 December 2023	11,702	1,627	4,426	16,724	34,479
Issue of ordinary shares [1]	**4,526**	**—**	**—**	**(2,876)**	**1,650**
Recognition of share-based payments	**—**	**—**	**—**	**3,610**	**3,610**
Purchase and cancellation of own shares	**—**	**—**	**190**	**—**	**190**
Transfer of share-based payment reserve to retained earnings[2]	**—**	**—**	**—**	**(11,997)**	**(11,997)**
Balance at 31 December 2024	**16,228**	**1,627**	**4,616**	**5,461**	**27,932**

[1]In 2023 and 2024 new ordinary shares were allotted to employees of FBD Holdings plc as part of the performance share awards scheme.
[2] In 2024, a transfer from share-based payment reserves to retained earnings was completed of €11,997,000, representing historical awards vested in prior periods.

The capital conversion reserve arose on the redenomination of Company's ordinary shares, 14% non-cumulative preference shares and 8% non-cumulative preference shares of IR£0.50 each into ordinary shares, 14% non-cumulative preference shares and 8% non-cumulative preference shares of 63.4869 cent. Each such share was then renominalised to an ordinary or a non-cumulative preference share of €0.60, an amount equal to the reduction in the issued share capital being transferred to the capital conversion reserve fund.

Capital redemption reserve arose on the buyback and cancellation of issued share capital.

Share-based payment reserve arose on the recognition of share-based payments.

29. OTHER RESERVES

	Revaluation reserve €000s	FVOCI reserve €000s	Insurance/ Reinsurance finance reserve €000s	Total €000s
Balance at 1 January 2023	755	(69,827)	20,985	(48,087)
Other Comprehensive (expense)/income	(55)	36,219	(11,881)	24,283
Balance at 31 December 2023	700	(33,608)	9,104	(23,804)
Balance at 1 January 2024	**700**	**(33,608)**	**9,104**	**(23,804)**
Other Comprehensive income/(expense)	**3**	**16,653**	**(4,611)**	**12,045**
Balance at 31 December 2024	**703**	**(16,955)**	**4,493**	**(11,759)**

The reconciliation of cumulative amounts of the fair value reserve within Consolidated OCI, for investment assets measured at FVOCI relating to groups of contracts that the Group has applied the retrospective approach to, as at the IFRS 17 transition date, is provided in the table below.

			2024			2023
	At transition €000s	Post transition €000s	Total €000s	At transition €000s	Post transition €000s	Total €000s
Opening FVOCI reserve	**(31,412)**	**(2,196)**	**(33,608)**	(55,736)	(14,091)	(69,827)
Net movement during period	**18,392**	**34**	**18,426**	25,824	13,600	39,424
Net movement reclassified to profit or loss on disposal	**606**	**—**	**606**	1,975	(6)	1,969
Income tax relating to these items	**(2,375)**	**(4)**	**(2,379)**	(3,475)	(1,699)	(5,174)
Closing FVOCI reserve	**(14,789)**	**(2,166)**	**(16,955)**	(31,412)	(2,196)	(33,608)

30. PREFERENCE SHARE CAPITAL

	Number	**2024** €000s	2023 €000s
Authorised:			
At the beginning and the end of the year			
14% Non-cumulative preference shares of €0.60 each	1,340,000	**804**	804
8% Non-cumulative preference shares of €0.60 each	12,750,000	**7,650**	7,650
Total authorised		**8,454**	8,454
Issued and fully paid:			
At the beginning and the end of the year			
14% Non-cumulative preference shares of €0.60 each	1,340,000	**804**	804
8% Non-cumulative preference shares of €0.60 each	3,532,292	**2,119**	2,119
Total issued and fully paid		**2,923**	2,923

The rights attaching to each class of share capital are set out in the Company's Articles of Association. In the event of the Group and Company being wound up, the holders of the 14% non-cumulative preference shares rank ahead of the holders of the 8% non-cumulative preference shares, who in turn, rank ahead of the holders of both the 'A' ordinary shares of €0.01 each and the holders of the ordinary shares of €0.60 each.

31. DIVIDENDS

	2024 €000s	2023 €000s
Paid during year:		
2023 dividend of 8.4 cent (2022: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	**113**	113
2023 dividend of 4.8 cent (2022: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	**169**	169
2023 final dividend of 100.0 cent (2022: 100.0 cent) per share on ordinary shares of €0.60 each	**35,902**	35,884
2024 special dividend of 100.0 cent (2023: 100.0 cent) per share on ordinary shares of €0.60 each	**35,896**	35,860
Total dividends paid	**72,080**	72,026

	2024 €000s	2023 €000s
Proposed:		
2024 dividend of 8.4 cent (2023: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	**113**	113
2024 dividend of 4.8 cent (2023: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	**169**	169
2024 final dividend of 100.0 cent (2023: 100.0 cent) per share on ordinary shares of €0.60 each	**35,897**	35,857
Total dividends proposed	**36,179**	36,139

The proposed dividend excludes any amounts due on outstanding share awards as at 31 December 2024 that are due to vest in April 2025 and is subject to approval by shareholders at the Annual General Meeting to be held on 8 May 2025. The proposed dividend has not been included as a liability in the Consolidated Statement of Financial Position as at 31 December 2024.

32. PRINCIPAL SUBSIDIARIES

(a) Subsidiaries	Nature of Operations	% Owned
FBD Insurance plc	Regulated non-life insurance undertaking	100 %
FBD Insurance Group Limited	Regulated intermediary: general insurance, life assurance, investments and pensions	100 %
FBD Corporate Services Limited	Employee services company	100 %

The Registered Office of each of the above subsidiaries is at FBD House, Bluebell, Dublin 12.

All shareholdings are in the form of ordinary shares.

The financial year end for the Group's principal subsidiaries is 31 December.

The Group has carried out an impairment assessment of the parent company's investment in subsidiaries which indicated that no impairment of this asset was required.

FBD Holdings plc is an Irish registered public limited company. The Company's ordinary shares of €0.60 each are listed and traded on Euronext Dublin.

All individual subsidiary's financial statements are prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland with the exception of FBD Insurance plc whose financial statements are prepared in accordance with International Financial Reporting Standards ("IFRSs") adopted by the European Union.

33. CAPITAL COMMITMENTS

There are no capital commitments at the financial year end (2023: €nil).

34. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets at either 31 December 2024 or 31 December 2023.

35. SHARE-BASED PAYMENTS

FBD Group Performance Share Plan

Conditional awards of ordinary shares are made under the FBD Group Performance Share Plan ("LTIP"). The LTIP was last approved by the shareholders of FBD Holdings plc at the 2018 AGM. Conditional awards are solely based on non-market conditions. The extent to which the non-market conditions have been met and any award (or part of an award) has therefore vested will be determined in due course by the Remuneration Committee of the Board of FBD Holdings plc. Further detail on the LTIP is available within the Report on Directors' Remuneration on pages 74 to 94.

Accounting charge for share-based payments

Grant date	Number outstanding at 1 January 2024	Granted during year	Dividends	(Under)/ Outperformance	Forfeited during year	Vested during year	Number outstanding at 31 December 2024	Performance Period	Earliest vesting date
25.03.2021 LTIP	349,329	—	65,601	(58,513)	—	(356,417)	—	2021-2023	Mar-24
06.04.2022 LTIP	237,215	—	—	—	(2,676)	—	234,539	2022-2024	Mar-25
04.04.2023 LTIP	191,652	—	—	—	(3,946)	—	187,706	2023-2025	Mar-26
12.04.2024 LTIP	—	234,305	—	—	(2,565)	—	231,740	2024-2026	Mar-27
Total	**778,196**	**234,305**	**65,601**	**(58,513)**	**(9,187)**	**(356,417)**	**653,985**		

Grant date	Vesting period (years)	Number outstanding at 31 December 2024	% of shares expected to vest	Share price at grant date	Fair value of share award at grant date	2024	2023
			%	€	€	€000s	€000s
24.04.2020 LTIP	3	—	83 %	6.12	6.12	—	160
25.03.2021 LTIP	3	—	83 %	6.89	6.89	**279**	1,024
06.04.2022 LTIP	3	234,539	100 %	9.90	9.90	**1,218**	870
04.04.2023 LTIP	3	187,706	95 %	13.63	13.63	**1,347**	586
12.04.2024 LTIP	3	231,740	99 %	13.45	13.45	**766**	—
Total		**653,985**				**3,610**	2,640

During the financial year 356,417 shares of the March 2021 award vested, with a value of €4,740,346. The Directors estimate, 100% of the April 2022 awards will vest, 95% of the April 2023 awards will vest and 99% of the April 2024 awards will vest.

36. TRANSACTIONS WITH RELATED PARTIES

Farmer Business Developments plc and FBD Trust have a substantial shareholding in the Group at 31 December 2024. Details of their shareholdings are set out in the Report of the Directors on page 37.

Both companies have subordinated debt investment in the Group. Farmer Business Developments plc holds a €21.0m investment and FBD Trust holds a €12.0m investment. During 2024 interest payments

36 TRANSACTIONS WITH RELATED PARTIES (continued)

of €1.1m and €0.6m were made to Farmer Business Developments plc and FBD Trust respectively. Please refer to note 26 for further details.

At 31 December 2024 the intercompany balances (FBD Holdings plc) with other subsidiaries was a receivable of €5,162,000 (2023: receivable of €4,350,000).

For the purposes of the disclosure requirements of IAS 24, the term "key management personnel" (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises the Board of Directors and Company Secretary of FBD Holdings plc and the Group's primary subsidiary, FBD Insurance plc and the members of the Executive Management Team.

The remuneration of key management personnel ("KMP") during the year was as follows:

	2024 €000s	2023 €000s
Short term employee benefits[1]	5,641	5,077
Post-employment benefits	288	306
Share-based payments	2,052	1,436
Charge to the Consolidated Income Statement	7,981	6,819

[1] Short term benefits include fees to Non-Executive Directors, salaries and other short-term benefits to all key management personnel.

Full disclosure in relation to the 2024 and 2023 compensation entitlements and share awards of the Board of Directors is provided in the Report on Directors' Remuneration.

At 31 December 2024 KMP had loans to the value of €12,600 payable to the Group (December 2023: €16,535). KMP loans with the Group did not exceed these values at any stage during the year.

In common with all shareholders, Directors received payments/distributions related to their holdings of shares in the Company during the year, amounting in total to €221,000 (2023: €146,000).

37. FINANCIAL RISK MANAGEMENT

(a) Capital management risk

The Group is committed to managing its capital to ensure it is adequately capitalised at all times and to maximise returns to shareholders. The capital of the Group comprises of issued capital, reserves and retained earnings as detailed in notes 27 to 30. The Group has an Investment Committee, a Pricing & Underwriting Committee, a Capital Management Forum, an Audit Committee, a Reserving Committee and Board and Executive Risk Committees, all of which assist the Board in the identification and management of exposures and capital.

The Group maintained its capital position and complied with all regulatory solvency margin requirements throughout both the year 2024 and the prior year. In 2024, the Group maintained its Solvency Capital Requirement (SCR) coverage above its target range of 150-170% of SCR.

An experienced Actuarial team is in place with policies and procedures to ensure that Solvency II Technical Provisions are calculated in an appropriate manner and represent a best estimate. Technical Provisions are internally peer reviewed every quarter and subject to external peer review every two years.

An approved Reinsurance Programme is in place to minimise the solvency impact of Catastrophe events to the Group.

The annual ORSA provides a comprehensive view and understanding of the risks to which the Group is exposed or could face in the future and how they translate into capital needs or alternatively require mitigation actions.

The Group ensures that the implications on the capital position is considered as part of the strategic planning process. The capital position is also considered as part of the strategic decision process.

On at least an annual basis, a target range for its SCR Ratio, developed as part of the annual planning/ budgeting process, is approved by the Board as part of the Risk Appetite Statements in the Risk Appetite Framework.

The Group also devotes considerable resources to managing its relationships with the providers of capital within the capital markets, for example, existing and potential shareholders, financial institutions, stockbrokers and corporate finance houses.

(b) Liquidity risk

The Group is exposed to daily calls on its cash resources, mainly for claims payments. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring that the maturity profile of its financial assets is well matched to the maturity profile of its liabilities and maintaining a minimum cash amount available on short term access at all times.

The following tables provide a maturity analysis of the Group's insurance and reinsurance contracts, which reflects the dates on which the cashflows are expected to occur. Liabilities for remaining coverage measured under the PAA have been excluded from this analysis.

2024	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Gross LIC present value of future cashflows	**197,705**	**122,576**	**85,150**	**58,973**	**38,752**	**58,045**	**561,201**
Reinsurance LIC present value of future cashflows	**(26,761)**	**(11,161)**	**(8,724)**	**(6,578)**	**(4,959)**	**(14,475)**	**(72,658)**

2023	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Gross LIC present value of future cashflows	208,514	115,054	81,578	60,198	42,084	71,062	578,490
Reinsurance LIC present value of future cashflows	(36,262)	(13,276)	(11,189)	(8,036)	(5,395)	(17,410)	(91,568)

37 FINANCIAL RISK MANAGEMENT (continued)

The following tables summarise the maturity profile of financial assets and liabilities of the Group based on remaining undiscounted contractual cash flows, including interest receivable:

2024	Up to 1 year €000s	1-2 years €000s	2-3 years €000s	3-4 years €000s	4-5 years €000s	5+ years €000s	Total €000s
Cash and cash equivalents	152,320	—	—	—	—	—	152,320
Equity and debt instruments at FVTPL	80,654	—	—	—	—	52,113	132,767
Debt instruments at FVOCI	151,012	211,172	163,356	136,521	80,765	248,469	991,295
Deposits	—	—	—	—	—	—	—
Loans and other receivables	23,017	—	—	—	—	—	23,017
Other payables	43,066	—	—	—	—	—	43,066
Other provisions	14,398	—	—	—	—	—	14,398
Subordinated debt	2,500	2,500	2,500	2,500	50,000	—	60,000

2023	Up to 1 year €000s	1-2 years €000s	2-3 years €000s	3-4 years €000s	4-5 years €000s	5+ years €000s	Total €000s
Cash and cash equivalents	142,399	—	—	—	—	—	142,399
Equity and debt instruments at FVTPL	113,257	—	—	—	—	47,921	161,178
Debt instruments at FVOCI	90,819	147,730	224,171	160,665	125,548	209,771	958,704
Deposits	2,933	—	—	—	—	—	2,933
Loans and other receivables	17,786	—	—	—	—	—	17,786
Other payables	35,852	—	—	—	—	—	35,852
Other provisions	20,083	—	—	—	—	—	20,083
Subordinated debt	2,500	2,500	2,500	2,500	2,500	50,000	62,500

The tables below summarises the expected utilisation or settlement of assets and liabilities:

37 FINANCIAL RISK MANAGEMENT (continued)

	2024			2023		
	No more than 12 months €000s	More than 12 months €000s	Total €000s	No more than 12 months €000s	More than 12 months €000s	Total €000s
Financial assets:	**379,472**	**820,588**	**1,200,060**	345,903	834,176	1,180,079
Cash and cash equivalents	**152,320**	**—**	**152,320**	142,399	—	142,399
Equity and debt instruments at FVTPL	**80,654**	**52,113**	**132,767**	113,257	47,921	161,178
Debt instruments at FVOCI	**123,481**	**768,475**	**891,956**	69,734	786,255	855,989
Deposits	**—**	**—**	**—**	2,885	—	2,885
Loans and receivables	**23,017**	**—**	**23,017**	17,628	—	17,628
Reinsurance contract assets:	**24,342**	**50,754**	**75,096**	35,512	62,008	97,520
Reinsurance contract assets	**24,342**	**50,754**	**75,096**	35,512	62,008	97,520
Insurance/Reinsurance contract liabilities:	**361,639**	**406,213**	**767,852**	360,277	415,124	775,401
Insurance contract liabilities	**361,566**	**406,213**	**767,779**	359,797	415,124	774,921
Reinsurance contract liabilities	**73**	**—**	**73**	480	—	480
Financial liabilities:	**59,964**	**47,280**	**107,244**	58,435	47,221	105,656
Other payables	**43,066**	**—**	**43,066**	35,852	—	35,852
Other provisions	**14,398**	**—**	**14,398**	20,083	—	20,083
Subordinated debt	**2,500**	**47,280**	**49,780**	2,500	47,221	49,721

(c) Market risk

The Group has invested in term deposits, listed debt securities, investment property and externally managed collective investment schemes which provide exposure to a broad range of asset classes. These investments are subject to market risk, whereby the value of the investments may fluctuate as a result of changes in market prices, changes in market interest rates or changes in the foreign exchange rates of the currency in which the investments are denominated. The extent of the exposure to market risk is managed by the formulation of, and adherence to, an Investment Policy incorporating clearly defined investment limits and rules, as approved annually by the Board of Directors, and employment of appropriately qualified and experienced personnel and external investment management specialists to manage the Group's investment portfolio. The overriding philosophy of the Investment Policy is to protect and safeguard the Group's assets and to ensure its capacity to underwrite is not put at risk.

Interest rate and spread risk

Interest rate and spread risk arises primarily from the Group's investments in listed debt securities and deposits and their movement relative to the Group's liabilities. The Group reviews its exposure to interest rate and spread risk on a quarterly basis by conducting an asset liability matching analysis. As part of this analysis it monitors the movement in assets minus liabilities for defined interest rate stresses and ensures that they remain within set limits as laid out in its Asset Liability Management Policy. Similar monitoring is done for spread risk.

37 FINANCIAL RISK MANAGEMENT (continued)

At 31 December 2024, the Group held the following deposits and listed debt securities:

	2024		2023	
	Market Value	Weighted average interest rate	Market Value	Weighted average interest rate
	€000s	%	€000s	%
Time to maturity				
In one year or less	**123,481**	**1.08**	72,619	1.14
In more than one year, but not more than two years	**190,199**	**1.01**	126,160	1.07
In more than two years, but not more than three years	**158,842**	**1.12**	206,202	1.05
In more than three years, but not more than four years	**116,887**	**1.44**	152,803	1.12
In more than four years, but not more than five years	**61,799**	**1.99**	113,674	1.46
More than five years	**240,748**	**2.71**	187,416	2.22
Total	**891,956**		858,874	

Equity price risk

The Group is subject to equity price risk due to its holdings in collective investment schemes which invest in listed equities.

The amounts exposed to equity price risk at the reporting date are:

	2024	2023
	€000s	€000s
Equity exposure	**33,840**	47,982

Foreign currency risk

The Group does not directly hold investment assets in foreign currencies; however, it does have exposure to non-euro exchange rate fluctuations through its collective investment scheme holdings. The underlying exposure to foreign currency is as follows.

Assets	**2024**	2023
	€000s	€000s
Emerging Markets*	**12,169**	15,585
USD	**50,964**	46,792

*The Emerging Markets currency exposure is achieved through the collective investment schemes and is highly diversified. The largest exposure to any one currency as at 31 December 2024 was €1.3m in Hong Kong Dollars (2023: €1.7m in Hong Kong Dollars)

The Group did not directly hold any derivative instruments at 31 December 2024 or 31 December 2023.

(d) Credit risk

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations.

Financial assets are graded according to current credit ratings issued by the main credit rating agencies. Investment grade financial assets are classified within the range of AAA to BBB ratings. Financial assets which fall outside this range are classified as speculative grade. All of the Group's bank deposits are with financial institutions which have a minimum A- rating. The Group holds the

37 FINANCIAL RISK MANAGEMENT (continued)

following listed government bonds (average credit rating: A) and listed corporate bonds (average credit rating: A-), with the following credit profile:

	2024		2023	
	Market Value €000s	Weighted Average Duration	Market value €000s	Weighted Average Duration
Government bonds				
AAA	—	0.0	15,489	—
AA+	26,701	1.3	25,975	2.3
AA	11,139	7.0	50,969	3.2
AA-	72,605	3.0	51,386	4.5
A-	43,773	3.6	43,549	0.0
BBB+	65,628	2.4	64,705	3.3
BBB	—	0.0	—	—
BBB-	29,706	1.9	29,009	2.8
Total	249,552	2.8	281,082	3.3
Corporate Bonds				
AAA	16,352	6.0	14,852	5.7
AA+	8,804	3.6	8,684	4.5
AA	10,050	4.1	8,391	5.1
AA-	47,452	4.6	41,358	4.9
A+	88,651	3.5	90,527	4.1
A	70,503	3.4	55,764	3.0
A-	152,782	3.1	132,116	3.7
BBB+	164,631	3.3	119,510	3.4
BBB	69,806	2.2	74,035	2.6
BBB-	13,373	1.1	29,670	1.6
Total	642,404	3.3	574,907	3.6

The Group's IFRS 9 policy does not require calculation of an ECL for 'Cash and cash equivalents' and 'Deposits' due to their low risk of default and low risk profile.

All of the Group's current reinsurers either have a credit rating of A- or better. The Group has assessed these credit ratings as being satisfactory in diminishing the Group's exposure to the credit risk of its reinsurance receivables. At 31 December 2024, the maximum balance owed to the Group by an individual reinsurer, including reinsurers' share of insurance contract liabilities not yet called, was €7,316,000 (2023: €12,685,000).

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's most significant exposure to credit risk. There are no financial assets past due but not impaired.

All other receivables are due within one year and none are past due. The carrying value is net of any allowance for expected credit losses (ECL).

Impairment assessment

Debt instruments at FVOCI

The Group monitors FVOCI investments in order to determine whether an investment is subject to 12 month ECL (12-month ECL) or Lifetime ECL (LTECL).

At initial recognition, a debt instrument is considered at stage 1 and a loss allowance must be made immediately by recognising the 12-month ECL. The 12-month ECL is the expected credit loss that would result from a default event occurring within the next 12 months.

37 FINANCIAL RISK MANAGEMENT (continued)

An increase in credit risk is assessed by a significant increase in the probability of default of a bond, taking into account reasonable and supportable information including forward-looking data. The credit risk is always considered as significantly increased if any contractual payments are more than 30 days past due. In case of a significant increase in credit risk (stage 2), the loss has to reflect the lifetime ECL which are the probability-weighted credit losses occurring over the entire lifetime of the bond.

If the bond is more than 90 days past due or if there is other evidence of financial distress (for example, a legal bankruptcy or default), the instrument is classified as credit-impaired (stage 3) which means the impairment loss has to reflect the lifetime ECL as in stage 2.

All investments are high grade and the ECL applied is the 12-month ECL, as there has been no significant increase in risk in any of the periods.

The ECL for FVOCI debt securities does not change the carrying value of these investments in the Statement of Financial Position, the loss allowance is instead recognised in the Consolidated Income Statement with corresponding credit to Other Comprehensive Income.

The table below shows an analysis of changes in the fair value of FVOCI investments and the corresponding ECL:

	Carrying Value			Related 12m ECL		
	Government Bonds €000s	Corporate Bonds €000s	Total €000s	Government Bonds €000s	Corporate Bonds €000s	Total €000s
Balance at 1 January 2024	**281,082**	**574,907**	**855,989**	**(253)**	**(259)**	**(512)**
Originated or purchased	**—**	**126,185**	**126,185**	**(5)**	**(29)**	**(34)**
Matured or sold	**(20,000)**	**(87,791)**	**(107,791)**	**3**	**51**	**54**
Remeasurement	**(11,530)**	**29,103**	**17,573**	**(13)**	**(12)**	**(25)**
Balance at 31 December 2024	**249,552**	**642,404**	**891,956**	**(268)**	**(249)**	**(517)**
Balance at 1 January 2023	271,012	562,853	833,865	(201)	(802)	(1,003)
Originated or purchased	28,321	107,051	135,372	(4)	(20)	(24)
Matured or sold	(29,000)	(122,277)	(151,277)	9	320	329
Remeasurement	10,749	27,280	38,029	(57)	243	186
Balance at 31 December 2023	281,082	574,907	855,989	(253)	(259)	(512)

Other receivables and loans

The Group recognises a loss allowance for expected credit losses that reduces the carrying value of the Other receivables and Loans. Expected credit losses is a forward looking measure of impairment calculated on a probability of credit losses basis. An ECL of €53,000 (2023: €142,000) has reduced the carrying value of Other receivables and an ECL of €8,000 (2023: €16,000), has reduced the carrying value of Loans. The Group has availed of the low credit risk exemption outlined in IFRS 9 and applied this to particular assets included within 'Other receivables'.

(e) Concentration risk

Concentration risk is the risk of loss due to over allocation on a singular investment or category of business. The main concentration risks to which the Group is exposed, and how they are mitigated, are as follows:

- Exposure to a single country, counterparty or security as part of its sovereign or corporate bond portfolio. The Group mitigates this risk by placing limits on these exposures with its investment managers which are continuously monitored.
- Exposure to a single counterparty as part of its cash and deposit holdings. The Group mitigates this risk by placing limits on its total exposures to banking counterparties as set out in the Group's Investment Policy, which is approved annually by the Board of Directors.

37 FINANCIAL RISK MANAGEMENT (continued)

- While all of the Group's underwriting business is conducted in Ireland, with a significant focus on the farm-sector, it is spread over a wide geographical area with no concentration in any one county or region. The resultant concentration risk from adverse weather events, i.e. floods, storms or freezes in Ireland, are mitigated by a flood mapping solution and an appropriate reinsurance strategy.

Receivables have no significant concentration of risk.

(f) Sensitivity analysis

The below sensitivity analysis shows the impact on gross and net liabilities, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have an effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis.

(i) Underwriting risk

Underwriting risk is the risk that underwritten business is less profitable than planned due to insufficient pricing and setting of claims case reserves as a result of higher than expected claims frequency, higher average cost of claims and catastrophic claims. The Group manages this risk through its underwriting strategy, proactive claims handling and its reinsurance arrangements. The Group underwriting strategy is incorporated in the overall corporate strategy and all risks underwritten are within the Group's underwriting policies. The Group uses statistical and actuarial methods to calculate the quantum of claims provisions and the case reserve estimates are subject to robust controls. The Group purchases reinsurance protection to limit its exposure to single claims and the aggregation of claims from catastrophic events.

The following table presents information on how reasonably possible changes in assumptions by the Group with regard to underwriting risk variables impact on insurance liabilities, profit before tax and equity before and after risk mitigation by reinsurance contracts held. As these contracts are measured under the PAA, only the LIC component of insurance liabilities is impacted.

				2024				2023
	LIC as at 31/12 €000s	Impact on LIC €000s	Impact on Profit before tax €000s	Impact on Equity €000s	LIC as at 31/12 €000s	Impact on LIC €000s	Impact on Profit before tax €000s	Impact on Equity €000s
Insurance contract liabilities	**627,149**	**—**	**—**	**—**	647,950	—	—	—
Net reinsurance contract assets	**(79,437)**	**—**	**—**	**—**	(101,015)	—	—	—
Net insurance contract liabilities	**547,712**	**—**	**—**	**—**	546,935	—	—	—
Unpaid claims and expenses: +10%								
Insurance contract liabilities	**—**	**62,715**	**(63,431)**	**(54,876)**	—	64,795	(66,131)	(56,696)
Reinsurance contract assets	**—**	**(7,944)**	**8,146**	**6,951**	—	(10,101)	10,397	8,838
Net insurance contract liabilities	**—**	**54,771**	**(55,285)**	**(47,925)**	—	54,694	(55,734)	(47,858)

37 FINANCIAL RISK MANAGEMENT (continued)

(ii) Interest rate

The following table discloses an analysis of how a possible shift in market interest rates of +/- 100bps might impact the insurance contract liabilities (LIC), investment assets at FVOCI, profit before tax and equity.

	2024 €000s	2023 €000s
Gross insurance liabilities[1]	**(561,201)**	(578,490)
Reinsurance assets[1]	**72,658**	91,568
Net insurance liabilities	**(488,543)**	(486,922)
Investment assets classified as FVOCI[2]	**891,956**	855,989
+100bps in interest rate		
Impact on:		
Gross insurance liabilities	**11,710**	12,562
Reinsurance assets	**(1,993)**	(2,457)
Net insurance liabilities	**9,717**	10,105
Investment assets classified as FVOCI	**(33,374)**	(33,825)
Profit before tax[3]	**—**	—
Decrease in equity	**(20,700)**	(20,755)
-100bps in interest rate		
Impact on:		
Gross insurance liabilities	**(12,339)**	(13,264)
Reinsurance assets	**2,140**	2,641
Net insurance liabilities	**(10,199)**	(10,623)
Investment assets classified as FVOCI	**35,590**	36,078
Profit before tax[3]	**—**	—
Increase in Equity	**22,217**	22,272

[1] Gross liabilities and reinsurance assets excludes the risk adjustment, as this is not sensitive to interest rate movements, as it reflects uncertainty relating to non-financial risks.
[2] (Re) insurance contract assets and liabilities are backed by cash and fixed interest securities of low risk and similar duration. All of the Group's fixed interest securities are classified as FVOCI. 'Cash and cash equivalents' are not included in the stress test, due to their short term maturity.
[3] A change in the interest rate impacts the LIC, however this impact will be in the Consolidated OCI with no impact on profit before tax as the Consolidated Income Statement is based on initial rate which remains unchanged in these scenarios. Similarly any change in interest rate will impact the FVOCI investments, however will have no impact on profit before tax, instead the impact will go through Consolidated OCI.

(iii) Other sensitivities

The table below identifies the Group's other key sensitivity factors. For each sensitivity test, the impact of a change in a single factor is shown, with other assumptions left unchanged.

Sensitivity factor	Description of sensitivity factor applied
Interest rate and investment return	The impact of a change in the market interest rate by an increase of 1% or a decrease of 0.25%. For example if a current interest rate is 2%, the impact of an immediate change to 3% and 1.75%.
Exchange rates movement	The impact of a change in foreign exchange rates by ± 10%.
Equity market values	The impact of a change in equity market values by ±10%.
FVOCI investments	The impact of a change in bond market valuations by ±5%.
Level 3 - investment property	The impact of a change in market rents ±10%.
Level 3 - investment property	The impact of a change in capitalisation yield ± 0.5%.
Level 3 - property held for own use	The impact of a change in market rents ±10%.
Level 3 - property held for own use	The impact of a change in capitalisation yield ± 0.5%.
Level 3 - other investments	The impact of a change in valuations by ±10%.

37 FINANCIAL RISK MANAGEMENT (continued)

The pre-taxation impacts on shareholders' equity at 31 December 2024 and at 31 December 2023 of each of the sensitivity factors outlined above are as follows:

		2024 €000s	2023 €000s
Interest rates	1%	**(37,566)**	(36,172)
Interest rates	(0.25%)	**9,957**	9,704
FX rates	10%	**6,313**	6,238
FX rates	(10%)	**(6,313)**	(6,238)
Equity	10%	**3,384**	4,798
Equity	(10%)	**(3,384)**	(4,798)
FVOCI investments	5%	**44,598**	42,799
FVOCI investments	(5%)	**(44,598)**	(42,799)
Level 3 - investment property - Market Rent (note 14(b))	10%	**1,400**	1,400
Level 3 - investment property - Market Rent (note 14(b))	(10%)	**(1,300)**	(1,500)
Level 3 - investment property - Capitalisation yield (note 14(b))	0.5%	**(800)**	(900)
Level 3 - investment property - Capitalisation yield (note 14(b))	(0.5%)	**900**	1,000
Level 3 - property held for own use - Market Rent (note 14(b))	10%	**1,171**	1,171
Level 3 - property held for own use - Market Rent (note 14(b))	(10%)	**(1,285)**	(1,285)
Level 3 - property held for own use - Capitalisation yield (note 14(b))	0.5%	**(898)**	(898)
Level 3 - property held for own use - Capitalisation yield (note 14(b))	(0.5%)	**830**	830
Level 3 - other investments (note 14(b))	10%	**5,211**	4,792
Level 3 - other investments (note 14(b))	(10%)	**(5,211)**	(4,792)

Limitations of sensitivity analysis

The above tables demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results. The sensitivity analysis does not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk. They represent the Group's view of possible near-term market changes that cannot be predicted with any certainty and assume that all interest rates move in an identical fashion.

37 FINANCIAL RISK MANAGEMENT (continued)

(g) Insurance risk

Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a gross of reinsurance basis as at 31 December 2024.

Accident year	2015 €000s	2016 €000s	2017 €000s	2018 €000s	2019 €000s	2020 €000s	2021 €000s	2022 €000s	2023 €000s	2024 €000s	Total €000s
Estimate of ultimate claims cost[1]:											
At end of accident year	288,726	240,975	230,576	234,845	201,745	359,901	222,509	221,145	232,557	**260,840**	
One year later	294,585	226,231	213,798	224,166	196,579	367,152	206,018	218,012	229,353	—	
Two years later	314,664	214,276	199,484	213,477	172,845	339,236	217,002	204,142	—	—	
Three years later	309,541	203,629	198,514	206,541	166,682	272,551	213,748	—	—	—	
Four years later	285,638	196,351	195,149	199,397	165,953	259,347	—	—	—	—	
Five years later	281,297	195,903	188,663	190,234	162,782	—	—	—	—	—	
Six years later	280,966	194,234	184,488	188,081	—	—	—	—	—	—	
Seven years later	272,936	192,396	180,942	—	—	—	—	—	—	—	
Eight years later	264,616	187,982	—	—	—	—	—	—	—	—	
Nine years later	262,587	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	262,587	187,982	180,942	188,081	162,782	259,347	213,748	204,142	229,353	**260,840**	
Cumulative payments[2]	(249,517)	(176,080)	(160,824)	(162,306)	(128,942)	(199,461)	(132,891)	(131,672)	(138,414)	**(105,252)**	
Claims outstanding at 31.12.24	13,070	11,902	20,118	25,775	33,840	59,886	80,857	72,470	90,939	**155,588**	564,445
Gross cumulative claims outstanding - prior accident years											**28,196**
Effect of discounting											**(31,440)**
Effect of the risk adjustment for non-financial risk											**65,948**
Gross LIC											**627,149**

1 Ultimate claims are gross of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.
2 Cumulative payments relate to gross claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

Net claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a net of reinsurance basis as at 31 December 2024.

Accident year	2015 €000s	2016 €000s	2017 €000s	2018 €000s	2019 €000s	2020 €000s	2021 €000s	2022 €000s	2023 €000s	**2024 €000s**	**Total €000s**
Estimate of ultimate claims cost[1]:											
At end of accident year	258,197	214,776	201,561	214,844	190,529	257,995	185,527	161,029	216,802	**249,867**	
One year later	264,220	210,223	193,783	208,259	184,032	242,582	173,277	159,886	218,527	—	
Two years later	275,233	199,853	184,032	200,375	165,425	269,395	176,360	150,538	—	—	
Three years later	270,024	188,762	181,921	198,901	161,579	246,190	174,812	—	—	—	
Four years later	261,250	185,533	180,856	190,299	159,983	240,418	—	—	—	—	
Five years later	258,388	185,023	176,175	183,676	158,102	—	—	—	—	—	
Six years later	258,910	183,706	171,967	181,908	—	—	—	—	—	—	
Seven years later	253,731	181,877	169,228	—	—	—	—	—	—	—	
Eight years later	245,803	178,097	—	—	—	—	—	—	—	—	
Nine years later	244,457	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	244,457	178,097	169,228	181,908	158,102	240,418	174,812	150,538	218,527	**249,867**	
Cumulative payments[2]	(231,610)	(166,511)	(154,449)	(158,907)	(129,148)	(198,250)	(114,256)	(87,467)	(134,674)	**(104,745)**	
Claims outstanding at 31.12.24	12,847	11,586	14,779	23,001	28,954	42,168	60,556	63,071	83,853	**145,122**	**485,937**
Net cumulative claims outstanding - prior accident years											**28,412**
Effect of discounting											**(25,806)**
Effect of the risk adjustment for non-financial risk											**59,169**
Net LIC											**547,712**

1 Ultimate claims are net of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.
2 Cumulative payments relate to net claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

(g) Insurance risk

Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a gross of reinsurance basis as at 31 December 2023.

Accident year	2014 €000s	2015 €000s	2016 €000s	2017 €000s	2018 €000s	2019 €000s	2020 €000s	2021 €000s	2022 €000s	2023 €000s	Total €000s
Estimate of ultimate claims cost[1]:											
At end of accident year	302,693	288,726	240,975	230,576	234,845	201,745	359,901	222,509	221,145	232,557	
One year later	335,089	294,585	226,231	213,798	224,166	196,579	367,152	206,018	218,012	—	
Two years later	339,918	314,664	214,276	199,484	213,477	172,845	339,236	217,002	—	—	
Three years later	332,618	309,541	203,629	198,514	206,541	166,682	272,551	—	—	—	
Four years later	328,782	285,638	196,351	195,149	199,397	165,953	—	—	—	—	
Five years later	323,646	281,297	195,903	188,663	190,234	—	—	—	—	—	
Six years later	322,351	280,966	194,234	184,488	—	—	—	—	—	—	
Seven years later	319,866	272,936	192,396	—	—	—	—	—	—	—	
Eight years later	318,453	264,616	—	—	—	—	—	—	—	—	
Nine years later	316,532	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	316,532	264,616	192,396	184,488	190,234	165,953	272,551	217,002	218,012	232,557	
Cumulative payments[2]	(302,125)	(241,503)	(171,436)	(156,247)	(155,552)	(119,200)	(183,053)	(121,640)	(120,286)	(94,241)	
Claims outstanding at 31.12.23	14,407	23,113	20,960	28,241	34,682	46,753	89,498	95,362	97,726	138,316	589,058
Gross cumulative claims outstanding - prior accident years											26,122
Effect of discounting											(36,690)
Effect of the risk adjustment for non-financial risk											69,460
Gross LIC											647,950

1 Ultimate claims are gross of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.
2 Cumulative payments relate to gross claims and other directly attributable expenses relating to claims management paid.

37 FINANCIAL RISK MANAGEMENT (continued)

Net claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the claims development disclosures below on a net of reinsurance basis as at 31 December 2023.

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s	€000s
Estimate of ultimate claims cost[1]:											
At end of accident year	254,902	258,197	214,776	201,561	214,844	190,529	257,995	185,527	161,029	216,802	
One year later	289,202	264,220	210,223	193,783	208,259	184,032	242,582	173,277	159,886	—	
Two years later	293,354	275,233	199,853	184,032	200,375	165,425	269,395	176,360	—	—	
Three years later	291,760	270,024	188,762	181,921	198,901	161,579	246,190	—	—	—	
Four years later	288,785	261,250	185,533	180,856	190,299	159,983	—	—	—	—	
Five years later	283,207	258,388	185,023	176,175	183,676	—	—	—	—	—	
Six years later	281,421	258,910	183,706	171,967	—	—	—	—	—	—	
Seven years later	278,896	253,731	181,877	—	—	—	—	—	—	—	
Eight years later	278,048	245,803	—	—	—	—	—	—	—	—	
Nine years later	276,370	—	—	—	—	—	—	—	—	—	
Ten years later											
Estimate of cumulative claims	276,370	245,803	181,877	171,967	183,676	159,983	246,190	176,360	159,886	216,802	
Cumulative payments[2]	(262,709)	(225,288)	(161,868)	(150,112)	(152,245)	(119,407)	(183,061)	(103,022)	(76,230)	(92,707)	
Claims outstanding at 31.12.23	13,661	20,515	20,009	21,855	31,431	40,576	63,129	73,338	83,656	124,095	492,265
Net cumulative claims outstanding - prior accident years											23,981
Effect of discounting											(29,325)
Effect of the risk adjustment for non-financial risk											60,014
Net LIC											546,935

1 Ultimate claims are net of reinsurance, undiscounted, inclusive of other directly attributable expenses relating to claims management.
2 Cumulative payments relate to net claims and other directly attributable expenses relating to claims management paid.

38. SUBSEQUENT EVENTS

On 24 January 2025, Storm Éowyn occurred, marking the most significant storm event in FBD's history. This followed a period of extreme cold weather earlier in the month, which resulted in substantial snow-related damage.

While the total number and gross cost of claims related to these weather events remain uncertain at this stage, FBD's reinsurance programme provides coverage for extreme events, mitigating the financial impact. As a result, the estimated net cost to FBD, including the reinstatement premium, is currently expected to be approximately €30 million.

As these events occurred after the reporting date, they are non-adjusting events under IAS 10 Events after the Reporting Period, and no adjustments have been made to the financial statements in respect of these weather events.

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

Other Information

ALTERNATIVE PERFORMANCE MEASURES (APMs) (UNAUDITED)

The Group uses the following alternative performance measures: Loss ratio, undiscounted loss ratio, expense ratio, combined operating ratio, undiscounted combined operating ratio, actual investment return ratio, net asset value per share, return on equity, underwriting result and gross written premium. APMs are supplementary and not a substitute for measures defined in IFRS. All APMs refer to past events and do not represent forecasted measures.

The calculation of the APM's is based on the following data:

Loss ratio

The loss ratio measures the claims incurred net of reinsurance result as a percentage of insurance revenue. It serves as a core indicator of underwriting performance. It helps investors understand the profitability of the Group's core underwriting business. It is a consistent metric across the industry, making it a reliable comparison for performance. The loss ratio is used to evaluate profitability of the Insurance business.

Formula: Loss Ratio = Total claims incurred and movement in other provision charges / Insurance revenue × 100

Components:

- Total claims incurred and movement in other provision charges: Represents the total financial impact recognised during the reporting period due to policyholder claims, related provisions, and associated movements in the insurer's financial obligations. This metric provides a comprehensive view of the company's claims-related expenses and adjustments affecting its liability position.

The component above includes:

- Incurred claims and other expenses: This includes claims paid during the reporting period and changes in the insurer's best estimate of outstanding claims liabilities. It captures the direct cost of claims (e.g., benefits to policyholders) and associated expenses such as claims handling costs.
- Change that relate to past service (Changes in fulfilment cash flows (FCF) relating to the liability for incurred claims (LIC)): This component reflects adjustments in the present value of future cash flows (fulfilment cash flows) tied to claims already incurred but not yet settled. Changes arise from updated assumptions, experience adjustments, or interest accretion on LIC.
- Net expense from reinsurance contracts held: This represents the net impact of reinsurance recoveries and premiums ceded to reinsurers on claims liabilities. It accounts for the reinsurer's share of claims incurred, offset by the reinsurance premiums paid, and any changes in the value of reinsurance assets or liabilities.
- Movement in other provision charges: This term refers to changes in the Group's liabilities related to insurance contracts not already included in the Insurance Service Result.
- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest earned on Instalment premiums.

	Note	2024 €000s	2023 €000s
Calculation:			
Incurred claims and other expenses	16	**266,747**	238,133
Changes that relate to past service – changes in FCF relating to the LIC	16	**(72,928)**	(103,990)
Net expense from reinsurance contracts held	4(a)	**51,453**	64,666
Movement in other provision charges[1]	25	**6,695**	15,831
Total claims incurred and movement in other provision charges		**251,967**	214,640
[1] *ESG initiative has been excluded as not insurance related*			
Insurance revenue	4(a)	**441,005**	401,026
Loss ratio		**57.1 %**	53.5 %

Undiscounted loss ratio

The undiscounted loss ratio is a measure of underwriting performance, as it calculates the ratio of claims incurred net of reinsurance to reinsurance revenue without discounting for the time value of money. Discounting has been determined in accordance with accounting policy 3 (E). This ratio provides a straightforward view of claims incurred relative to insurance revenue, offering a conservative measure that eliminates the assumptions involved in discounting liabilities and assets. Investors find this metric useful for evaluating short-term cash flow sufficiency and claims management. This APM is valuable when comparing different discounting practices and helps ensure transparency regarding claim liabilities.

Formula: Undiscounted Loss Ratio = Undiscounted total claims incurred and movement in other provision charges / Insurance revenue x 100

Components:

- Undiscounted total claims incurred and movement in other provision charges: See definition for Total Claims Incurred and movement in the other provisions above, without any adjustments for future liability discounting.
- Insurance revenue: See above.

	Note	2024 €000s	2023 €000s
Calculation:			
Incurred claims and other expenses[2]		**276,298**	247,340
Changes that relate to past service – changes in FCF relating to the LIC[2]		**(74,072)**	(101,455)
Net expense from reinsurance contracts held[2]		**51,031**	62,359
Movement in other provision charges[1]	25	**6,695**	15,831
Total claims incurred and movement in other provision charges		**259,952**	224,075
[1] *ESG initiative has been excluded as not insurance related* [2] *These items cannot be reconciled to the Financial Statements and therefore we have shown below how the non-directly extractable figures are calculated:* *The difference between the undiscounted loss ratio and loss ratio is the effect of discounting only. Discounting involves applying payment patterns to the estimates of future cashflows related to incurred claims and adjusted using the current discount rates to reflect the times value of money and the financial risks related to those cashflows to the extent not included in the estimates of cashflows. Discounting has been determined in accordance with accounting policy 3 (E).*			
Insurance revenue	4(a)	**441,005**	401,026
Undiscounted loss ratio		**58.9 %**	55.9 %

Expense ratio

The expense ratio represents the proportion of insurance revenue allocated to cover the Group's underwriting expenses, including both acquisition and administrative costs. It is calculated by dividing the sum of amortisation of insurance acquisition cash flow and non-attributable expenses by the insurance revenue. This ratio indicates the percentage of income generated from insurance operations that is utilised for acquiring new or renewing business and managing the Group's administrative functions. The expense ratio reflects the Group's efficiency in managing operational and acquisition-related costs relative to its insurance revenue. A lower ratio signifies better cost control and operational efficiency, which is key for profitability. This APM is widely adopted across the insurance industry. It helps stakeholders understand how effectively the Group manages its cost base, allowing for comparisons with other insurers.

Formula: Expense ratio = Amortisation of insurance cash flow and non-attributable expenses / Insurance revenue x 100

Components:

- Non-attributable expenses: Costs incurred in managing the business, excluding claims costs.
- Amortisation of insurance cash flow: Expenses associated with acquiring new policies, including commissions paid to intermediaries and marketing expenses.
- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest on Instalment premiums.

	Note	2024 €000s	2023 €000s
Calculation:			
Amortisation of insurance acquisition cash flow	4(c)	**84,633**	75,909
Non-attributable expenses	4(c)	**37,804**	34,018
Total insurance acquisition and non-attributable expenses	4(c)	**122,437**	109,927
Insurance revenue	4(a)	**441,005**	401,026
Expense ratio		**27.8 %**	27.4 %

Combined operating ratio

The combined operating ratio (COR) is a comprehensive measure of underwriting performance, calculated as the sum of the loss ratio and the expense ratio. It assesses the profitability of core insurance operations before considering investment returns. COR provides an overall view of the Group's underwriting and operational performance. A COR below 100% indicates underwriting profitability, while a ratio above 100% indicates underwriting losses. It is highly reliable due to its broad industry use and comparability across companies. The COR is a key indicator for investors and stakeholders to assess the sustainability and profitability of the Group's insurance operations.

Formula: Combined operating ratio = Loss ratio + Expense ratio

Components:

- The definitions of the components of the loss ratio and expense ratio can be found above.

	Note	2024 €000s	2023 €000s
Calculation:			
Loss ratio		**57.1 %**	53.5 %
Expense ratio		**27.8 %**	27.4 %
Combined operating ratio		**84.9 %**	80.9 %

Undiscounted combined operating ratio

The undiscounted combined operating ratio (UCOR) is the combined operating ratio calculated without discounting future claim liabilities. The UCOR eliminates the potential distortions of discounting, providing a more conservative view of the Group's performance. It is highly reliable in assessing short-term operational risks and provides a clearer picture of profitability. Investors who prioritise transparency around future liabilities find this metric particularly valuable for assessing the Group's financial health in the absence of discounting assumptions.

Formula: Undiscounted Combined operating ratio = Undiscounted loss ratio + Expense ratio

Components:

- The definitions of the components of the undiscounted loss ratio and expense ratio can be found above.

	Note	**2024** €000s	2023 €000s
Calculation:			
Undiscounted loss ratio		**58.9 %**	55.9 %
Expense ratio		**27.8 %**	27.4 %
Undiscounted combined operating ratio		**86.7 %**	83.3 %

Actual investment return ratio

Actual investment return ratio measures the profitability of the Company's investment portfolio, expressed as a percentage of the average invested assets over the reporting period. Investment performance is a key driver of profitability for insurance companies, especially given the duration of liabilities. This measure provides a clear understanding of how well the Company is managing its investment portfolio. Actual investment return ratio is useful for assessing the effectiveness of the Company's investment strategy.

Formula: Actual investment return ratio = Actual investment return / Average investment assets

Components:

- Investment return: Total income generated from investments, including interest, dividends, and capital gains.
- Average invested assets: The average value of assets allocated to investments over the reporting period.

	Note	**2024** €000s	2023 €000s
Calculation:			
Investment return recognised in Consolidated Income Statement	5	**26,087**	19,094
Investment return recognised in Statement of comprehensive income	5	**19,031**	41,392
Actual investment return		**45,118**	60,486
Average investment assets[1]		**1,145,451**	1,137,746
Actual investment return ratio		**4.0 %**	5.3 %

[1]This item cannot be reconciled to the Financial Statements and therefore we have shown below how the non-directly extractable figures are calculated:

The group keeps records of its investment asset values at the end of each day. If these values fluctuate daily, the sum of all daily values is computed over the course of the year. Once all daily values are summed, the total is divided by 365 to get the average investment assets. Calculating average investment assets on a daily basis provides a more precise and smooth reflection of the assets under management, particularly when asset values fluctuate frequently due to market movements or portfolio adjustments. This method ensures that daily variations are factored into the calculation of the actual investment return, giving a more accurate measure of performance over the year

Net asset value per share (NAV per share)

NAV per share represents the Group's total net assets (equity) divided by the number of outstanding shares at the reporting date, excluding treasury shares. It indicates the intrinsic value of each share based on the Group's financial position. NAV per share is widely used in the insurance industry as a measure of shareholder value. It offers a reliable indication of the Group's equity on a per-share basis, which is crucial for assessing intrinsic value. NAV per share is an important metric for investors to compare the Group's market value to its book value.

Formula: Net asset value per share = Shareholders' funds - equity interests / Closing number of ordinary shares

Components:

- Shareholders' funds - equity interests: Total assets minus liabilities (equity).
- Closing number of ordinary shares: The number of ordinary shares held by shareholders at the reporting date, excluding treasury shares.

	Note	2024 €000s	2023 €000s
Calculation:			
Shareholders' funds – equity interests		**483,204**	477,036
Number of shares		**No.**	**No.**
Closing number of ordinary shares (excluding Treasury)	27	**35,897,184**	35,856,967
		Cent	**Cent**
Net asset value per share		**1,346**	**1,330**

Return on Equity

Return on Equity (ROE) measures the Group's profitability relative to shareholders' equity, indicating how effectively the Group is utilising shareholder capital to generate profits. ROE is a highly reliable measure of management's effectiveness in using equity to generate returns. It is widely used in the industry to gauge profitability and investment attractiveness. ROE is important for investors who want to assess how efficiently the Group is using its capital to generate profits.

Formula: ROE = Result for the period / Average equity attributable to ordinary shareholders

Components:

- Result for the period: Profit or loss earned by the Group after taxes and other deductions.
- Average equity attributable to ordinary shareholders: The average equity held by shareholders over the reporting period.

	Note	2024 €000s	2023 €000s
Calculation:			
Average equity attributable to ordinary shareholders[1]		**480,120**	465,521
Result for the period		**67,205**	69,541
Return on Equity		**14 %**	15 %

[1] *Average equity is calculated as the opening equity plus closing equity attributable to ordinary shareholders divided by two.*

Underwriting result

The underwriting result reflects the profitability of the Group's core insurance operations, calculated as the difference between the Insurance Service Result and the total of Non-attributable Expenses and Movement in Other Insurance-Related Provisions. The underwriting result is a critical indicator of the Group's ability to price risks effectively and manage its core insurance operations profitably. This APM is vital for assessing the Group's performance in its primary insurance business, giving stakeholders a clear view of how profitable the Group is in its core operations.

Formula: Underwriting result = Insurance service result - Non-attributable expenses - Movement in other provision charges

Components:

- Insurance service result: This represents the profitability of the insurance contracts issued by the Group. It is the net outcome of insurance revenue minus incurred claims and insurance service expenses related to fulfilling those contracts. This result excludes the impact of investment income and reflects the financial performance of core underwriting and claims management activities.
- Non-attributable expenses: Non-attributable expenses refer to costs that cannot be directly linked to specific insurance activities or contracts. These expenses typically encompass general administrative or corporate costs that support the overall operation of the business but do not relate to the underwriting or servicing of individual policies.
- Movement in other provisions charges: This term refers to changes in the Group's liabilities related to insurance contracts not already included in the Insurance Service Result.

	Note	2024 €000s	2023 €000s
Calculation:			
Insurance service result	4(a)	**111,100**	126,308
Non-attributable expenses	4(c)	**(37,804)**	(34,018)
Movement in other provisions[1]	25	**(6,695)**	(15,831)
Underwriting result		**66,601**	76,459

[1] ESG initiative has been excluded as not insurance related

Gross written premium

Gross Written Premium (GWP) refers to the total amount of premiums due from policyholders for insurance contracts written during a specific period, before any deductions for reinsurance. GWP includes all premiums related to insurance coverage, whether received upfront or to be received in the future. GWP is a reliable measure of the Group's revenue-generating capacity and growth potential in the insurance market. It reflects the demand for the Group's products and services. GWP remains a key metric used to assess the growth and scale of an insurer's business, providing insight into the demand for insurance products.

Formula: Gross written premium = Insurance revenue - Instalment premium + Movement in unearned premium

Components:

- Insurance revenue: Premiums written during the period, adjusted for changes in unearned premium reserves and interest on Instalment premiums.
- Instalment premium: When the policyholder opts to pay in instalments (e.g. monthly or quarterly), rather than as a lump-sum upfront annual payment, the Group charges interest on these payments to compensate for the delayed receipt of the full premium. The instalment premium is the interest earned by the insurer over the course of the payment period, and is included in Insurance revenue.
- Movement in unearned premium: This term refers to the change in the balance of unearned premium liabilities from one reporting period to the next. Where period covered is different to the financial period, there will be a balance in the unearned premium liability at the financial year end. Unearned premiums represent the portion of premiums that have been received but not yet recognised as revenue because the corresponding insurance coverage has not yet been provided. Under IFRS 17, these premiums are deferred and recognised as insurance revenue over time as the insurance coverage is delivered.

	Note	2024 €000s	2023 €000s
Calculation:			
Insurance revenue	4(a)	**441,005**	401,026*
Less: Instalment premium[1]		**(5,014)**	(4,430)
Add: Movement in unearned premium[1]		**24,228**	16,997
Gross written premium		**460,219**	413,593

[1] These items cannot be reconciled to the Financial Statements and therefore we have shown below how the non-directly extractable figures are calculated:

- *Instalment premium: The interest earned as policyholders make instalment payments. Each instalment payment consists of both the gross written premium and an interest component, with the interest reflecting the time value of money for the insurer due to delayed receipt of the full premium and calculated by reference to a service charge. The interest earned is calculated by applying the service charge percentage to the gross written premium on policies paid by instalments.*
- *Movement in unearned premium: This movement represents the difference between the opening and closing balance of the unearned premium liability.*

**Gross written premium reported for 2023 of €413,593 included a Broker legacy scheme in run-off which has been terminated, with GWP of €4.5m in 2023. There was no GWP written in 2024. For direct year on year comparison this has been excluded from Managements Review report, resulting in GWP of €409,070.*

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