

DRIVING TOMORROW TODAY

Guardian Group

Guardian Holdings Limited

ANNUAL REPORT 2025

TODAY, WE MAKE DELIBERATE CHOICES TO DRIVE



A MORE RESILIENT **TOMORROW**



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OUR

PURPOSE, MISSION AND VALUES

At **Guardian Group**, the way we work reflects who we are. Every interaction is guided by professionalism, quality and care, supporting strong relationships with our customers and partners.

PURPOSE

To provide peace of mind and prosperity to communities in the Caribbean and across the World.

MISSION

To lead the world in creating financial freedom for you in good times and in bad, through positive interactions, powered by technology.

VALUES

Bias to action

Being first is better than being perfect

Commitment

Discuss openly, disagree respectfully, decide quickly and commit wholly

Customer Centricity

Understand what matters to the customers, then provide that better than anyone else

Curiosity

Question answers. Learn and be curious

Continuous Improvement

Be better today than yesterday

Global Excellence

Be best-in-world, not just best-in-Caribbean

Guardian Group

Guardian Holdings Limited

9 April 2026

Dear Shareholder,

Guardian Holdings Limited's ("GHL") Annual Shareholder Meeting will be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago on Thursday 30 April 2026 at 2:30 in the afternoon in a hybrid format, whereby Shareholders may attend and participate in the Meeting by physical attendance or by way of a live webcast.

The formal Notice of our 2026 Annual Meeting, together with the Form of Proxy and Management Proxy Circular, are enclosed for your attention and are accessible for viewing and downloading from the GHL and Jamaica Stock Exchange ("JSE") websites using the links below.

To attend the meeting via the live webcast you must pre-register by following the instructions appended to the Notice of Annual Meeting. Should you wish to appoint a proxy, please remember to submit the duly completed proxy form on or before 2:30 p.m. on 28 April 2026.

We wish to remind our Shareholders that the 2025 Annual Report and the Audited Financial Statements for the year ended 31 December 2025 are available for viewing and/or downloading on our website at https://trinidad.myguardiangroup.com/companies/guardian-holdings-limited in accordance with section 67(2)(c) of the Trinidad and Tobago Securities Act and on the website of the JSE at https://www.jamstockex.com in accordance with section 133(c) of the Jamaica Companies (Amendment) Act, 2021.

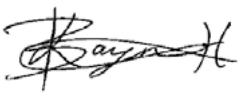
You may request a printed copy of the 2025 Annual Report from the Office of the Corporate Secretary either by telephone at 868 226-2047/69 or by email at shareholder@myguardiangroup.com.

We encourage Shareholders with Trinidad and Tobago bank accounts to opt for direct dividend crediting to their accounts. To do so, kindly complete the enclosed dividend mandate form and return it with the necessary documents to the Trinidad and Tobago Central Depository Limited.

We look forward to your attendance at our Annual Shareholder Meeting on Thursday 30 April 2026 at 2:30 p.m.

Yours sincerely,

Guardian Holdings Limited



Ms. Krystal Baynes-Hoseinee

Corporate Secretary

Encls.

1 Guardian Drive, Westmoorings 110612, Trinidad & Tobago

t: 1 868 226-6944 **f:** 1 868 632 5695
info@myguardiangroup.com
myguardiangroup.com

Guardian Group

Notice of Annual Meeting

Notice is hereby given that the Annual Meeting of Shareholders of Guardian Holdings Limited for 2026 will be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago on Thursday 30 April 2026 at 2:30 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast, for the following purposes:

1. To review and consider the Audited Financial Statements of the Company for the year ended 31 December 2025 and the Reports of the Directors and Auditors.
2. To elect and re-elect Directors for specified terms and if thought fit, to pass the following Resolutions:
   (a) That Mr. Michael Lee-Chin be re-elected a Director of the Company for a term of one (1) year expiring at the close of the first Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;
   (b) That Mr. Nicholas Lok Jack be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;
   (c) That Mr. Robert Almeida be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1;
   (d) That Mr. Ian P. Chinapoo be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1;
   (e) That Mr. Dexter Maitland be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1;
   (f) That Mr. L. Dominic Rampersad be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1; and
   (g) That Mr. Patrick Solomon be elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1.
3. To re-appoint PricewaterhouseCoopers as Auditors of the Company and that the Directors be authorised to fix their remuneration for the ensuing year.

By Order of the Board



Krystal Baynes- Hoseinee
Corporate Secretary
26 February 2026

Guardian Group

Notes to the Notice of Annual Meeting

1. MEETING REQUIREMENTS

Members are asked to observe the following requirements of the By-Laws of the Company for attendance and voting at the Annual Meeting.

Persons Entitled to Notice
In accordance with Section 110(2) of the Companies Act Ch. 81:01 the Record Date for the determination of Shareholders who are entitled to receive Notice of the Annual Meeting is 17 March 2026. Only Shareholders on record as at the close of business on 17 March 2026 are therefore entitled to receive Notice of the Annual Meeting. A list of such Shareholders will be available for examination by Shareholders at the Company's Registered Office during usual business hours and at the Annual Meeting.

Proxies
Members of the Company entitled to attend and vote at the Meeting are entitled to appoint one or more proxies to attend and vote instead of them. A proxy need not also be a Member. Where a proxy is appointed by a corporate member, the form of proxy should be executed under seal or be signed by its attorney, in fact.

Members who return completed proxy forms are not precluded, if subsequently they so wish, from attending the Meeting instead of their proxies and voting via that medium.

Any Shareholder who wishes to appoint a proxy may also visit the GHL website at https://trinidad.myguardiangroup.com/companies/guardian-holdings-limited::shareholder-announcements and the JSE website at https://www.jamstockex.com from 09 April 2026 to download a proxy form.

Representatives of Corporations
Corporate members are entitled to attend and vote by a duly authorised representative who need not himself be a Member. Such appointment must be by resolution of the Board of Directors of the corporate member.

Delivery to the Company
Any instrument appointing a proxy (including an instrument evidencing the authority pursuant to which it is executed) or evidencing the authority of a representative of a corporate member, must be completed and deposited with the Secretary at the Company's Registered Office, 1 Guardian Drive, Westmoorings, Trinidad and Tobago not less than 48 hours before the time for holding the meeting or adjourned meeting.

Electronic Participation
Shareholders on record as at 17 March 2026 may participate in the meeting electronically and are required to pre-register during the period 23 April 2026 to 29 April 2026 to remotely attend the meeting. Once you have pre-registered and are confirmed as a Shareholder as at 17 March 2026, you will receive an email with a Zoom username and password to attend the meeting via a live webcast on 30 April 2026. A proxy holder can then be authorised by the Shareholder to use the login credentials to attend the meeting on behalf of the Shareholder. Further details to pre-register and attend via live webcast are included in the enclosed Guidelines for Shareholders' Pre-Registration and Online Attendance at Guardian Holdings Limited Annual Meeting 2026 (which forms part of this Notice of Meeting).

Proof of Identity
Members are also reminded that the By-Laws provide that the Directors may require that any Member, proxy or duly authorised representative, provide satisfactory proof of his/her identity before being admitted to the Annual Meeting.

2. DIRECTORS' CONTRACTS

There were no contracts for the year ended 31 December 2025 in which a director of the Company is or was materially interested and which is or was significant in relation to the Company's business.

There were no service contracts between any director and the Company or any subsidiary company which has a term of 10 years or more and which cannot be determined without payment of compensation.

3. ELECTION AND RE-ELECTION OF DIRECTORS

The Board of Directors has recommended the election of Mr. Patrick Solomon as an Independent Director and the re-election of Messrs. Nicholas Lok Jack, Robert Almeida, Ian P. Chinapoo, Dexter Maitland, L. Dominic Rampersad and Michael Lee-Chin, with effect from the close of the Annual Meeting.

Following are the biographies of the eligible persons proposed for election and re-election as Directors of the Company, for whom it is intended that votes will be cast pursuant to the form of proxy enclosed:

MR. MICHAEL LEE-CHIN – 75 years of age

Mr. Michael Lee-Chin is the Founder and Chairman of Portland Holdings, a privately held investment company that manages public and private equity and has an ownership interest in a collection of diversified businesses operating in various countries and numerous sectors, including financial services, insurance, tourism, agriculture, consumer goods and services, real estate development, targeted radionuclide therapy, and in emerging fields such as nuclear and clean energy. Mr. Lee-Chin has received Doctor of Law degrees from several notable universities in Canada and Jamaica. He is the recipient of the Order of Jamaica and the Order of Ontario.

MR. NICHOLAS LOK JACK – 48 years of age

Mr. Nicholas Lok Jack is Executive Chairman and CEO of the Associated Brands Group of Companies, a dynamic and geographically diverse food manufacturing and distribution group operating in ten countries spanning Europe, the Caribbean and Latin America and distributing to over 50 countries worldwide.

In addition to his role at Associated Brands, Mr. Lok Jack holds non-executive Directorships of Guardian Holdings Limited and Sandals Resorts International in the Corporate sphere.

Beyond his corporate leadership, he is committed to education and industry advocacy. He serves as a Director of the Arthur Lok Jack Global School of Business and has been a steadfast champion of Trinidad and Tobago's manufacturing sector. His Directorship with the Trinidad and Tobago Manufacturers Association spanned five years, including two as President, where he played a pivotal role in shaping industry policy and fostering economic growth

With extensive expertise in manufacturing, global exports, marketing, sales, product development, and finance, Mr. Lok Jack has been instrumental in driving Associated Brands' international growth. His dedication to both business excellence and philanthropy reflect his commitment to building a world-class organisation with an engaged and dedicated workforce, positively impacting communities and markets alike.

MR. ROBERT ALMEIDA – 63 years of age

Mr. Robert Almeida B.COMM., CPA, CA, is an experienced investor, business executive, entrepreneur and director. He is currently Group CEO of NCB Financial Group Limited and previously held executive offices at Loblaw Companies Limited, Canada's leading retailer, and CIBC, one of Canada's leading financial institutions. As an investor, he is a Founding Partner of Portland Private Equity, a leading manager of private equity funds focused on the Caribbean and Latin American region and a Director, Senior Vice President and Portfolio Manager at Portland Investment Counsel Inc., a regulated Investment Fund Manager in Canada. In addition to serving as Chairperson of Guardian Holdings Limited and National Commercial Bank Jamaica Limited, he currently serves as a director on the boards of NCB Financial Group Limited, Clarien Group Limited, Clarien Bank Limited, Clarien Investments Limited, Diverze

3. ELECTION AND RE-ELECTION OF DIRECTORS (continued)

Assets Inc., Chukka Caribbean Holdings Limited, the not-for-profit Canadian Council for the Americas and previously served as a director of Columbus International Inc., a leading provider of cable/telecommunications services in Latin America and the Caribbean.

MR. IAN P. CHINAPOO – 51 years of age

Mr. Ian P. Chinapoo's career spans over 29 years in Banking and Finance in the Caribbean and Central American region. On 1 October 2022, he assumed his current role at Guardian Group and has executive responsibility for the strategic leadership, growth and management of the Guardian Group. Prior to his appointment at GHL, he was Executive Director, Group Chief Financial Officer and Executive Vice President at Massy Group from June 2018 to September 2022. Before Massy, Mr. Chinapoo held overall executive responsibility and accountability for the Trinidad and Tobago Unit Trust Corporation from June 2013 to May 2018 and served on its Board of Directors as the Executive Director. Prior to this role, he simultaneously held positions of Managing Director, Regional Corporate and Investment Banking, CIBC FirstCaribbean International Bank and Managing Director of CIBC FirstCaribbean Trinidad and Tobago Limited.

Mr. Chinapoo also worked as Vice President, Business Head at Citigroup Bahamas, where he was responsible for the operations of its Global Corporate and Investment Bank and was part of the Bank's Regional Capital Markets and Advisory team based in Miami. Before that role, he held several successive positions and ultimately the position of Vice President, Structured Finance at Citibank Trinidad and Tobago Limited from May 1996. Mr. Chinapoo has been Adjunct Faculty at the Arthur Lok Jack Global School of Business since 1995 and has lectured in Strategy Orchestration, International Finance, Corporate Finance, Management Accounting and Securities, International Loans Finance and HR Management programmes. He held the position of Deputy Chairman of the National ICT Company of Trinidad and Tobago (iGovTT) from its inception in 2011 to January 2013 and is a former Director of the Trinidad and Tobago Chamber of Industry and Commerce from October 2018 to September 2022. He served as a Non-Executive Director on the Board of The National Commercial Bank of Anguilla from April 2016 to October 2025.

MR. DEXTER MAITLAND – 59 years of age

Mr. Dexter Maitland is Managing Director, Project Finance, Europe, Middle East and Africa at Mizuho Bank, Ltd. in the United Kingdom. He has spent the last two decades in banking in London where he has led the build out of the bank's franchise in those regions. Mr. Maitland has a wealth of experience in developed and emerging markets business development, navigating complex legal and regulatory requirements whilst operating at the frontier of financial innovation.

Mr. Maitland joined the Board of Directors of Guardian Holdings Limited in 2023 and is currently also the Chairman of the Risk and Compliance Committee. He holds an MBA from London Business School, both a BSc. and an MSc. in Economics from the University of the West Indies and is an alumnus of Presentation College San Fernando.

MR. L. DOMINIC RAMPERSAD – 59 years of age

Mr. L. Dominic Rampersad, a seasoned executive with over 30 years of financial expertise, began his distinguished career as a financial accountant at the National Institute of Higher Education. In 1994, he brought his talents to Phoenix Park Gas Processors Limited (PPGPL), where his leadership has been pivotal across multiple key roles.

Rising through the ranks, Mr. Rampersad held positions such as Management Accountant, Financial Accountant, and Business Development Project Leader, spearheading projects that doubled PPGPL's gas processing, fractionation, and NGL storage capacity. As Vice President of Finance & Information Technology from 2003 to 2014, he oversaw critical functions in finance, IT, corporate legal, and project financing, while also serving as corporate secretary.

3. ELECTION AND RE-ELECTION OF DIRECTORS (continued)

In 2014, Mr. Rampersad was appointed president of PPGPL. Under his visionary leadership, PPGPL has expanded its global footprint through the disciplined execution of an approved growth strategy, driving meaningful expansion both locally and regionally. This growth strategy has been complemented by effective cost management, enhanced operating efficiency, and a strong focus on developing and empowering the company's talent. Together, these strategic initiatives have ushered in a new era of growth and opportunity for the company, its employees, and its subsidiaries.

Mr. Rampersad is a respected member of the Association of Chartered Certified Accountants and the Institute of Chartered Accountants of Trinidad and Tobago. He holds an MBA from the prestigious Oxford Institute of International Finance. He also contributes his expertise as a board member of Guardian Holdings Limited and NCB Financial Group Limited.

MR. PATRICK SOLOMON – 67 years of age

Mr. Patrick Solomon has over thirty years of experience as a central banker. He started his career in the Bank Inspection department, where he spent 15 years and later served for an additional 13 years in other departments. During his tenure, he was also responsible for Internal Audit, Risk Management, Security, and Facilities Management.

Mr. Solomon has a wide range of experience, having served as a Vice President at Citigroup for seven years in the capacity of Head of Compliance and Quality Assurance. He also was seconded for two years to the Unit Trust Corporation of Trinidad and Tobago as part of the Executive Team assisting the Executive Director in establishing and embedding a risk management framework for that entity.

Mr. Solomon is a Fellow of the Chartered Association of Certified Accountants and an Associate of the Institute of Financial Services. He served as President of the Institute of Bank and Finance during the 2003/2004 term and received a Fellowship from that institution in 2005 for his contribution to the development of the institution. In addition, he is also a member of the Institute of Chartered Accountants of Trinidad and Tobago.

Mr. Solomon served as a Commissioner of the Trinidad and Tobago Securities and Exchange Commission for four years and previously held the position of Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, from which he retired on 31 July 2025.

Guardian Group

Guidelines for Shareholders' Pre-Registration and Online Attendance at Guardian Holdings Limited Annual Meeting 2026

CONVENING OF ANNUAL MEETING 2026

The Annual Meeting of Shareholders of Guardian Holdings Limited for 2026 will be held in the Atrium, Guardian Holdings Limited, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago, on Thursday, 30 April 2026, at 2:30 p.m., in a hybrid format. Shareholders may attend the meeting in person or via live webcast.

PRE-REGISTRATION

To attend the meeting online, Shareholders must pre-register during the period 23 April 2026 to 29 April 2026 via the following steps:

- Visit www.ghl-agm.com.
- Complete the form by typing in full name, address, valid identification number (ID Card, Passport or Driver's Permit) and valid email address in the spaces provided.
- Click "**Submit**" to complete your request.

Once you are confirmed as a Shareholder or proxy on record as of 17 March 2026, you will receive a confirmation email with a Zoom username and password to attend the meeting via a live webcast on 30 April 2026.

ATTENDANCE AT ANNUAL MEETING ON 30 APRIL 2026

Shareholders on the register as of 17 March 2026 who have pre-registered will be able to login to attend the live webcast of the Annual Meeting of the Shareholders of Guardian Holdings Limited.

- You do not need to create a Zoom account to attend the meeting on 30 April 2026, but you must download the Zoom app, as voting can only be done through the app.
- Click on the Zoom link provided in your confirmation email (example: https://otago.zoom.us/j/123456789) (this is not the actual link, just an example).
- If prompted by a pop-up window to open the Zoom app, select "**Allow**."
- Enter the **Meeting I.D.**
- Enter your **Full name** (first name and surname).
- Enter your **Password**.

MEETING PARTICIPATION RULES

- As an attendee via the live webcast, you will **not** be able to unmute your microphone or camera.
- You will **not** be able to see or message other attendees.
- You **will** be able to see and hear the Chairman, as well as any presentations made during the meeting.
- You **will** be able to vote on the resolutions presented.
- You **will** be able to submit questions during the question-and-answer segment.

For security reasons:

- You will **not** be able to log in and view the meeting on more than one device at a time.
- If switching devices, you must log out of the current device first.
- The invitation link will only work on one device—**do not share this link**.

VOTING PROCESS

- You can submit questions via the **Q&A** section of the Zoom app when prompted by the Chairman.
- To return to the meeting after submitting a question, press "**Close**."
- Do not use the "Hands Up" feature, as it will not be acknowledged.
- When it is time to vote, a pop-up screen will display the resolution number (e.g., Resolution 1) along with the resolution text.
- Click (or press, if using a touchscreen) the button next to "**For**" or "**Against**" to cast your vote.
- Select carefully, as you cannot change your vote or vote multiple times.

TECHNICAL REQUIREMENTS

- The Zoom app requires a working smartphone/tablet or computer with an internet connection.
- Voting is not supported on internet browsers; you must download the Zoom app before the event.
- We recommend using a high-speed internet connection and a fully charged mobile device.
- If using Wi-Fi, limit video streaming from other devices for a stable connection.

Guardian Holdings Limited is not responsible for the reliability of Shareholders' devices or internet connection speed.

Guardian Group

Management Proxy Circular

Name of Company: GUARDIAN HOLDINGS LIMITED
THE COMPANIES ACT, CH. 81:01

Company No. G – 967 (C)
[SECTION 144]

I. Particulars of Meeting:

Annual Meeting of the Company to be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago on Thursday 30 April 2026 at 2:30 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast.

II. Solicitation:

It is intended to vote the proxy solicited hereby (unless the Shareholder directs otherwise) in favour of all resolutions specified therein.

III. Any director's statement submitted pursuant to section 76 (2):

No statement has been received from any Director pursuant to Section 76 (2) of the Companies Act, Ch. 81:01.

IV. Any auditor's statement submitted pursuant to section 171 (1):

No statement has been received from the Auditors of the Company pursuant to Section 171 (1) of the Companies Act, Ch. 81:01.

V. Any shareholder's proposal submitted pursuant to sections 116 (a) and 117 (2):

No proposal has been received from any Shareholder pursuant to Sections 116 (a) and 117 (2) of the Companies Act, Ch. 81:01.

Date	Name and Title	Signature
26 February 2026	Krystal Baynes-Hoseinee Corporate Secretary	



LEADERSHIP

Strong leadership is defined by a vision that shapes decisions today and drives results for tomorrow



CHAIRMAN'S STATEMENT



Robert Almeida
CHAIRMAN

Dear Shareholders,

Institutions that sustainably endure are rarely the product of one great decision. They are built by many good decisions stacked over time. A Board's job is not to run the business. Our job is to ensure that it can run well for a long time, through both calm markets and rough ones.

That is the intent behind "Driving Tomorrow Today". It is a simple idea with a demanding implication. We must deliver results that stand up to scrutiny now while, strengthening the foundations that determine whether this Group will still be trusted, competitive and well-capitalised years from now. That responsibility extends beyond shareholders to employees, customers, regulators and the communities in which we operate.

Enduring institutions are built in layers. Each year should add strength, not strain. Each decision either deepens the foundation or introduces weaknesses that may only emerge later. Our role is to ensure what we build today can carry the weight of tomorrow.

From the Board's perspective, 2025 was a year in which the Group continued to demonstrate the earning power and resilience of its diversified model. Following profit attributable to owners of $850 million and earnings per share of $3.66 in 2024, performance in 2025 remained strong, with reported profit of $1,533 million and earnings per share of $6.61.

Capital is a scarce resource. Thus, the Board's approach to shareholder returns is anchored in sustainability. Our task is to deploy capital where risk-adjusted returns are strongest and to grow distributions over time in a way that is supported by recurring earnings, robust capital buffers and a prudent view of risk. When executed well, this supports today's returns and preserves the capacity to invest in future growth, resilience and capability. For Financial Year 2025, the Board has approved a total dividend of 91 cents per share, which surpassed total dividends paid in 2024 of 80 cents by 11 cents or 14%.

The Board's oversight throughout the year remained focused on the risks that can erode value if left unattended: macroeconomic uncertainty, investment market volatility, evolving regulatory expectations and ongoing reality of climate-related events across the region. We continue to strengthen the governance architecture that supports sound decisions, including clear risk appetite, robust reserving and capital processes and active monitoring of exposures that can become material quickly. We also maintain oversight of the Group's broader Environmental, Social and Governance (ESG) agenda, recognising that responsible business conduct and sustainable performance increasingly sit together, particularly as disclosure standards and stakeholder expectations evolve.

Hurricane Melissa in Jamaica was a reminder, at a human level, of the vulnerability of our communities and of the importance of resilience as a permanent strategic priority. It occurred against a wider backdrop of heightened uncertainty, including a more challenging sovereign credit outlook for Trinidad and Tobago. From the Board's perspective, our obligations during such moments are clear: we ensure governance holds, we ensure the Group responds responsibly to customers and communities and we protect the wellbeing of our staff, while safeguarding the institution's long-term stability. These are the moments that test whether the layers we have laid can bear the weight they were built to carry.

The Board remains confident in the leadership team and in management's execution of the strategy we have approved. We have seen continued focus on strengthening core earnings, building capability and managing capital prudently while navigating external pressures and material events with steadiness and professionalism.

"Driving Tomorrow Today" is ultimately a test of balance. It challenges us to remain ambitious without becoming reckless, resilient without becoming rigid and disciplined without losing momentum. We are optimistic about 2026, but not complacent. The external environment is unlikely to become simpler. What matters is that the Group continues to demonstrate the qualities that endure: strong governance, resilient earnings capacity and the ability to adapt without losing sight of long-term value creation.

In the years ahead, the Board's intent is to remain consistent. We will continue to steward the Group so that it delivers value in the near-term while investing in the capabilities, resilience and relationships that will shape performance over the long-term. Each year should build on the last, adding another layer of strength to our foundation. This is what it means to "Drive Tomorrow Today".

On behalf of the Board, I thank our shareholders for your continued support and extend appreciation to our management and staff across the Group for their commitment and performance throughout the year. I also thank our customers and partners for the trust you place in Guardian Group.

I look forward to welcoming you to our Annual General Meeting on 30 April 2026.

BOARD OF DIRECTORS



Robert Almeida
CHAIRMAN

Ian P. Chinapoo
GROUP CHIEF EXECUTIVE OFFICER/ EXECUTIVE DIRECTOR



FROM TOP LEFT

Charles Percy (Lead Independent Director), Imtiaz Ahamad,
Bruce Bowen, Colette Delaney, Michael L. Gerrard,
Patricia Ghany, Michael Lee-Chin, Nicholas Lok Jack,
Dexter Maitland, L. Dominic Rampersad

GROUP CEO'S STATEMENT



Ian P. Chinapoo
GROUP CHIEF EXECUTIVE OFFICER

Dear Valued Stakeholders,

The past year reaffirmed why Guardian Group exists. In moments of uncertainty, we provide reassurance and resilience when it matters most, ensuring our customers are supported through disruption while continuing to protect what matters in everyday life. Across 2025, our teams demonstrated both consistency in serving customers in everyday moments and resilience in responding when conditions became more uncertain, supporting each other and continuing to move the organisation forward with clarity and discipline.

2025 marked a defining phase in our journey. We continued to build on the progress of previous years, further strengthening the business, embedding greater discipline and

advancing the operational and cultural shifts required to establish the Group as a more future-ready organisation. The progress achieved was not only about navigating volatility, but about improving the quality, durability and consistency of our earnings while positioning the Group to grow with greater confidence.

"Driving Tomorrow Today" is therefore not simply a theme. It reflects how we operate as we make deliberate, strategic choices today that improve performance and enable the Group to deliver sustainable, long-term growth.

As we reflect on a remarkable year for the Group — one that strengthened performance and sharpened direction — I want to begin by acknowledging the contributions of those who continue to support and shape our progress.

Our employees have demonstrated sustained commitment and professionalism. Our customers and clients have placed continued trust in us as we work to improve how we serve them. Our regulators have provided steady engagement and clear expectations that strengthen the system and our reinsurers and partners have collaborated closely to support the Group's resilience. These relationships are foundational, reinforcing confidence, enabling continuity and supporting the disciplined, responsible decision-making that underpins our long-term success.

Operating Environment and Resilience

The Group's operating environment remained complex and required disciplined leadership and a clear sense of priorities. Macroeconomic conditions across the region continued to reflect a mixed and ever-changing outlook. While interest rates supported reinvestment yields, inflationary pressures, particularly in claims-related areas such as medical services and repairs, required continued vigilance. At the same time, affordability constraints and tighter credit conditions influenced customer behaviour and demand patterns.

Competitive intensity increased across key markets, with industry consolidation expected to reshape pricing dynamics, distribution partnerships and customer retention. Sovereign risk signals also remained an area of focus, given that rating agencies affirmed sovereign ratings in Trinidad and Tobago while revising outlooks to negative during the year under review. However, our balanced portfolio benefited from sovereign upgrades in Jamaica and Barbados. Developments such as these reinforced the importance of diversification, prudent capital planning, liquidity discipline and stress testing as core management disciplines.

Climate-related volatility continued to shape operational and risk priorities. Hurricane Melissa was a defining event during the year that tested our operational readiness, claims response and capital resilience. In moments like these, our focus is clear: support our customers, protect our employees and maintain service continuity, while ensuring governance and financial discipline hold firm. The event reinforced the importance of:

- Disciplined claims management and reserving
- Continued refinement of catastrophe modelling and climate-informed risk assessment
- Strengthened reinsurance structures and proactive capital planning
- Embedded forward-looking climate considerations into underwriting, pricing and planning

This natural catastrophe event also underscored the value of having strong reinsurance protection in place. The Group´s programme responded as intended, absorbing shocks, funding the reinstatement of cover and preserving financial resilience, while retaining sufficient capacity to absorb additional stress under more adverse conditions and swiftly providing liquidity to policyholders during their time of greatest need.

Strategy in Action

Against this backdrop, management´s strategic focus remained consistent and increasingly evident in our delivery. We continued advancing our three-horizon journey:

1. Protecting and improving the core
2. Accelerating growth where we have an advantage
3. Building options for the next curve of value creation.

The intent remained clear: strengthen core earnings quality, deepen customer relationships, modernise the operating platform and actively manage capital and climate related volatility.

In 2025, that strategy became increasingly evident in outcomes, translating into tangible progress. Across the Group, we continued strengthening the balance sheet, improving operational discipline and resolving legacy matters that impacted performance. At the same time, we sharpened how we assess strategic opportunities, with a more robust planning framework that continuously tests both strategic feasibility and financial viability. This has supported a more deliberate allocation of resources, a willingness to stop or rebalance initiatives quickly where value is not emerging and a clearer focus on the opportunities most likely to generate sustainable earnings and stronger shareholder returns over time.

The Group also continued to embed sustainability and ESG considerations into governance, enterprise risk management and long-term planning, including strengthening readiness for the IFRS Sustainability Disclosure Standards. This was further advanced through the conduct of the Group´s Double Materiality Assessment (DMA). The DMA served to identify the environmental, social and governance risks and opportunities most relevant to our business and stakeholders and will further inform risk management and strategic decision-making.

The Group´s Charitable Foundation was also strategically repositioned during the year to further bolster alignment with the Group´s strategic priorities, supporting community resilience and social impact in a way that reinforces stakeholder confidence, while staying grounded in commercial discipline. Further detail on the Group´s sustainability approach and progress is outlined in our 2025 Sustainability Report, to be published ahead of the Annual General Meeting.

Execution, Transformation and Customer Outcomes

Execution and transformation remained central areas of focus across the Group. Progress, however, does not happen by intention alone, but by disciplined execution and consistent follow-through. It happens when priorities become choices and choices become delivery. It requires clear priorities, consistent governance and accountability at every level of the organisation.

During the year, management continued to tighten how we plan, track delivery and make decisions. We continued to simplify and enhance processes, reduce friction and raise service standards to make it easier for customers to do business with us. Enterprise efforts were directed toward improving cycle times and strengthening operational efficiency. We reinforced the disciplines that drive better customer outcomes, including clearer ownership across customer journeys, tighter product governance and a sharper focus on underwriting and pricing discipline.

We also advanced key transformation initiatives and continued investing in the capabilities that support future growth:

- Delivery of critical technology upgrades to strengthen scalability and efficiency
- Expansion of our pension platform, including the launch of a Pension Management Centre of Excellence, reinforcing a business line where we see strong long-term potential
- Continued development of our Product Factory, improving speed to market and solution design, creating a stronger foundation for profitable growth
- Increased use of data and analytics to enhance segmentation, pricing and customer engagement

These efforts are translating into stronger customer outcomes, improving operational performance and providing a more scalable platform for growth. They have also sharpened focus on what to prioritise, where to course-correct and what to scale, enabling more effective allocation of resources, reinforcing the Group´s ability to deliver measurable value and grow sustainably in the longer-term.

Financial Performance and Quality of Earnings

The Group delivered a solid financial outcome in 2025, reflecting steady growth in the core businesses and a deliberate focus on the activities that most directly improve customer experience and long-term value creation. In an environment that continues to demand resilience and control, the Group´s upward trending performance results demonstrate the strength of our operating model, the benefit of disciplined underwriting and risk management, and the importance of allocating capital and investment effort to the areas that matter most. The Group is emerging stronger, with a more resilient platform for sustainable earnings and growth.

- We achieved profit attributable to owners of the company of $1,533 million, compared with $850 million in the prior year, higher by $683 million or 80%.
- This increase included a gain on sale of 100% of the shares of Thoma Exploitatie B.V. on 24 January 2025.
- Excluding profit after tax of $651 million from discontinued operations, we achieved growth in continuing profits of $40 million or 5% from $842 million in the prior year to $882 million in the current year. This growth was achieved from the continued improvement of our core performance, despite the current-year performance being significantly impacted by Hurricane Melissa and a highly volatile stock market.
- The Group´s top-line performance was achieved from the continued growth in core business performance across our major segments, including Life, Health and Pension, Property and Casualty, and Asset Management.

- Total revenue for the year reached $8,028 million, representing less than 1% decline from $8,052 million in 2024. Our core insurance operations remain robust with both insurance revenue and insurance service results for the current year outperforming the prior year. However, our investment results were adversely impacted by ongoing volatility in our domestic, regional and international stock markets.
- Other operating expenses increased by 8% when compared to the prior year. This increase was driven partly by an impairment expense on a legacy software system. Excluding this one-off expense, the normalised year-over-year increase was 5%.
- Earnings per share for the year increased from $3.66 to $6.61.
- Return on equity for the year was 28%, compared with 20% in 2024.

Beyond these headline results, the year also reflected meaningful underlying progress in the quality and resilience of the business. We strengthened shareholders' equity and improved overall balance sheet capacity, mainly from strong core profitability growth, divestment of non-core assets, deleveraging and the continued development of the Group's capital warehouse. We continued to reduce leverage and debt service burdens, improving financial flexibility and increasing the Group's capacity to support shareholder returns over time. We maintained disciplined cost management, with ongoing initiatives supporting improved operating efficiency and a stronger cost-to-income trajectory. In addition, the resolution of legacy matters that had weighed on earnings in prior periods helped improve the quality and sustainability of reported performance.

These outcomes reinforce a simple point. Management remains accountable not only for delivering results, but for improving the durability of those results through disciplined execution, strong capital stewardship and a continued focus on sustainable value creation.

Looking Ahead

We enter the next phase of our journey as an organisation with greater clarity and a stronger core. We recognise that insurance is a long-term business that rewards patience, discipline, consistency and prudent risk management. We are building for the long-term, with a clear focus on the fundamentals that create durable value. The work done to stabilise the business, strengthen resilience and improve execution gives us a firmer platform from which to grow and positions us to move forward with full confidence.

We remain anchored on our key strategic priorities:

- Strengthening profitable underwriting while reducing volatility
- Improving risk-adjusted investment income within our risk appetite
- Enhancing capital efficiency and return metrics
- Delivering sustainable, growing dividends for shareholders
- Embedding sustainability and ESG considerations into strategic decision-making and risk management

We will continue to invest in digital capabilities, deepen our use of data and analytics, expand in areas where we have a clear path to win and apply disciplined strategic and financial filters to

ensure that growth remains commercially sound and value accretive.

Stakeholders should expect straightforward communication and firm execution. We remain focused on delivering with consistency, maintaining a dividend approach that is measured, progressive and supported by fundamentals over time. Our path is clear: to generate more sustainable earnings, strengthen returns and continue building a business that is resilient, relevant and positioned for long-term growth.

I close by recognising the continued commitment and trust of those who support and shape our progress. Our employees, customers, partners, regulators and shareholders each play an important role in the strength and resilience of the Group.

We remain committed to delivering on our purpose of protecting what matters most, while continuing to "Drive Tomorrow Today", building a business that is resilient, relevant and focused on delivering sustainable value.

GROUP EXECUTIVES

OFFICERS:



Ian P. Chinapoo
Group Chief Executive Officer



Greer Quan
Group Chief Operating Officer & President, Guardian Shared Services Limited



Keesha Sahadeo
Group Chief Financial Officer



Krystal Baynes-Hoseinee
Corporate Secretary, Chief Governance Officer & Head of Legal (Eastern Caribbean)

GROUP EXECUTIVES:



Robert Chen
Group Chief Strategy Officer & Executive Vice President, Pensions and Bancassurance



Shera Mungroo
Chief Product Officer



Ayesha Boucaud-Claxton
Group Head, Marketing and Communication



Shinelle Grant-Sealey
Vice President, Environmental, Social and Governance

BUSINESS UNIT PRESIDENTS:



Karen Bhoorasingh
President, Guardian General Insurance Jamaica Limited & Chief Technical Officer (P&C Group)



Diego Frãnkel
President/Chief Executive Officer, Guardian Group Dutch Caribbean



Miguel Martinez
President, Guardian Asset Management



Meghon Miller-Brown
President, Guardian Life Limited

OFFICERS: (CONTINUED)



Richard Look Kin
Group Chief Risk Officer



Sasha Ali-Soondarsingh
Group Head, Internal Audit



Karen Kelshall Lee
Group Head, Compliance

GROUP EXECUTIVES: (CONTINUED)



Don-Christian Kalideen
Vice President,Treasury and Investor Relations



Esan Reason
Group Vice President, Delivery and Excellence



Rachael Sudan
Group Vice President, People, Culture and Capability

BUSINESS UNIT PRESIDENTS: (CONTINUED)



Dean Romany
President, Guardian General Insurance Limited



Samanta Saugh
President, Guardian Life of The Caribbean Limited

BUSINESS IN BRIEF

One business, many strengths, all driving tomorrow.



Guardian Group at a Glance

BUSINESS SEGMENTS

Life, Health & Pension (LHP)	Guardian Life of The Caribbean Limited (100%) Fatum Life Aruba N.V. (100%) Guardian Life Limited (100%) Fatum Health N.V. (100%) Fatum Life Insurance N.V. (100%) Guardian Life (OECS) Limited (100%) Bancassurance Caribbean Limited (100%)
Property & Casualty (P&C)	Guardian General Insurance Limited (100%) Guardian General Insurance Jamaica Limited (100%) Guardian Re (S.A.C.) Limited (100%) Fatum General Insurance N.V. (100%) Guardian General Insurance (OECS) Limited (100%) Fatum General Insurance Aruba N.V. (100%) Guardian Group Nederland N.V (100%) Royal Star Holdings Limited (25.83%)
Insurance Brokerage	Fatum Brokers Holdings B.V. (100%) Vanguard Risk Solutions Limited (67.74%)
Asset Management	Guardian Group Trust Limited (100%) Guardian Asset Management and Investment Services Limited (100%)
Strategic Alternative Investments	Laevulose Inc Limited (100%) RGM Limited (33.33%) Tobago Plantations Limited (25%)

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. Robert Almeida (Chairman)
Mr. Ian P. Chinapoo (Group CEO)
Mr. Charles Percy (Lead Independent Director)
Mr. Imtiaz Ahamad
Mr. Bruce Bowen
Ms. Colette Delaney
Mr. Michael L. Gerrard
Ms. Patricia Ghany
Mr. Michael Lee-Chin
Mr. Nicholas Lok Jack
Mr. Dexter Maitland
Mr. L. Dominic Rampersad

CORPORATE SECRETARY
Ms. Krystal Baynes-Hoseinee

ASSISTANT SECRETARY
Letisha Agostini

REGISTERED OFFICE
1 Guardian Drive
Westmoorings
Trinidad and Tobago

REGISTRAR AND TRANSFER OFFICE
Trinidad and Tobago Central Depository Limited
10th Floor Nicholas Tower
63-65 Independence Square
Port of Spain
Trinidad and Tobago

AUDITORS
PricewaterhouseCoopers
11-13 Victoria Avenue
Port of Spain
Trinidad and Tobago

STANDING COMMITTEES

AUDIT COMMITTEE
Mr. L. Dominic Rampersad (Chairman)
Mr. Imtiaz Ahamad
Mr. Dexter Maitland
Mr. Charles Percy

CORPORATE GOVERNANCE AND NOMINATION COMMITTEE
Ms. Patricia Ghany (Chairman)
Mr. Dexter Maitland
Mr. Charles Percy

RISK AND COMPLIANCE COMMITTEE
Mr. Dexter Maitland (Chairman)
Mr. Robert Almeida
Mr. Michael L. Gerrard
Mr. Charles Percy

TALENT DEVELOPMENT AND COMPENSATION COMMITTEE
Mr. Charles Percy (Chairman)
Mr. Robert Almeida
Ms. Patricia Ghany

CAPITAL AND INVESTMENT COMMITTEE
Mr. Ian P. Chinapoo (Chairman)
Mr. Robert Almeida
Ms. Colette Delaney
Mr. Michael L. Gerrard

CONSOLIDATED FINANCIAL HIGHLIGHTS

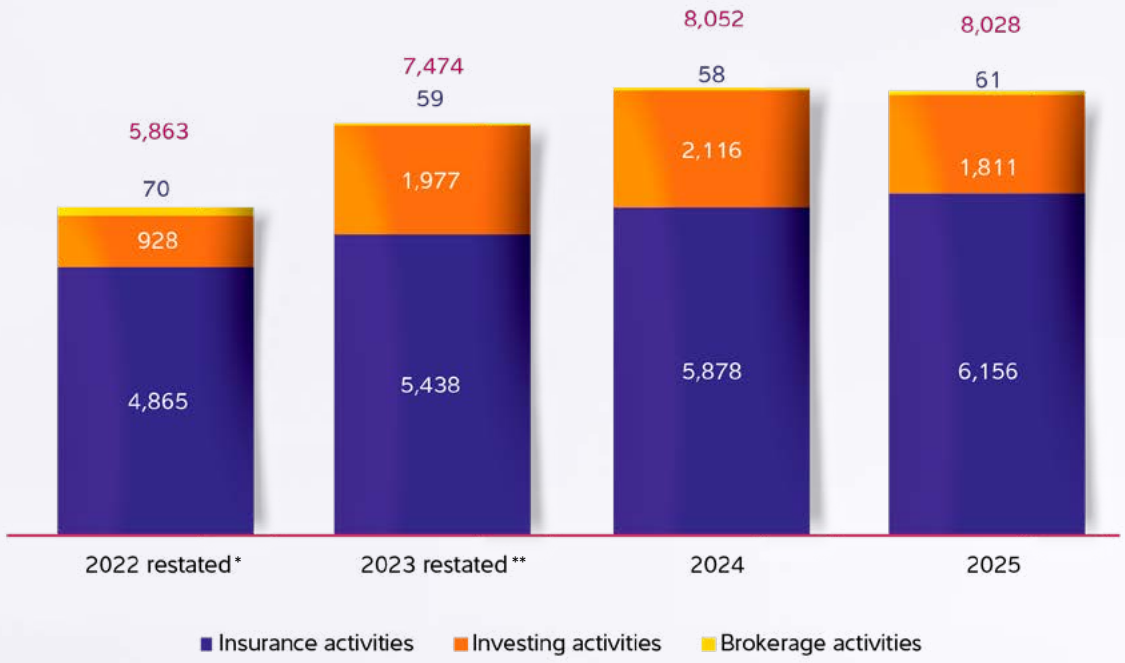
	2025	2024
Revenue		
Life, Health and Pension business insurance revenue	$3,008 million	$2,935 million
Property and Casualty business insurance revenue	$3,148 million	$2,943 million
Revenue from insurance operations	$6,156 million	$5,878 million
Revenue from investment activities*	$1,811 million	$2,116 million
Revenue from brokerage activities	$61 million	$58 million
Total revenue	$8,028 million	$8,052 million
Results		
Profit attributable to owners of the company	$1,533 million	$850 million
Earnings per ordinary share	$6.61	$3.66
Financial position as at December 31		
Total capital & reserves	$6,429 million	$4,587 million
Shareholders' equity	$6,410 million	$4,574 million
Net asset value per share	27.63	19.71
Dividend		
Total dividend for the year per ordinary share	91 cents	80 cents
Dividend cover	7.26	4.58

Conversion Rates	**Average rate**	**Year end rate**
Trinidad and Tobago Dollar to one US Dollar	6.7391	6.7705
Trinidad and Tobago Dollar to one British Pound	9.2408	9.4602
Trinidad and Tobago Dollar to one Euro	8.3981	8.9281
Trinidad and Tobago Dollar to one Jamaican Dollar	0.0417	0.0420
Trinidad and Tobago Dollar to one Caribbean Guilder	3.7649	3.7824

* Revenue from investment activities excludes net impairment movements and investment contract benefits

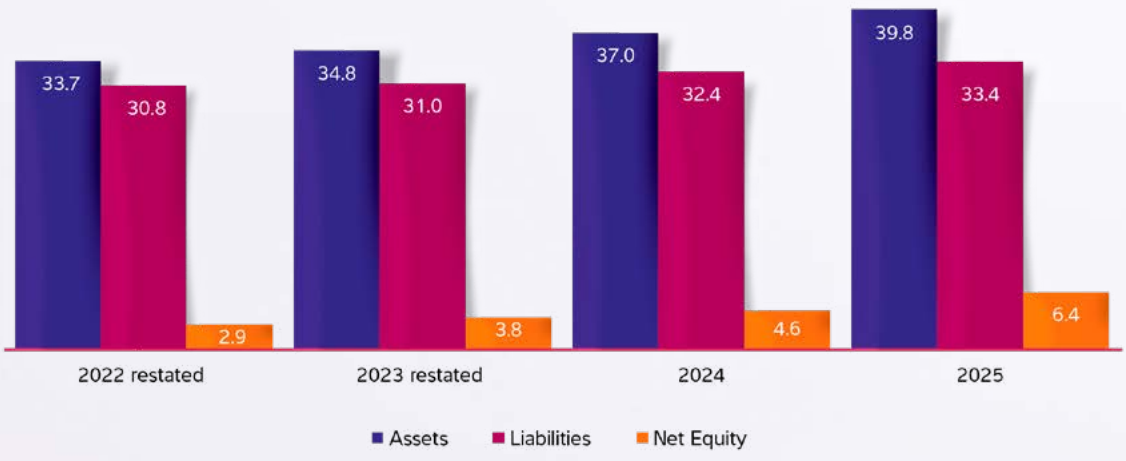
Guardian Group at a Glance (continued)

TOTAL REVENUE FROM CONTINUING OPERATIONS (TT$ MILLION)



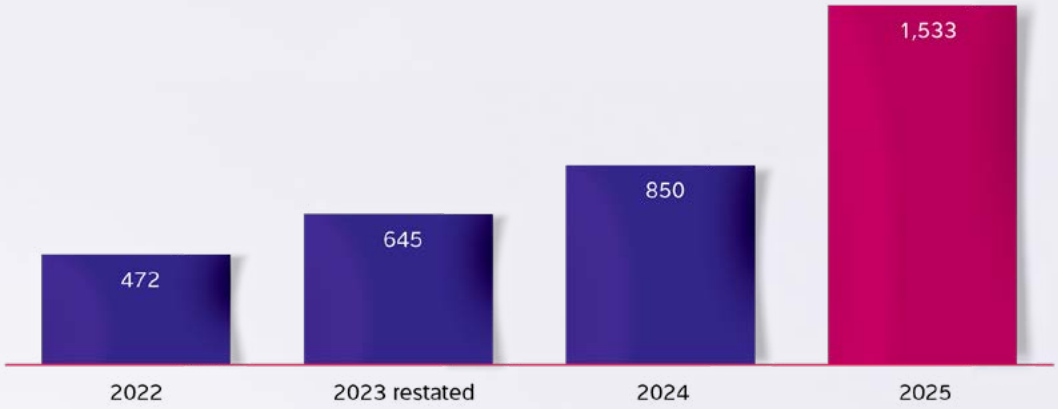
*2022 financial results were restated in 2023 in accordance with IFRS 17
**2023 financial results were restated in 2024 for the Life, Health and Pension (LHP) Segment

FINANCIAL POSITION (TT$ BILLION)

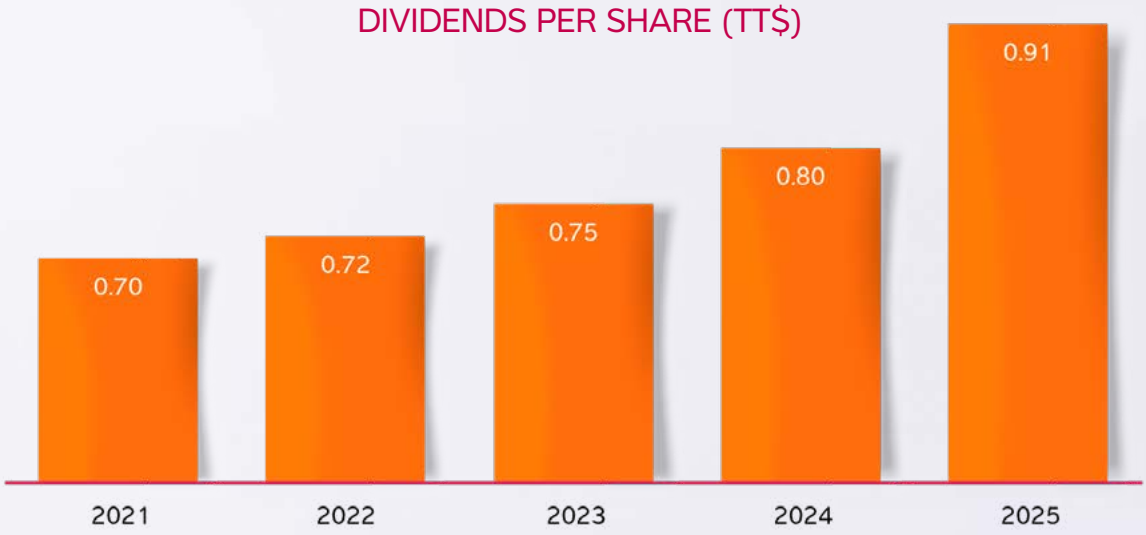


Guardian Group at a Glance (continued)

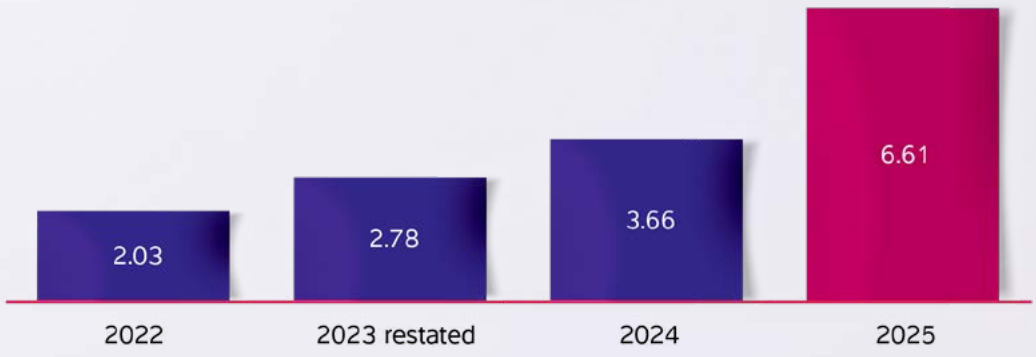
REPORTED PROFITS ATTRIBUTABLE TO OWNERS OF THE COMPANY (TT$ MILLION)



DIVIDENDS PER SHARE (TT$)

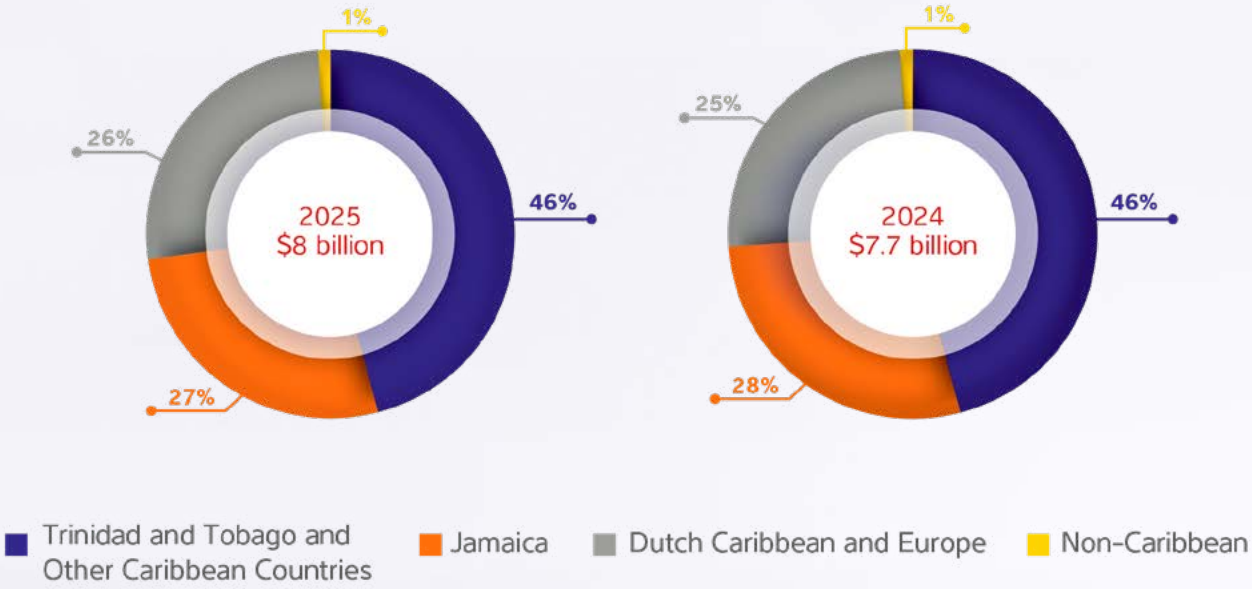


REPORTED EARNINGS PER SHARE (TT$)

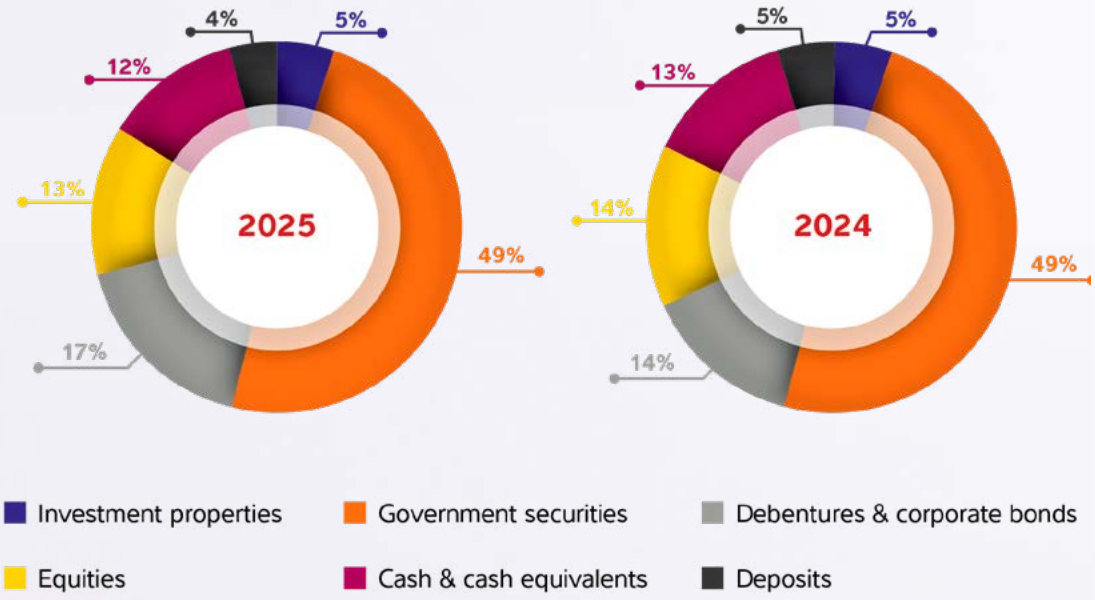


GEOGRAPHIC DISTRIBUTION OF REVENUE

Excludes realised and unrealised gains/losses; net impairment losses



CONSOLIDATED INVESTMENT MIX



STRATEGY

Strategic action today secures a stronger tomorrow



Strategy Report

External Environment and Operating Context

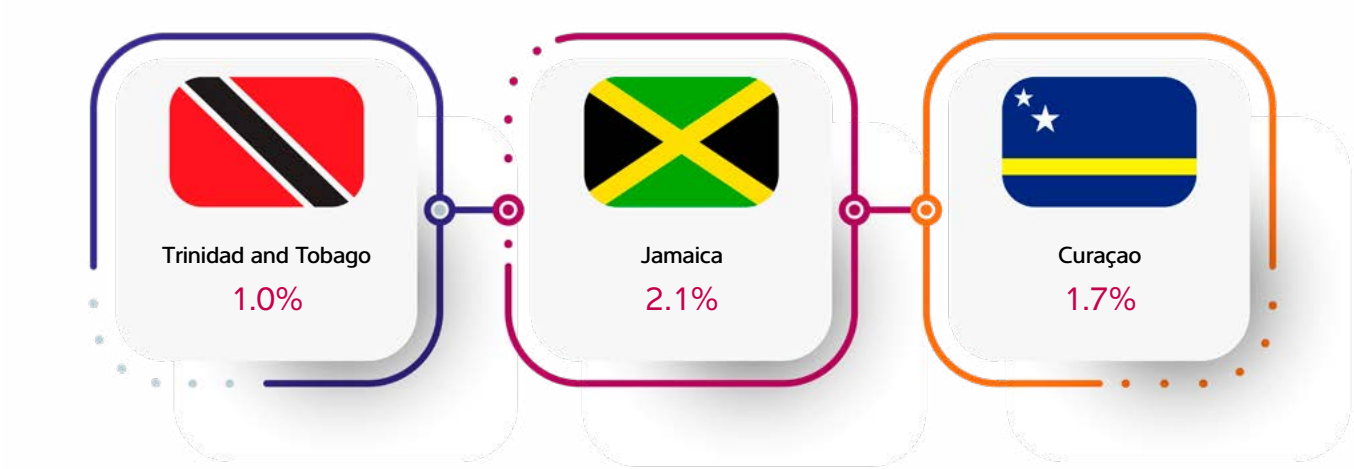
The 2025 operating environment, shaped by tighter global financial conditions and persistent cost pressures, called for a more selective, risk-aware approach. While headline inflation eased in several markets, claims costs remained elevated, especially in motor and property repairs, construction inputs and medical services (see graphic below). Higher interest rates supported reinvestment yields but also placed pressure on affordability and credit conditions.

In Trinidad and Tobago, attention remained on sovereign risk. S&P Global Ratings affirmed the sovereign credit rating of BBB- but revised the outlook from stable to negative in September 2025, reinforcing the importance of prudent capital planning, liquidity management and stress-testing under adverse scenarios.

Competition increased across the markets in which the Group operates, driven by consolidation and regional expansion activity. Recent acquisition activity in Trinidad and Tobago and Barbados is expected to reshape competitive dynamics, with implications for pricing discipline, distribution partnerships and customer retention. This trend reflects a broader pursuit of scale and growth across the region.

At a global level, conditions continued to shape the insurance and financial services market. Geopolitical tensions and trade fragmentation added complexity through energy and supply-chain volatility, while cyber risk and rapid digitisation raised the bar for operational resilience, controls and third-party risk management. For insurers in catastrophe-exposed markets, reinsurance capacity and pricing remain key swing factors, reinforcing the need for robust scenario analysis, capital planning and liquidity readiness to protect earnings quality.

YEAR-ON-YEAR INFLATION (SEPT 2025)



Climate-Related Realities and Hurricane Melissa

Climate risk remains an active and consequential operating reality. Hurricane Melissa was a material regional event, causing severe disruption and losses across multiple territories in late October 2025. In Jamaica, damage was estimated at US$8.8 billion by the World Bank, with insured losses estimated at US$3-5 billion (Moody's). The human impact was also significant with an estimated 25,000 people in shelters in Jamaica, alongside broader displacement pressures across the region.

For the Group, this reinforced three priorities:

(1) Fast, well-controlled claims settlements, mobilising adjusters and service partners early to pay valid claims quickly, and support customers through the recovery period;
(2) Disciplined claims management and reserving under heightened event severity; and
(3) Continued refinement of catastrophe models, reinsurance structures and capital planning to ensure resilience under more frequent and intense weather events. Across affected markets, the event extended repair lead times and increased replacement costs, contributing to higher claims severity and longer settlement cycles. This reinforced the need for stronger supply-chain coordination and disciplined vendor management.

Regulatory Shifts and ESG Disclosure Readiness

Regulatory expectations and sustainability disclosures continue to evolve globally. The Group is embedding ESG considerations into its operating model and risk management processes, strengthening governance structures and developing the metrics and internal frameworks required to consistently measure and report on sustainability performance. These efforts position the Group to meet evolving disclosure requirements, including IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), and to report with rigour and transparency should such standards become mandatory. Further details on the Group's ESG strategy, governance framework, metrics and targets are provided in our 2025 Sustainability Report, to be published ahead of the Annual General Meeting.

Group Strategy Overview

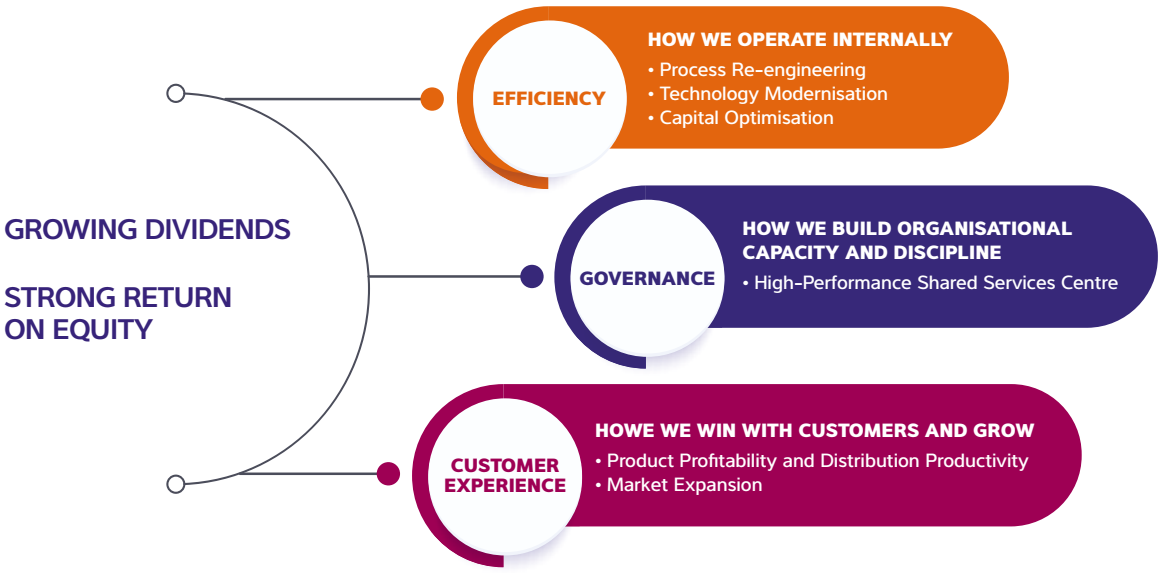
Guardian's strategy is designed to deliver efficient growth and sustain shareholder returns through a three-horizon framework:

- **Horizon 1** Perfect and protect the core
- **Horizon 2** Accelerate growth in our existing businesses
- **Horizon 3** Pursue the next 'S-curve' of growth

It balances near-term performance with long-term competitiveness by strengthening core earnings, deepening customer relationships, modernising the operating platform and actively managing capital and climate-related volatility. The strategy is anchored in clear financial outcomes and executed through six strategic priorities across the Efficiency, Governance and Customer Experience (EGC) framework.

Financial Outcomes

Value We Create for Shareholders



Our Strategic Priorities

Efficiency enhances how we operate internally by improving processes, modernising technology and strengthening capital discipline to support scalable, cost-effective growth.

Governance builds organisational capacity and control through a high-performance shared services model and more standardised ways of working, reinforcing execution discipline and risk management.

Customer Experience drives how we win and grow by sharpening product profitability, strengthening distribution productivity and deepening presence in markets where the Group has a sustainable competitive advantage.

How these Priorities Translate Into Financial Outcomes

Together, these priorities strengthen earnings quality, reduce frictional costs and improve the productivity of capital. Customer and market actions lift underwriting and fee income through better risk selection, pricing discipline and stronger conversion and retention. Efficiency and technology initiatives reduce unit costs, shorten cycle times and improve service outcomes, enabling scale without proportional cost growth. Strong governance and a more standardised operating platform improve execution discipline and control, reducing operational risk and supporting consistent delivery.

As a result, the Group is positioned to deliver:

- Consistent and growing dividends supported by sustainable earnings and strong capital stewardship.
- Best-in-class return on equity by improving underwriting and fee income quality, reducing frictional costs, and deploying capital where risk-adjusted returns are strongest.

The strategy is designed to directly address the Group's most material strategic risks:

slower expected future growth in mature Caribbean markets, heightened competition and consolidation, execution risk across multiple transformation programmes, dynamic reinsurance markets and higher catastrophe costs and talent pressures. Accordingly, the Group is prioritising opportunities with stronger growth and penetration potential, strengthening programme governance to reduce cost overruns and operational disruption and advancing capital optimisation initiatives to protect dividends while preserving its capacity to reinvest.

Sustainability and climate resilience are being embedded into the Group's risk management framework, operating model and decision-making processes. These efforts strengthen resilience, transparency and long-term value creation.

Product Strategy, Innovation and Portfolio Evolution

During 2025, the Group made significant progress in strengthening its product development and innovation capabilities. This work was led by the Group Product and Analytics Office, headed by the Chief Product Officer, providing group-wide oversight of product strategy, development and performance while enabling appropriate market-level adaptation.

During the year, a revised product innovation framework was implemented to support more consistent application of standards across the product lifecycle. Operating across multiple regulatory regimes, this updated framework reflects a commitment to robust controls while maintaining momentum in product strategy and innovation. The framework supports continuous learning and refinement, while ensuring that product initiatives remain aligned to customer needs, regulatory requirements and the Group's risk appetite.

As part of this work, bespoke performance dashboards were developed to provide more insightful views of portfolio performance, enabling earlier identification of trends and potential shortcomings in product design, pricing or underwriting approaches.

2025 Product Highlights and Strategic Responses to Emerging Risks

Shifts in customer behaviour, technology adoption and the operating risk environment continue to reshape insurance needs across the Group's markets. In response, product development during the year focused on emerging and evolving risk profiles.

Property and Casualty

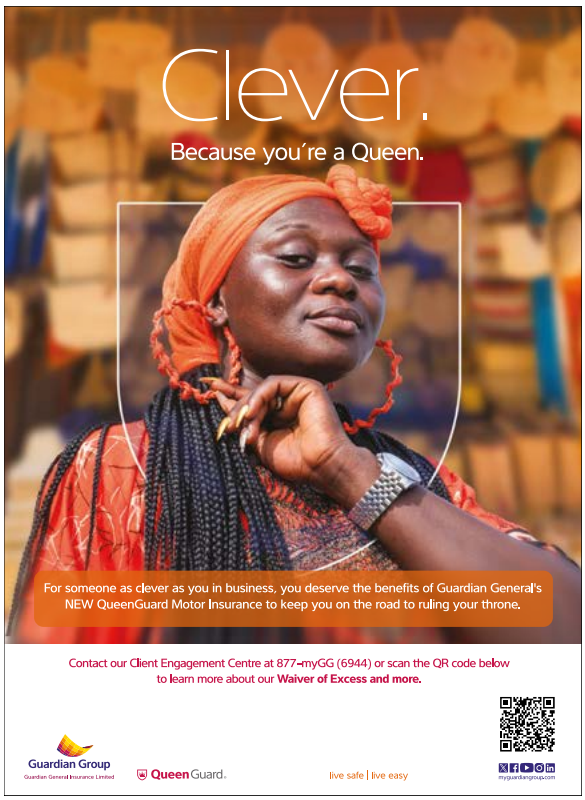
Within the Group's property and casualty portfolios, emphasis was placed on product design, improving risk selection and responding to emerging risk trends. Key examples of this approach during 2025 include insurance solutions for electric vehicles, cyber risk protection through CyberGuard and parametric product solutions designed to address climate-related risks.

Female Drivers and Electric Vehicle (EV) Insurance

In Trinidad and Tobago, a motor insurance product tailored specifically for female drivers was launched, informed by internal analytics. The product reflects a more data-driven approach to product design and risk differentiation.

Building on global automotive and ESG-related trends, the Group also launched an electric vehicle insurance solution in Trinidad and Tobago during the year, with a subsequent soft launch in Jamaica in collaboration with NCB's electric vehicle loan offering. Traditional insurance structures do not always adequately address the distinct risk profile associated with electric vehicles, including repair costs and technology-related exposures and the Group adapted its product offerings accordingly. Following strong early performance, plans are underway to expand this offering into additional markets, including the Dutch Caribbean.

To optimise its general insurance portfolio in Jamaica, the Group also introduced new third-party motor products during the year. Early performance indicators suggest an improvement in claims experience, supporting the Group's objective of improving portfolio sustainability.





CyberGuard

In response to the increasing prevalence of cyber threats across the region, the Group introduced CyberGuard Essentials in Trinidad and Tobago as an add-on to commercial property policies. The product is designed to address the needs of small and medium-sized businesses and provides coverage for data recovery, investigative support and business interruption. Opportunities to expand this offering into Jamaica and the Dutch Caribbean are currently under evaluation.

ClimateGuard

In partnership with the Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company (CCRIF SPC), the Group launched ClimateGuard, a parametric solution in Jamaica aimed at low-income households and small business owners. Defined windspeed and rainfall triggers activate the product which is designed to provide faster access to funds following climate events. This product supports business continuity and community resilience. Distribution partnerships with credit unions and other associations are being explored to broaden access to this solution.



Life, Health and Pension

Within Life, Health and Pension, product activity focused on portfolio reviews, targeted repricing and selective expansion into underserved segments.

Regular performance reviews informed pricing adjustments where necessary, supporting more sustainable portfolio outcomes. In Jamaica, health coverage was extended to the entertainment and creative sector, expanding access to insurance for a segment that has historically been underserved.

In the Dutch Caribbean, preparations advanced in anticipation of changes associated with the mandatory basic pension scheme in Curaçao. Enhancements to smart quotation tools and digital portals were implemented to improve proposal preparation and customer servicing. In parallel, new health products were introduced through the BSure digital platform, enabling more targeted engagement with niche customer segments.

As the Group explores opportunities to expand its presence in Suriname, product development efforts are being geared towards innovative health solutions designed to respond to local consumer needs.

The Group's product development framework supports the creation of a structured pipeline of initiatives, informed by customer engagement, agent feedback, market research and internal performance analysis. International provider relationships are also leveraged to support first-to-market opportunities where appropriate.

Collectively, these initiatives demonstrate the Group's strategic priorities in evolving its product portfolio to respond to emerging risks and opportunities, while maintaining a consistent Group-wide approach to product design. Further information on the social and sustainability dimensions associated with selected products is provided in the 2025 Sustainability Report, to be published ahead of our Annual General Meeting.

Advanced Analytics Capabilities

During the year, the Group continued to expand the application of advanced analytics across core business functions, embedding data-driven approaches more deeply into its operations. The Advanced Analytics function, which reports to the Chief Product Officer, works closely with business units to ensure analytics initiatives are aligned to product strategy and operational priorities.

During the year, the Group reinforced its advanced analytics capability to ensure its appropriateness. This supported the effective deployment of analytics initiatives across key business areas and enabled closer alignment between technical capability and business priorities.

Key Analytics Projects Delivered During the Year

Analytics solutions and visualisation tools were delivered across several segments:

Asset Management: Machine learning techniques were applied to customer demographic, product holding and engagement data to develop actionable customer personas. These insights support more informed sales engagement, identification of coverage gaps and specific marketing strategies.

Health Claims Management: Advanced analytics methods were applied to health claims data in Trinidad and Tobago and Jamaica to identify key cost drivers and utilisation trends. The outputs informed refinements to product design, pricing strategies and a more holistic approach to managing customer healthcare needs.

Salesforce Analysis: Analytics tools were implemented to monitor agent performance and customer-product alignment across core territories. The insights gleaned supported more effective sales management, informed discussions with agents and improved our portfolio management.

Motor and Marine Portfolios: Dashboards were developed to support deeper analysis of trends within motor and marine portfolios. These tools have enabled earlier identification of performance issues, informed underwriting refinements and supported the development of niche products introduced during the year.

Fraud Detection and Leakage: Advanced analytics techniques were applied to motor and health claims to strengthen fraud detection and leakage monitoring, supporting improved cost control and claims governance.

Through these initiatives, advanced analytics enhanced the Group's understanding of its portfolios, supported operational efficiency and strengthened the quality and consistency of decision-making across the organisation.

Looking Ahead

Building on progress achieved during the year, the Group will continue to strengthen its product pipeline and expand the use of advanced analytics to support disciplined growth, portfolio optimisation and selective expansion across additional markets. These capabilities will remain central to the Group's ability to respond proactively to evolving customer needs, regulatory requirements and risk dynamics.

RISK & RESILIENCE

Driven by purpose,
positioned for long-term stability



Managing Risk, Building Resilience, Enabling Sustainable Value

Effective risk management underpins Guardian Group's ability to protect lives and livelihoods and is central to how the Group approaches strategy and decision-making. As an insurer and asset manager, the risks we manage today have a direct impact on our stakeholders and the wider communities. Our approach to risk management reflects the responsibility we carry in safeguarding financial security, supporting resilience and maintaining trust over the long term.

By managing risk with foresight and discipline, the Group seeks not only to protect its own sustainability, but to contribute to stable outcomes that support tomorrow's opportunities for those who rely on us. This responsibility is supported by a structured enterprise risk management framework that guides how risks are managed across the Group.

Our Risk Management Framework

The primary objective of risk management at Guardian Group is to ensure that risk-taking activities are aligned with the Group's strategy while maintaining a balanced risk-reward profile that supports sustainable value creation. The Group's Enterprise Risk Management (ERM) Framework provides the foundation for achieving these objectives, supporting continuous oversight of the overall risk profile and alignment with our business strategy and objectives.

The Group's ERM Framework is underpinned by three core principles that guide how risk is managed across the organisation.

OUR RISK MANAGEMENT PRINCIPLES



Clear Accountability
Clear ownership, authority and escalation for managing risk across the Group.



Measured Risk-Taking
Taking risk deliberately and within defined appetite to support sustainable value creation.



An Open Risk Culture
Encouraging transparency, early escalation and shared learning to reduce surprises.

These principles are embedded in the Group's governance structures, ensuring that risk management supports disciplined decision-making and long-term resilience.

Clear Accountability and Risk Governance

Clear accountability and risk governance is fundamental to effective risk management at Guardian Group. Responsibilities for identifying and managing risk are clearly defined and consistently applied across the organisation. These responsibilities are reflected in the roles outlined below.

Board Oversight

The Board of Directors sets the tone at the top and drives the establishment of the risk management culture throughout the Group. The Board approves the risk appetite and the policies required to protect the organisation from existing and emerging risks.

Board Risk and Compliance Committee (BRCC)

The BRCC has responsibility for ensuring that an appropriate enterprise risk management framework is in place, including the development and implementation of risk policies and supports the Board of Directors in carrying out its risk governance mandate.

Group Chief Risk Officer (GCRO)

The Group Chief Risk Officer is responsible for oversight of the risk management function and the implementation of the risk management framework across the Group. The role helps ensure that a robust system is in place to manage risks and ensures that the Group's risk appetite and strategic objectives are in alignment.

Business Unit Ownership

Business Unit Heads are responsible for effective risk management within their areas of responsibility, in accordance with the approved risk appetite including policies, procedures, key risk indicators (KRIs) and limits.



The risk governance structure is supported by the Three Lines Model, which illustrates how accountability for risk management is distributed across the Group.

Three Lines Model

The Group applies the Three Lines Model to support the achievement of its objectives and facilitate strong governance and risk management. The model enables us to identify and escalate issues. The role of each line is as follows:

First Line: Business Units (Risk Owners)

Business Units are directly responsible for delivering products and services to customers and for managing the risks arising from their activities.

- Lead and direct actions, including the management of risk and the allocation of resources, to achieve organisational objectives
- Establish and maintain appropriate operational and risk management structures and processes, including internal controls
- Ensure compliance with applicable legal, regulatory and ethical requirements

Second Line: Risk Management and Compliance

Second Line roles assist with managing risk and provide expertise, support and monitoring of risk-related matters.

- Manage risk management practices and controls at the process, system and entity levels
- Support the achievement of risk management objectives, including compliance with laws and regulations and information and technology security requirements
- Monitor, analyse and report on the adequacy and effectiveness of risk management practices

Third Line: Internal Audit

Internal Audit provides independent and objective assurance and advisory services on the effectiveness of risk management.

- Provide assurance on the design and operating effectiveness of governance and risk management frameworks
- Evaluate compliance with established policies, procedures and controls
- Identify opportunities for improvement and support continuous enhancement of the control environment



The Three Lines of Defence operate as complementary layers of risk ownership, oversight and independent assurance, providing multiple checkpoints to reduce the likelihood that material risks go unidentified or unmanaged.

Measured Risk-Taking: Our Risk Appetite

Guardian Group's approach to risk-taking is grounded in discipline and alignment with strategy. Sustainable value creation requires taking risks deliberately and within clearly defined boundaries as set out in the Group's risk appetite policy and supported by defined limits, key risk indicators and escalation mechanisms.

Risk Appetite

Risk appetite plays a central role in guiding how the Group takes risks in pursuit of its strategic objectives. The Group's Risk Appetite Statement defines clear boundaries that support growth while maintaining prudent buffers to protect policyholders and other stakeholders. It provides the context for optimising how the Group should deploy its resources with a risk-return view. These boundaries are translated into operational oversight through a set of Key Risk Indicators (KRIs) that enable ongoing monitoring of risk exposures against defined appetite and tolerance levels.

KRIs support early identification where thresholds are approached or breached, which informs management to take action to maintain alignment with the Group's risk appetite.

Managing Risk, Building Resilience, Enabling Sustainable Value (continued)

Strengthening the Enterprise Risk Management (ERM) Framework in 2025

Guardian Group develops and maintains a suite of risk policies to manage risk and establish clear expectations for the conduct of business across the Group. These policies are informed by industry best practices, applicable legal and regulatory requirements, and the expectations of regulators.

During the year, Guardian Group further strengthened its ERM capability through the following:

- Reviewing and updating of Operational Risk policies, utilising the Operational Riskdata eXchange Association (ORX) risk taxonomy and our Market Risk policies to align with leading practices
- Enhanced reporting to the Board Risk and Compliance Committee to better monitor performance against risk appetite while allowing for improved forward-looking risk insights
- Establishment of an insurance risk sub-function to strengthen oversight of key risks
- Updating of Key Risk Indicator templates to align with their updated Risk Appetite Statements, resulting in more consistency in risk-monitoring, limits and escalation.
- Refinement of the risk register template to support consistent business unit application and strengthened risk oversight by increasing the frequency of risk updates from annual to quarterly.

These enhancements strengthen consistency, oversight and decision support across the Group.

An Open Risk Culture

An open risk culture is essential to reducing surprises and strengthening organisational resilience. Guardian Group promotes management of risk issues across all levels of the organisation.

Our corporate and risk cultures are mutually reinforcing. In 2025, as the Group planned for the future, increased emphasis was placed on embedding risk management more consistently across the organisation. This focus builds on the Group's Code of Conduct as well as on the risk management principles set forth in the Group ERM Policy.

In 2025, risk culture initiatives included:

- Quarterly risk awareness communications issued by Group Risk
- Targeted risk management training for leadership teams across key subsidiaries
- Continued emphasis on understanding risk appetite, KRIs and escalation protocols

Key Risks Facing Guardian Group

Throughout 2025, we managed a diverse set of risks through an established approach across all activities, including our insurance and asset management operations.

Managing Risk, Building Resilience, Enabling Sustainable Value (continued)

Operational Risk

Operational risk arises from failures or inadequacies in processes, people, systems or from external events. These risks are mitigated through internal controls, incident management, documented procedures and internal audit reviews. As operational complexity increases, continued focus has been placed on strengthening controls and ensuring consistent and timely issue escalation across the Group. Management retains primary responsibility for identifying, evaluating and managing operational risks, including the design and maintenance of effective internal controls.

Market Risk

Market risk arises from fluctuations in interest rates, equity prices and foreign exchange rates that may affect the value of the Group's investment portfolios, earnings and capital position. These exposures are managed through defined investment policies, diversification, asset allocation limits and ongoing monitoring, supported by stress testing and scenario analysis.

Liquidity Risk

Liquidity risk relates to the ability to meet financial obligations as they fall due. It is managed through cash-flow forecasting, monitoring of asset and liability maturities and the maintenance of adequate liquid asset buffers to support claims payments and operational needs, including under stressed conditions.

Credit Risk

Credit risk arises from counterparty default related to investments, reinsurance recoverables and receivables. It is managed through counterparty limits, credit rating assessments, diversification and the selection of highly rated reinsurance partners, with ongoing monitoring of exposures.

Insurance Risk

Insurance risk includes underwriting, reserving and catastrophe risk, heightened by climate volatility and natural hazard exposure. It is managed through disciplined underwriting, pricing adequacy, portfolio diversification and a robust reinsurance programme placed with AM Best-rated reinsurers informed by catastrophe modelling and Probable Maximum Loss analysis.

Managing Risk, Building Resilience, Enabling Sustainable Value (continued)

Strategic Risk

Strategic risk arises from macroeconomic conditions, competitive dynamics, regulatory change, technological disruption and shifts in customer expectations. These risks are assessed as part of integrated strategic planning processes at both Group and subsidiary levels, ensuring that strategic decisions remain informed by the evolving external environment and the Group's risk appetite.

Climate-Related and Transition Risk

This risk represents the potential financial, operational and strategic impacts arising from physical hazards such as hurricanes, flooding and extreme weather as well as transition risks associated with policy, regulatory, market and technological shifts. Given the Group's geographic footprint, climate risk has the potential to affect asset quality, underwriting performance, business continuity and customer resilience. The Group manages climate risk through its Enterprise Risk Management Framework, supported by robust reinsurance arrangements, business continuity planning and the progressive integration of climate considerations into risk assessment and decision-making. Ongoing monitoring and scenario analysis as well as training are being advanced to strengthen preparedness and resilience over time.

Technology, Cybersecurity and Data Privacy Risks

These risks relate to system availability, data integrity and information security. They are managed through information security and data governance frameworks, cybersecurity controls, monitoring, incident response protocols and training to protect customer data, operational continuity and regulatory compliance.

Emerging Risks

Emerging risks are monitored through the ERM Framework, management discussions and Board oversight to support early identification and proactive response. This includes scanning for evolving trends, assessing potential impacts and considering appropriate management actions to enhance preparedness and resilience.

Looking Ahead

Looking ahead, Guardian Group is focused on strengthening our risk management capabilities to support resilience, disciplined growth and long-term value creation. The focus will remain on embedding risk considerations into strategic planning and decision-making, enhancing the use of data and analytics to support earlier identification of emerging risks, and strengthening oversight through clear escalation and monitoring mechanisms.

As the external environment evolves, the Group will refine its risk management, enabling it to confidently navigate change while delivering sustainable value.

CORPORATE GOVERNANCE



Integrity in practice.
Transparency in action.

Corporate Governance Report

Shaping Tomorrow Today...

Guardian Holdings Limited has a demonstrated legacy of governance practices and systems at the highest level, evidenced by our almost 180 years of positive impact on the region and our local communities.

Our forward-looking focus on our corporate governance systems has allowed us to steer a steady course and avoid blow-ups, such that our stakeholders continue to view us as a staple of strong and consistent leadership. The Board of Directors is pleased to report on the Company's 2025 corporate governance that redounds to strong performance, resilient businesses and stable leadership. Our commitment to delivering optimal performance, growth and continued success is anchored in our leadership in corporate governance.

In 2025, we remained focused on strengthening our governance systems to uphold transparency, accountability, ethical leadership, prudent oversight and management. Key governance achievements included:

- Transition of Board and committee evaluations to a centralised digital platform, enhancing the effectiveness, consistency and confidentiality of performance assessments
- Establishment of a Capital and Investment Committee to support Board oversight of capital allocation and investment activities
- Establishment of a Directors' succession pool to support structured Board succession planning and continuity
- Enhancement of the Directors' skills matrix across the Group to capture more detailed information, focusing on specific skills and competencies required to support the Group's current and future needs
- Publication of our first public invitation to talented individuals interested in Board leadership, which marked another milestone as a leader and change agent in advancing diversity, equity and inclusion
- Further definition of our Environmental Social and Governance (ESG) ambitions and establishment of the governance structures necessary to support their achievement

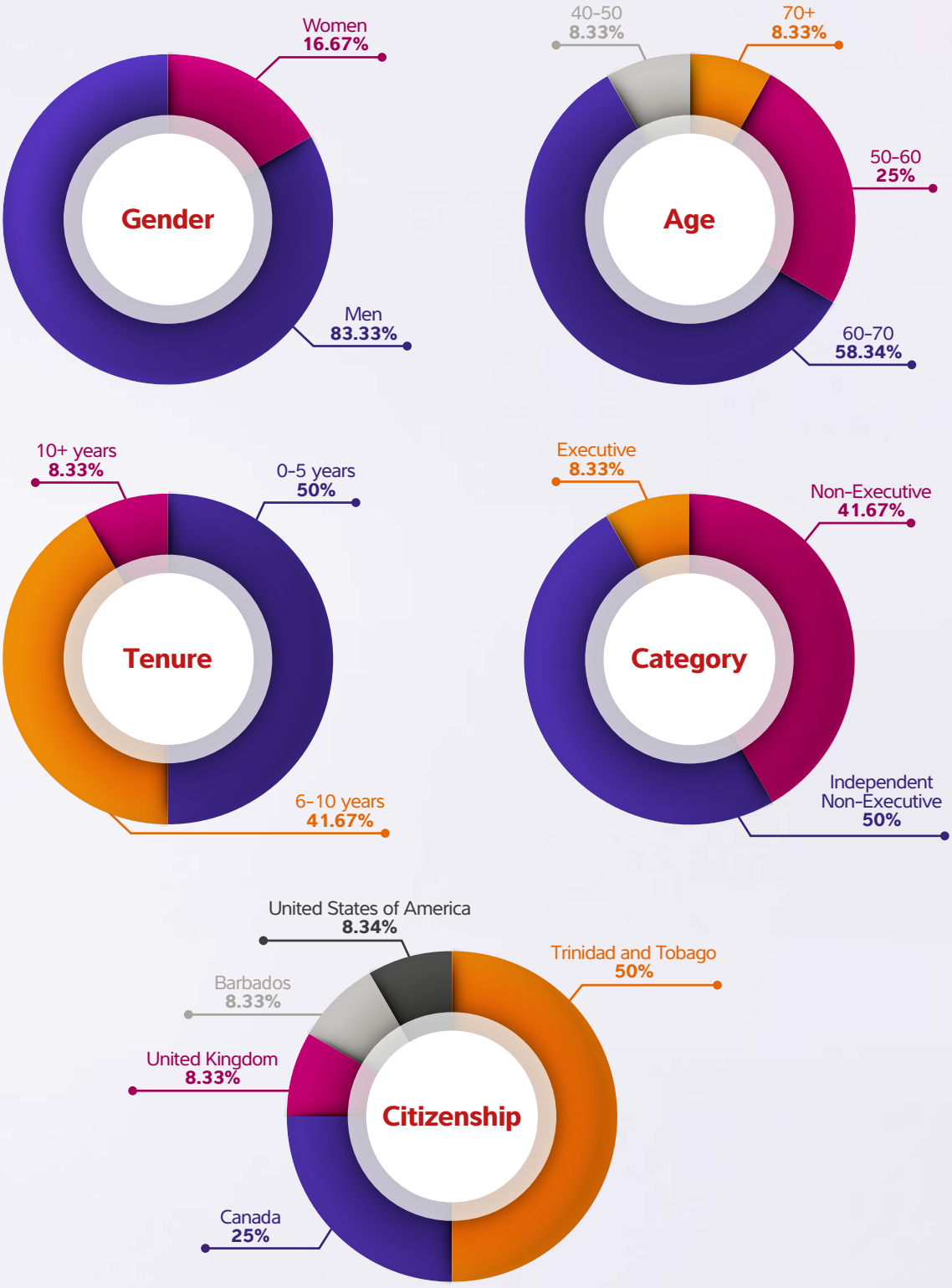
The GHL Board acknowledges its collective responsibility for the long-term sustainability of the Company and its subsidiaries.

Responsibility for corporate governance rests with the Board and is overseen by the Corporate Governance and Nomination Committee ("CGNC"), which has delegated authority to ensure that the Group's governance practices are clearly articulated, consistently applied and embedded within the culture and ethos of the business.

The Group continues to view ESG considerations as a means of strengthening how corporate governance is experienced by our valued stakeholders, including customers, investors, employees and our local communities.

GHL adopted and adheres to the principles of good governance as set out in the Corporate Governance Code of Trinidad and Tobago (as revised), informed by global governance best practices and forms the basis of our corporate governance reporting.

PRINCIPLE A - GOVERNING BODY EFFECTIVENESS



The Board of Directors of GHL comprised twelve directors as at 31 December 2025. The biographies of the Directors eligible for election and re-election are in the Notes to the 2026 Notice of Annual Meeting and all Director biographies are accessible on our website.

Key Governance Roles of the Board of Directors

Non-Executive Chairman **Mr. Robert Almeida**	• Leads the Board and ensures accountability to shareholders and stakeholders • Sets the governance standards • Oversees strategic direction
Lead Independent Director **Mr. Charles Percy**	• Principal liaison between the Chairman and the Independent Directors • Presides over all meetings of Independent Directors • Coordinates the activities of the other Independent Directors • Participates in the Evaluation of the Chairman
Group CEO & Executive Director **Mr. Ian P. Chinapoo**	• Leads the management of the Company's business • Leads the implementation of the resolutions and policies of the Board of Directors
Chief Governance Officer **Ms. Krystal Baynes-Hoseinee**	• Maintains the Corporate Governance Framework • Supports the Board and Committees • Ensures Statutory and Regulatory Compliance

Board of Directors Meetings

The Board meets at least quarterly to conduct routine business. Additional meetings are convened as necessary to discuss key organisational, strategic and industry matters to maintain strong oversight of our operating entities and to provide relevant direction commensurate with the unique economic environments across our various territories. The Chairman encourages open, candid and collaborative discussion and as far as possible the Board strives for unanimity in its decision-making in a fair, independent and reasoned manner.

5

Number of Meetings in 2025

KEY ATTENDEES

Group Chief Executive Officer
Group Chief Financial Officer
Group Chief Strategy Officer
Group Chief Operating Officer & President, Guardian Shared Services Limited
Chief Governance Officer

5

Independent Directors

Board Reporting

The Board Agenda is developed by the Chairman in consultation with the Group CEO, Corporate Secretary and other Directors. It contains standard items including strategy, business performance, stakeholder engagement and other key matters reserved for the Board such as capital management, mergers, divestitures and acquisitions, pursuant to the Statement of Board Reserved Powers. Through the astute leadership of the Chairman, Board meetings are sufficiently nimble to pivot and prioritise discussions on matters most critical to the business.

The Corporate Governance Policy sets the standard for the quality of the information about the material aspects of the Company's business, performance and prospects provided to the Directors. It ensures that such information is relevant, concise, timely, well-organised and supported by the necessary context. In pursuance of meaningful participation by all Directors at Board meetings, and to allow Directors adequate time to review and reflect on the information, Directors receive Board papers one week in advance of meetings.

Board Succession

The Corporate Governance and Nomination Committee maintains strong oversight of succession for all Directors (including the role of Chairman). Through the recruitment, nomination and succession planning process, the CGNC maintains a pool of potential candidates that are screened, interviewed and otherwise assessed for planned and unplanned vacancies, to ensure a smooth transition of roles and continuity in the business operations. As part of the implementation of the Group Governance Framework, the Board has instituted nine-year limits for Directors deemed independent to ensure that it is regularly refreshed and continues to be composed of people who have the right mix of skills and represent diverse age brackets, genders, ethnicity and geographical origin.

Guardian Holdings Limited has once again been a first mover having published its first public invitation for strong leaders to participate in our Director-screening process. We are pleased to report that from that process, Ms. Neysa Isenia, CEO of a national utility company in Curaçao, a senior executive with extensive experience in utilities, financial services and large-scale operational leadership, was recommended for appointment to the Board of Directors of key subsidiaries in Trinidad and Tobago and the Dutch Caribbean.

Board Committees

The Board has five standing committees to assist with the discharge of its responsibilities in a review and advisory capacity, in accordance with recognised principles of corporate governance. In 2025, as part of the strategic ambitions of the Company, the Board determined that a committee with focus on capital management and allocation was integral to attaining its long-term sustainability and growth targets, and as such established the Capital and Investment Committee as a standing Board Committee.



Each committee is governed by a charter that sets out its responsibilities and the requirements for its composition, which can be accessed on the Company's website. Charters are reviewed at least biennially by the relevant committee and the Board. The composition of the committees is reviewed on an annual basis by the CGNC, which makes recommendations to the Board in this regard. The CGNC ensures that the committees are composed of people with the right skills, experience and knowledge to adequately discharge their responsibilities.

All committees report to the Board quarterly, and the confirmed minutes of the committee meetings are circulated to all Directors. The authority of the committees is determined by the Board, subject to any statutory prohibition against delegation. The roles and responsibilities of all committees are considered by GHL to be a key contributor to its robust corporate governance framework and are evidence of the Group's commitment to best practices in corporate governance.

Report of the Audit Committee (AC)

Composition

Mr. L. Dominic Rampersad (Chairman)
Mr. Imtiaz Ahamad
Mr. Dexter Maitland
Mr. Charles Percy

Key Responsibilities of the AC

- Ensures the integrity of the Group's financial statements
- Assesses the Group's external auditor's qualifications and independence
- The performance of the Group's internal audit function
- Ensures the effectiveness of the Group's internal controls and risk management processes

Committee Structure and Meetings

5

Number of Meetings in 2025

KEY ATTENDEES

Group Chief Financial Officer
Group Head Internal Audit
External Auditor

3

Independent Directors

Key Deliberations

- Reviewed the adequacy and effectiveness of the Group's internal control system and the impact on both the financial and non-financial objectives of the Group
- Reviewed management's corrective actions for any internal control deficiencies
- Reviewed and approved the 2025 Internal Audit Plan
- Reviewed and approved the external auditor's approach to and the scope of their examination of the financial statements
- Assessed whether any circumstance exists that may reasonably affect the external auditor's independence
- Recommended to the Board matters regarding the appointment, compensation and terms of engagement of the external auditor
- Recommended approval of non-audit services of the external auditor
- Assessed for recommendation unaudited and audited financial statements
- Convened private sessions among AC members, external and internal auditors

The AC is satisfied that the Internal Audit function has been discharged in an objective and transparent manner and that the performance of the function is not subject to management's undue influence.

The members are satisfied that the external auditor planned the audit to obtain reasonable assurance that the financial statements are free of material misstatement and present a fair view of the financial position of the Group as at 31 December 2025 and the results of its operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

The AC is also satisfied that the audited financial statements contained in this annual report are complete, consistent with information known to its members and in conformity with approved accounting principles that have been consistently applied.

Report of the Risk and Compliance Committee (RCC)

Composition

Mr. Dexter Maitland (Chairman)
Mr. Robert Almeida
Mr. Michael L. Gerrard
Mr. Charles Percy

Key Responsibilities of the RCC

- Maintenance of a solid system of risk oversight and management
- Ensures compliance with all relevant legal and regulatory requirements and other relevant policies, standards and best practices
- Ensures the appropriate structure for reporting on and monitoring of risk and compliance matters

Committee Structure and Meetings

4
Number of Meetings in 2025

KEY ATTENDEES
Group Chief Risk Officer
Group Head, Compliance
Group Head, Internal Audit

3
Independent Directors

Key Deliberations

- Monitored the status of each business unit's compliance with applicable laws and regulations
- Monitored the closure of action items emanating from regulatory inspections and audits
- Considered fraud-related matters to ensure that any gaps in control were resolved and that any contagion risks were addressed
- Ensured that compliance issues raised during the year were properly monitored and resolved and that no material issues remained unresolved at the end of the year
- Reviewed the Group's performance against the established risk appetite and risk tolerance
- Received regular key risk indicator reports with details of the key risk exposures, the drivers of risk in the Group, emerging and potential risks and actions taken to mitigate any risk that exceeded pre-established tolerance levels
- Assessed the Group's solvency and liquidity positions and existing and emerging regulatory requirements
- Reviewed IT security risks including data security, privacy and protection and cybersecurity
- Received regular reports on regulatory and other public policy developments

The RCC is satisfied that risk-corrective actions identified by management were adequate, that compliance management issues identified were satisfactorily resolved, that risk management systems were operating effectively and that risk management strategies were consistently applied to minimise exposure to risk.

Report of the Corporate Governance and Nomination Committee (CGNC)

Composition

Ms. Patricia Ghany (Chairman)
Mr. Dexter Maitland
Mr. Charles Percy

Key Responsibilities of the CGNC

- Develop, implement and periodically review guidelines for robust governance of the GHL Group of Companies
- Develop the Group's corporate governance framework in line with governance best practice
- Oversee the nomination process for the GHL Board and subsidiaries to ensure a balance mix of experience, diversity and skills

Committee Structure and Meetings

5

Number of Meetings in 2025

KEY ATTENDEES

Group Chief Executive Officer
Group General Counsel
Chief Governance Officer

3

Independent Directors

Key Deliberations

- Enhanced the policy and procedures on Directors' induction and onboarding
- Pioneered diversity, equity and inclusion in the Director-selection process through public invitation
- Recruitment and succession planning for the GHL Board and subsidiaries
- Considered nominations for appointments to all Boards of Directors within the Group
- Reviewed and made recommendations on the composition of the GHL Board and committees
- Reviewed and recommended to the Board key governance policies and procedures of the Group
- Oversaw the implementation of a single centralised Board evaluation platform that provided important benchmarking externally and within the Group

Report of the Talent Development and Compensation Committee (TDCC)

Composition
Mr. Charles Percy (Chairman)
Mr. Robert Almeida
Ms. Patricia Ghany

Key Responsibilities of the TDCC
- Oversees Executive Compensation Design and Management
- Oversees Executive Leadership Development and Succession Management
- Oversees Human Resource Management Systems and Structures to Support Good Governance

Committee Structure and Meetings

5
Number of Meetings in 2025

KEY ATTENDEES
Group Chief Executive Officer
Group Chief Operating Officer & President, Guardian Shared Services Limited
Vice President, People, Culture and Capability

2
Independent Directors

Key Deliberations

- Reviewed and revised the TDCC charter to ensure that the committee's remit and reporting are aligned with the Board's expectations, regulatory obligations and global governance best practices
- Oversaw the regeneration of the Group's Talent Management in the reframing of the Human Resource team to "People, Culture and Capability"
- Reviewed executive compensation structures to ensure alignment with performance outcomes, market competitiveness, fairness and regulatory requirements
- Reviewed the performance of the Group Chief Executive Officer and senior executives
- Oversaw leadership development and succession planning for senior executive roles, including assessment of succession risks and leadership pipeline readiness
- Oversaw core human resource management systems and frameworks, including performance management, talent development and organisational design
- Considered executive role design, reporting lines and accountability structures in support of effective governance and sustainable performance

Report of the Capital and Investment Committee (CIC)

Composition

Mr. Ian P. Chinapoo (Chairman)
Mr. Robert Almeida
Ms. Colette Delaney
Mr. Michael L. Gerrard

Key Responsibilities of the CIC

- Oversees the management and allocation of surplus capital in alignment with the Company's long-term strategy
- Reviews and recommends to the Board the capital plan, major investments, corporate transactions and capital returns to shareholders
- Monitors the performance of invested capital and compliance with approved investment guidelines

Committee Structure and Meetings

4
Number of Meetings in 2025

KEY ATTENDEES
Group Chief Executive Officer
Group Chief Strategy Officer

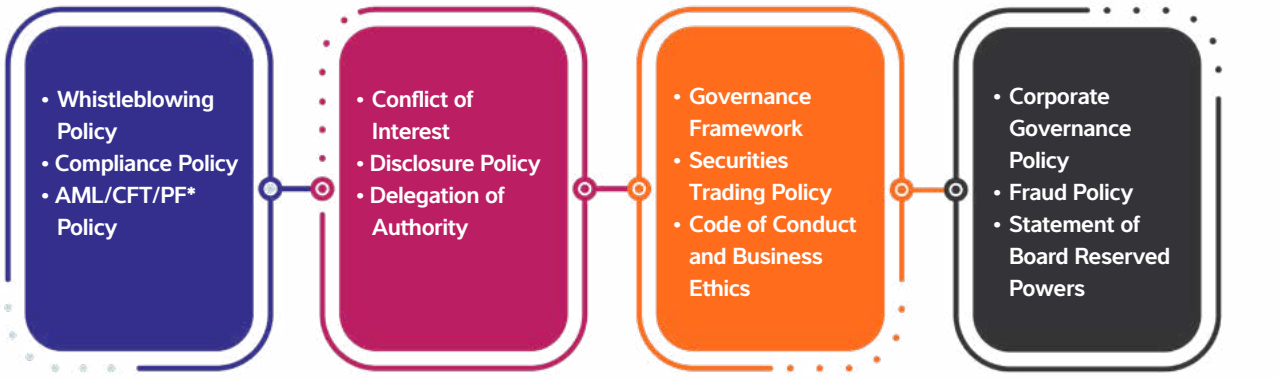
2
Independent Directors

Key Deliberations

- Reviewed and recommended the CIC charter to the Board for approval
- Reviewed the Key Performance Indicators of the committee
- Oversaw capital allocation discipline and governance
- Reviewed the capital plan and return expectations
- Evaluated priority investments and monitored invested capital performance

Governance Policies

In addition to the Group's Corporate Governance Policy, the Company's governance framework is supported by a series of other critical Group policies.



*Anti-Money Laundering/Combating the Financing of Terrorism/Proliferation Financing

Copies of the Corporate Governance Policy and other key Governance Policies are available on the Group's website **www.myguardiangroup.com.**

Remuneration

The CGNC has responsibility for assessing and recommending to the Board the remuneration of all Non-Executive Directors across the Group. The compensation package of the Group's Executives (including Executive Directors) is overseen by the TDCC. Both committees are majority-comprised of Independent Directors and their charters delineate their responsibilities for remuneration executed within the remit of the relevant Remuneration Policy.

Remuneration Policy

The primary objective of the Company's Remuneration Policy is the provision of competitive remuneration packages to attract, recruit and retain talent, considering market conditions and the long-term interests of the Company. This has been achieved through participation in relevant market compensation surveys at least every three years, using appropriate comparator organisations, with the support of an independent remuneration advisory firm.

Non–Executive Directors

Non-Executive Directors are remunerated by means of an annual retainer, the value of which is determined by reference to the anticipated workload, the size and complexity of the Group's operations and prevailing market benchmarks in other publicly traded companies. The Board Remuneration Policy introduced a tiered system as the starting point for consideration of Board remuneration using key criteria to ensure that remuneration remains fair and competitive. The aggregate remuneration for the GHL Directors in 2025 was $5.83 million.

Subsidiary Executive Directors

Executive remuneration comprises of an annual base salary and benefits as well as variable components such as long- and short-term incentive programmes. The annual base salary considers standards in the market, the desired executive competencies and the needs of the Group from time to time.

Principle B – Oversight and Accountability

Board accountability is a key underpinning of good corporate governance, and the Board encourages open and frank discourse from shareholders about their expectations for oversight of the Company. The Board transparently communicates with its shareholders and other stakeholders on the performance, management and vision of the Company.

Directors' Training and Development

> We believe that development comes from a combination of experiential, social and formal learning.

Emphasis is placed on ongoing training and personal development in keeping with local and global legal, financial and governance trends.

The ongoing development of Directors is focused on equipping them to meet their obligations to the various stakeholders who rely on their effective stewardship of the entity towards sustainability.

Methods of Training:

- One-on-one conversations
- Dedicated discussion forums
- Short reads
- Interactive videos
- Formal training and development sessions

Directors' Training and Development (continued)

2025 FORMAL TRAINING AND DEVELOPMENT SESSIONS

THEME	DURATION	FACILITATOR
A Director's Guide to AI: Strategy, Governance and Value Creation	Day and a Half	National Association of Corporate Directors
AML Overview and Governance Lessons	Two Hours	NCB Financial Group Limited – Group Regulatory and Financial Crimes Compliance Division
Environmental Social and Governance Board Training (Part 2)	Two Hours	Ernst & Young Trinidad and Tobago

Induction and Onboarding

New Directors participated in a formal induction process in accordance with the Company's Induction and Onboarding Procedure, alongside the standard and personalised training to support the effective discharge of their duties on the Board.

Skills and Competencies of the Board

Each year, the Directors undertake a self-assessment and peer assessment of their skills and competencies, which is led by the CGNC to ensure that the Board continues to be comprised of people who add value, which also informs the Board's succession planning. This ongoing assessment ensures that the agility of the business is supported with Directors who collectively possess the breadth of skills to be adequately adaptable to changing environments.

2025 Directors Skills and Competencies Matrix

	Organisational Leadership	Financial Expertise	Insurance – General	Insurance – Life	Asset Management	Risk Management	Strategic IT Leadership and Digital Transformation	Strategic Planning	Regulatory Affairs and Compliance	Entrepreneurship	Strategic Environmental, Social, and Governance (ESG) Leadership	People Development and Compensation Management
Imtiaz Ahamad	Expert	Skilled	Skilled	Limited	Skilled	Skilled	Basic	Skilled	Skilled	Expert	Skilled	Skilled
Robert Almeida	Expert	Expert	Basic	Basic	Expert	Expert	Basic	Expert	Basic	Expert	Basic	Basic
Bruce Bowen	Expert	Expert	Basic	Expert	Expert	Expert	Skilled	Expert	Expert	Skilled	Basic	Skilled
Ian P. Chinapoo	Expert	Expert	Skilled	Skilled	Expert	Expert	Skilled	Expert	Expert	Expert	Expert	Expert
Colette Delaney	Expert	Expert	Basic	Basic	Basic	Expert	Skilled	Expert	Expert	Basic	Skilled	Expert
Michael L. Gerrard	Expert	Expert	Basic	Basic	Skilled	Basic	Basic	Expert	Skilled	Skilled	Basic	Skilled
Patricia Ghany	Expert	Skilled	Skilled	Basic	Skilled	Skilled	Basic	Skilled	Skilled	Expert	Basic	Expert
Michael Lee-Chin	Skilled	Skilled	Skilled	Basic	Skilled	Basic	Basic	Skilled	Skilled	Expert	Skilled	Skilled
Nicholas Lok Jack	Expert	Skilled	Limited	Limited	Basic	Basic	Basic	Expert	Limited	Expert	Limited	Skilled
Dexter Maitland	Expert	Expert	Basic	Basic	Expert	Expert	Limited	Expert	Expert	Skilled	Expert	Expert
Charles Percy	Expert	Skilled	Basic	Basic	Skilled	Skilled	Expert	Expert	Basic	Skilled	Basic	Expert
L. Dominic Rampersad	Expert	Expert	Skilled	Basic	Skilled	Skilled	Basic	Skilled	Skilled	Skilled	Skilled	Skilled

Limited application: minimal exposure or experience
Basic application: some limited experience or foundational knowledge
Skilled application: significant operational or functional experience or knowledge
Expert application: senior executive experience in the function, role or knowledge area

Organisational Leadership – Guide the organisation towards its strategic goals / *Financial Expertise* – Drive the organisation's financial strategy, optimise financial planning, manage risks and align financial goals with business objectives / *Risk Management* – Oversee the identification, assessment and mitigation of potential risks, ensuring that effective strategies are in place to minimise impact and protect the organisation's interests / *Strategic IT Leadership and Digital Transformation* – Align technology strategies with business goals, drive innovation, efficiency and competitive advantage through digital solutions / *Strategic Planning* – Develop, implement and oversee long-term goals and initiatives that align with the Company's vision / *Regulatory Affairs and Compliance* – Ensure adherence to laws, regulations and ethical standards by overseeing compliance strategies, regulatory submissions and risk management / *Entrepreneurship – Drive* innovation and new business development by fostering entrepreneurial initiatives, strategy and ecosystem growth / *Strategic ESG Leadership* – Align sustainability, social responsibility and ethical leadership with organisational strategy to create long-term value and positive stakeholder impact / *People Development and Compensation Management* – Oversee and guide the Company's strategy and policies related to talent development, succession planning, executive performance management and compensation structures

Director Independence

Ratio of Independent Directors

The Company has enshrined in its By-Laws the requirement for a minimum of 30 percent independent directorship. Nonetheless the Board attained the 50 percent ratio of Independent Directors recommended in the Corporate Governance Policy in 2025, following the appointment of Ms. Colette Delaney.

Meeting of Independent Directors

At each Board Meeting there is a standing agenda item for the Independent Directors to have in-camera discussions. These forums ensure that the Independent Directors can caucus on matters that will continue to uphold the highest standards of governance. Independent directors also meet informally on an as-needed basis outside of board meetings.

Evaluation of Independence

Annually, the Board evaluates the independence of its Directors and can confirm that six Directors, representing 50 percent of the Board, meet the criteria for independence contained in By-Law No.1 of the Company.

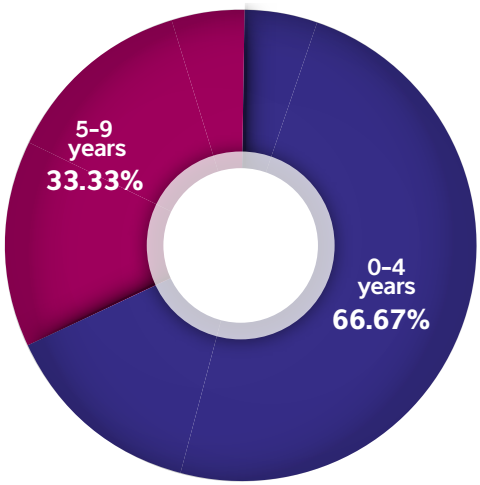
Tenure for Independence

Our tenure for Independent Directors is nine years as outlined in our Governance Framework and Corporate Governance Policy.

Conflicts of Interest

Independent Directors continue to play a critical role through the CGNC in the evaluation of conflicts of interest, upholding the highest standard of transparency and ethics.

Independent Directors



- Mr. Charles Percy (Lead Independent Director)
- Ms. Colette Delaney
- Mr. Michael L. Gerrard
- Ms. Patricia Ghany
- Mr. Dexter Maitland
- Mr. L. Dominic Rampersad

Criteria for Independence

- No direct or indirect material relationship with the Company, its Officers, Directors or affiliates other than membership on the GHL Board
- No affiliation with a non-profit organisation that receives significant funding from the Company or any of its affiliates
- No affiliation with present or former auditors of the Company
- Independent Directors are identified in the annual report of the Company distributed to the shareholders

Commitment of Time

Non-Executive Directors are required to sign terms of engagement, under which they commit to attend Board meetings and devote such time and attention as necessary for the proper discharge of their duties and responsibilities. The attendance of Directors at Board and committee meetings for the past year is outlined below.

Directors' Attendance at Board and Committee Meetings as at 31 December 2025

DIRECTORS	BOARD FIVE (5) MEETINGS	RCC FOUR (4) MEETINGS	AC FIVE (5) MEETINGS	CGNC FIVE (5) MEETINGS	TDCC FIVE (5) MEETINGS	CIC FOUR (4) MEETINGS
Bruce Bowen	4					
Charles Percy	5	4	5	5	5	
Colette Delaney *	2 *					2 *
Dexter Maitland	5	4	5	4		
Ian P. Chinapoo	5					4
Imtiaz Ahamad	4		5			
L. Dominic Rampersad	5		5			
Michael L. Gerrard	5	3				3
Michael Lee-Chin	5					
Nicholas Lok Jack	2					
Patricia Ghany	5			5	5	
Robert Almeida	5	4			5	3

*Ms. Colette Delaney was appointed to both the GHL Board and the GHL CIC on 12 May, 2025.

The Board continued to focus on the strategic mandate of the Company, risk management, stakeholder engagement and shareholder value-add during the year. Particular emphasis was placed on:

- **Environmental, Social and Governance** – The Group strengthened its understanding of ESG-related risks and opportunities, while deepening the integration of ESG considerations into our businesses.

- **Succession Planning** – Over the last year, the Board continued to focus on optimising its composition to meet the future aspirations of the Group. Mr. Patrick Solomon is being recommended for appointment as a Non-Executive Independent Director at the 2026 Annual General Meeting. The CGNC continued its thrust to build a robust pipeline of Directors for GHL and its subsidiaries and screened more than 100 potential candidates for directorships.

- **Financial Reporting** – Under the primary leadership of the AC, the Board expended significant time to ensure the robustness of its financial statements under IFRS 17 – Insurance Contracts and provided the support required by management to ensure its effective implementation.

- **Corporate Governance** – The Board continued to strengthen the Group's corporate governance by establishing the CIC with responsibility for overseeing the capital management strategy of the Group.

- **Subsidiary Governance** – Guardian Holdings Limited was intentional and instructive in ensuring that the contents of the Governance Framework were embedded within the subsidiary entities to strengthen oversight, with the aim to ultimately enhance performance and sustainability of those businesses.

- **Risk Governance** – The focus on enterprise risk management continued in 2025 with enhanced reporting to the RCC, which focused on monitoring performance against the approved risk appetite and tolerances while also providing forward-looking risk insights. The Board ensured that strategic risks were highlighted and properly ventilated, with adequate advice and support provided to management. You can read more details in the Risk Management section of the annual report.

PRINCIPLE C - GOVERNING BODY EFFECTIVENESS

The Company considers the legitimate interest and expectations of all stakeholders, particularly its shareholders, employees, customers, regulators and the wider communities and has established a regular and open line of communication with its stakeholders to discuss all material matters.

In addition to the primary stakeholders of the Company, the Board has also identified the wider public as a key stakeholder group. Management has enhanced the mode of engagement with this key stakeholder group, evidenced by proactive and candid discourse in one-on-one or public settings, which provides the public with insight into the business and leadership of the Group.

Our disclosure policy is designed to provide accurate, timely, complete and balanced disclosure of all material matters concerning the Company. This is supplemented by the Group Marketing and Communication policies which collectively detail the framework within which we engage with key stakeholders. Several other policies support the stakeholder engagement framework for specific Groups of stakeholders such as employees, regulators and suppliers and are intended to ensure that the Group fosters and sustains stakeholder relationships.

Quarterly hybrid Investor Forums are held to update shareholders on financial results, strategic outlook and other topics that are deemed pertinent to our investors from time to time.

The investor engagement strategy was articulated by the Board and is led by the Group VP of Investor Relations, who reports on at least a quarterly basis to the Board on its progress.

We continuously keep abreast of the quality of the engagement with our stakeholder groups, including regular customer surveys, annual employee engagement surveys and other feedback mechanisms that are integrated into action plans to improve the experiences of our valued stakeholders. Additionally, grievance procedures and health and safety policies are in place for employees as a key stakeholder group.

Complaints Policy

The Group's complaints policy and the mechanism for complaints provide a sound basis to ensure that the Group has a strong and well-integrated system to receive and address stakeholder sentiments. Complaints from major subsidiaries are reported to the RCC, which has oversight of the Enterprise Risk Management Framework, and key stakeholder risks are integrated into that framework.

Regulatory Relationships

Strong regulatory relationships are a core focus of the Board, which understands the vital role of the Company from a local and macroeconomic point of view. Directors continue to be present and available to answer questions at employee and investor forums, cognisant of the valuable role of our stakeholders to the long-term success of the Company. Overall, we ensure that we engage in proactive, regular communication with stakeholders and that feedback is addressed quickly and communicated internally.

Shareholder Groups

The Board is committed to facilitating the ownership rights of all shareholder groups, including minority and foreign shareholders and institutional investors, by fostering open communication with them through the offices of the Corporate Secretary and Investor Relations. Shareholders have the opportunity to engage with the Company and participate effectively in annual and special meetings themselves or through proxies. Shareholder meetings are held in a hybrid format to increase the ability of our widely dispersed shareholder base to attend, vote and participate in the question-and-answer segment of the meeting. External auditors and members of senior management and the Board are available at meetings with shareholders to respond to shareholder questions. In addition to the statutory reporting requirements, each quarter's publication of financial results is accompanied by a comprehensive report from the Chairman outlining the strategic and operational aspects of the Group's business. The Trinidad and Tobago Central Depository, which performs the Registrar function for the Company, continues to lend support as a liaison for shareholder information and queries.

Summary of the Key Disclosures in 2025



The Board continues to fulfil its material regulatory disclosure obligations within prescribed statutory timeframes against the highest governance standards of transparency and accountability. Disclosures and other key publications are available on the Company's website.

Principle D – Corporate Sustainability, Ethics and Enduring Value Creation

Strategy Meeting

During 2025, the Board continued to actively oversee the Group's long-term sustainability and value-creation agenda. The Board held its annual off-site strategy session for two days, during which it engaged in focused discussions on the Group's strategic priorities and objectives across the short-, medium- and long-term. This was supported by structured quarterly reporting on the progress of key strategic initiatives, enabling ongoing oversight and informed decision-making.

ESG Strategy

In executing its oversight responsibilities, the Board regularly considered the economic, social, environmental and regulatory contexts across the Group's businesses and territories, recognising the importance of understanding how these factors influence resilience, performance and long-term value creation at both subsidiary and Group levels. ESG considerations continue to form an increasingly important part of these discussions, supporting a more holistic view of risk, opportunity and sustainability.

Principle D – Corporate Sustainability, Ethics and Enduring Value Creation (continued)

ESG Governance

ESG governance during the year was strengthened with the establishment of the ESG Management Committee, which was approved by the Board in November 2025 to provide central management-level oversight of ESG across NCB Financial Group Limited and its subsidiaries, including Guardian Group. The Committee will support the continued integration of ESG considerations into strategy, operations and risk management, reporting through established governance channels to the respective Group Boards via the Group Chief Executives. This governance arrangement strengthens alignment, accountability and consistency across the wider Group.

Sustainability Report

Sustainability principles play a critical role in strengthening the Group's resilience and long-term value creation. The Group will publish its inaugural standalone 2025 Sustainability Report ahead of the Annual General Meeting, providing a more comprehensive view of its ESG governance, priorities and early actions.

The Sustainability Report should be read together with this annual report to provide a complete picture of how sustainability considerations are being managed and integrated across the Group. The report will be available on our website ahead of the Annual General Meeting.

Ethics

A strong ethical foundation guides behaviour and decision-making across the organisation. The Group's Code of Conduct and Business Ethics Policy, together with the Conflict of Interest Policy, sets clear expectations for ethical behaviour, aligned with the Group's values and applicable legal and regulatory requirements. These policies provide a framework for addressing ethical dilemmas, ensuring compliance and promoting integrity, fairness and transparency, collectively supporting stakeholder trust and safeguarding the Group's reputation.

The Board participates in annual corporate governance training, which routinely includes elements of ethical leadership. It continues to take a firm stance on implementing corrective actions wherever gaps are identified across the Group. Any ethical dilemmas are first addressed on an individual basis and then escalated to the governing body with support from the Corporate Secretary or an external advisor.

Disclosure of Conflicts of Interest

All Directors and employees of the Company are subject to the Group Conflict of Interest Policy, which requires full disclosure of any conflict or perceived conflict of interest and describes the process of managing that conflict. Compliance with the policy is monitored by the CGNC. All Directors submit a Conflict of Interest Declaration annually and at the time when a potential conflict arises in accordance with the policy. In addition, at the start of each Board and Committee meeting, the Chairman reminds all in attendance to review the agenda and declare any conflicts of interest, even if previously declared.

Board Diversity, Equity and Inclusion Policy

The CGNC began its review of a Board Diversity, Equity and Inclusion (DE&I) Policy in 2024, which was approved in early 2025. The policy is a strong pillar of the Company's recruitment, selection and succession planning process for Directors as the "tone from the top", on ESG leadership. The Board has taken active steps to rectify gaps in its DE&I practices, including the nomination of Directors who, in addition to their astute qualifications, bring the balance and diversity of thought and perspective that will enhance the leadership of the Board.



Ms. Patricia Ghany
Chairman –
Corporate Governance and Nomination Committee

Report of the Directors

The Directors have pleasure in submitting their Report for the year ended 31 December 2025.

The Directors acknowledge their responsibility for the preparation and fair presentation of the financial statements and other financial information contained in this Annual Report. The Directors confirm that to the best of their information and belief the accompanying financial statements have been prepared in conformity with International Financial Reporting Standards and present a true and fair view of the financial affairs of the Company. Where amounts are based on estimates and judgments, these represent the best estimate and judgment of the Directors.

Financial Highlights – TT$Million

	2025	2024
Insurance service result	1,195	886
Net income from investing activities	1,678	1,997
Net insurance finance expenses	(783)	(846)
Net insurance and investment result	2,090	2,037
Fee and commission income from brokerage activities	61	58
Net income from all activities	2,151	2,095
Operating profit	1,060	1,069
Profit before taxation	1,100	1,100
Taxation	(212)	(251)
Profit from continuing operations after taxation	888	849
Profit from discontinued operations after taxation	651	8
Profit for the year	1,539	857
Profit attributable to owners of the company	1,533	850
Total Assets	39,813	36,959
Insurance contract liabilities	23,930	23,074
Equity attributable to owners of the company	6,410	4,574

Dividends

Three (3) quarterly dividends were paid in 2025, amounting to TT$0.66. At their meeting held on 26 February 2026, the Board of Directors declared a fourth quarterly dividend of TT$0.25 per share, payable on 10 April 2026 to Shareholders on record as at 17 March 2026. The total dividend for 2025 therefore amounts to TT$0.91 per share.

Directors

Director Mr. Michael Lee-Chin, having attained the age of 70 years, has been elected for a term expiring at this Annual Meeting and offers himself for re-election.

Messrs. Robert Almeida, Ian P. Chinapoo, Nicholas Lok Jack, Dexter Maitland and L. Dominic Rampersad, also having been elected for terms expiring at this Annual Meeting, offer themselves for re-election.

Report of the Directors (continued)

The Board of Directors has recommended Mr. Patrick Solomon for election to the Board at this 2026 Annual Meeting for a term of three (3) years in accordance with By Law No.1 of the Company.

The biographies of the Directors proposed for election and re-election are contained in the Annual Report at page 9.

Directors and Significant Interests
These are shown from page 78 and should be read as part of this report.

Auditors
The Auditors, PricewaterhouseCoopers, retire and being eligible, offer themselves for re-appointment.

By Order of the Board



Krystal Baynes-Hoseinee
Corporate Secretary
26 February 2026

Interests in the Shares of the Company

Directors' and Senior Managers' Interests

NAME	POSITION	ORDINARY SHARES AS AT			
		31 DECEMBER 2025	%	05 FEBRUARY 2026	%
Mr. Robert Almeida	Chairman	0	0%	0	0%
Mr. Ian P. Chinapoo	Director/ Senior Manager (CEO)	243,842	0.11%	243,842	0.11%
Mr. Imtiaz Ahamad	Director	9,362,621	4.04%	9,362,621	4.04%
Mr. Bruce Bowen	Director	0	0%	-	-
Ms. Colette Delaney	Director	0	0%	0	0%
Mr. Michael Gerrard	Director	0	0%	0	0%
Ms. Patricia Ghany	Director	1,761	0%	1,761	0%
Mr. Michael Lee-Chin	Director	143,335,673	61.78%	143,335,673	61.78%
Mr. Nicholas Lok Jack	Director	9,252,171	3.99%	9,252,171	3.99%
Mr. Dexter Maitland	Director	0	0%	0	0%
Mr. Charles Percy	Director	0	0%	0	0%
Mr. L. Dominic Rampersad	Director	0	0%	0	0%
Ms. Sasha Ali-Soondarsingh	Senior Manager	0	0%	0	0%
Ms. Krystal Baynes-Hoseinee	Senior Manager	2,376	0%	2,376	0%
Ms. Karen Kelshall Lee	Senior Manager	4,971	0%	4,971	0%
Mr. Richard Look Kin	Senior Manager	1,175	0%	1,175	0%
Ms. Greer Quan	Senior Manager	0	0%	0	0%
Ms. Keesha Sahadeo	Senior Manager	0	0%	0	0%

Interests in the Shares of the Company (continued)

Top Ten Shareholders

	SHAREHOLDER NAME	31 December 2025		05 February 2026	
		ORDINARY SHARES	%	ORDINARY SHARES	%
1	NCB Global Holdings Limited	143,326,379	61.77%	143,326,379	61.77%
2	Universal Investments Limited	6,528,791	2.81%	6,528,791	2.81%
3	First Citizens Depository Services Limited[1]	5,208,406	2.24%	5,208,406	2.24%
4	Guardian Holdings ESOP Nominee Limited	4,586,619	1.98%	4,716,501	2.03%
5	RBC Investment Management/RBC Trust Limited	4,048,614	1.74%	3,960,323	1.71%
6	Fortress Mutual Fund Limited	3,537,175	1.52%	3,537,175	1.52%
7	RBC Nominee Services Caribbean Limited	3,497,970	1.51%	3,497,970	1.51%
8	Republic Bank Limited	3,386,648	1.46%	3,313,531	1.43%
9	Trinidad and Tobago Unit Trust Corporation	3,047,948	1.31%	3,047,948	1.31%
10	National Insurance Board	2,440,000	1.05%	2,440,000	1.05%

[1] First Citizens Depository Services Limited (formerly First Citizens Asset Management Limited)

Substantial Shareholders

SHAREHOLDER NAME	31 December 2025		05 February 2026	
	ORDINARY SHARES	%	ORDINARY SHARES	%
NCB Global Holdings Limited	143,326,379	61.77%	143,326,379	61.77%

Employee Share Ownership Plan (ESOP)

	31 DECEMBER 2025	%	05 FEBRUARY 2026	%
Ordinary Shares held	4,586,619	1.98%	4,716,501	2.03%

NOTES:

Note 1: The interests of Directors and Senior Managers include the interests of "connected persons." Persons deemed to be connected with a Director/Senior Manager are:

A. The Director's/Senior Manager's spouse husband or wife.
B. The Director's/Senior Manager's minor children (these include stepchildren and adopted children) and dependents, and their spouses.
The Director's/Senior Manager's business partners.
C. Bodies corporate of which the Director/Senior Manager and/or persons connected with him/her together has/have control. Control of a corporation is the holding of shares which carry 50% or more of the voting rights in the corporation.

Note 2: There are no non-beneficial interests held by the Directors or Senior Managers.

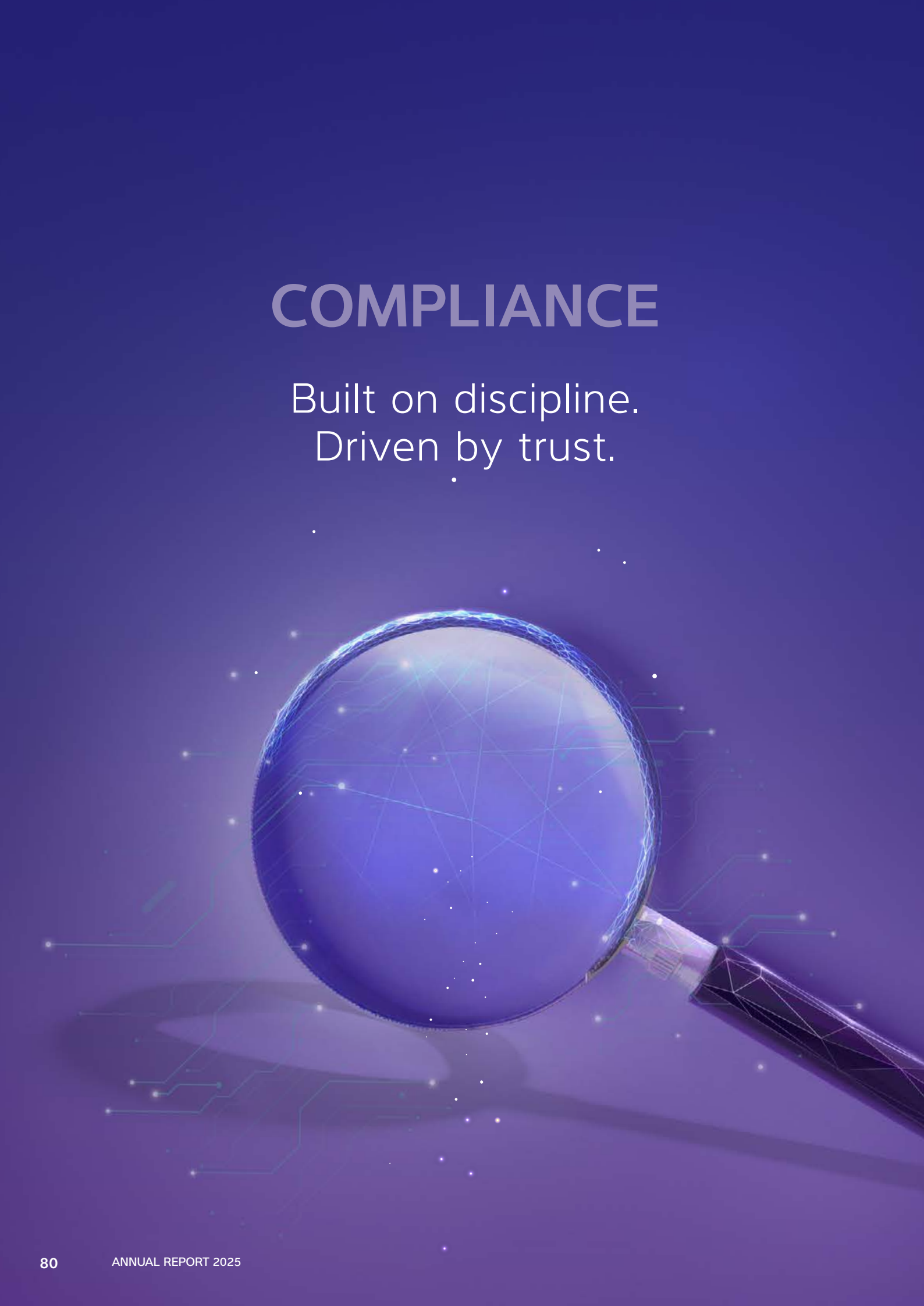
Note 3: A substantial interest means one-tenth or more of the issued share capital of the Company.

Note 4: NCB Global Holdings Limited ("NCBGHL") - Michael Lee-Chin has a majority control position in NCBGHL, which is the beneficial owner of 61.77% of the outstanding shares in GHL.

Note 5: Imtiaz Ahamad has a 1/3 interest in Universal Investments Limited (UIL).

COMPLIANCE

Built on discipline.
Driven by trust.



Compliance and Regulatory Risk

Compliance Governance and Strategy

Operating within an increasingly complex regulatory environment, Guardian Group continues to strengthen its approach to managing compliance and regulatory risk.

During the year, the Group enhanced its enterprise-wide system for managing compliance obligations across all operating jurisdictions. This capability supports early identification of regulatory change and consistent application across the Group. Regular and constructive engagement with regulators remains a cornerstone of our approach.

Regulatory Developments – 2025

The 2025 regulatory environment reflected higher supervisory expectations and increased accountability at Board and senior management levels. A strong emphasis was placed on the effectiveness of risk management frameworks.

Key developments centred on anti-money laundering and counter-terrorist financing (AML/CFT), including the explicit inclusion of proliferation financing (PF) within legislative and supervisory frameworks in Trinidad and Tobago. Regulatory focus on cybersecurity, data protection and operational resilience also intensified across multiple jurisdictions, alongside expanded expectations relating to liquidity. To improve oversight, the Group strengthened issue tracking and remediation reporting.

Leveraging Technology

Technology remains a critical enabler of compliance effectiveness and scale. Building on earlier investments, Guardian Group continued to integrate its compliance reporting platform into Group compliance monitoring and reporting processes during 2025. These enhancements support a more data-driven approach to compliance management.

Promoting Responsible and Ethical Conduct and Policy Updates

Group policies are accessible via the Compliance Essentials platform and are communicated periodically. Continued enhancement of the policy inventory supports clearer articulation of expected conduct and greater transparency. Ongoing policy reviews and targeted updates ensure alignment with emerging risks and regulatory developments.

Whistleblowing and Speak-Up

A strong speak-up culture is an important element of the Group's compliance policy. Employees are expected to raise concerns relating to unethical behaviour or regulatory non-compliance. Matters raised are assessed and investigated independently, and the Group is committed to protecting the identity of individuals who raise concerns in good faith.

Training

In 2025, Guardian Group's compliance and conduct training programme combined Group-wide core modules. Training was tailored to specific jurisdictions, industries and lines of business. Customised content incorporated industry-specific red-flag typologies, enabling employees to better manage AML/CFT risks relevant to their operating environments.

All employees also completed core training covering ethical decision-making, anti-bribery and corruption, anti-money laundering, conflicts of interest, confidentiality and data protection, cybersecurity awareness, gifts and entertainment governance and reporting and non-retaliation obligations. These modules reinforced the standards expected of every employee and underscored the importance of acting with integrity and speaking up, regardless of role or location.

GROWTH

Momentum that moves us forward



CFO'S STATEMENT



Keesha Sahadeo
GROUP CHIEF FINANCIAL OFFICER

Our positive momentum continued in 2025, delivering another year of robust financial results.

The Group delivered audited profit attributable to owners of the company of $1,533 million, an increase of $683 million or 80% over the prior year's profits of $850 million. This increase includes a gain of $651 million arising from the sale of the Group's 100% shareholding in Thoma Exploitatie B.V., which was completed on 24 January 2025.

Excluding profit from discontinued operations, the Group recorded profit attributable to owners of the company on continuing operations of $882 million, exceeding the prior year's results of $842 million by $40 million or 5%. This was a remarkable performance considering that the 2025 Financial Year was significantly impacted by Hurricane Melissa and by ongoing uncertainties in global trade, investment markets and the wider macro environment, which have impacted stock market performance and the global economy.

Progress in Perfecting and Protecting Our Core

The Group operates in a global, mature yet growing industry that is critical to the economies and the financial systems in which we operate. In the past year, the Group employed deliberate strategies to grow core earnings, strengthen the balance sheet, enhance shareholder value and set up a more sustainable future.

These included stabilising the business, making it more resilient, deleveraging the balance sheet and increasing the frequency of dividend payments. These strategies, together with our strong capitalisation and diversified business model, have positioned the Group on a solid path to generating sustainable earnings and increasing shareholder returns.

Solvency and Regulatory Compliance

The Group continues to be sufficiently capitalised across the business lines and compliant with all regulatory solvency ratios. We remain diligently focused on compliance in the territories in which we operate, ensuring that each business segment adheres to the standards of compliance and a strong internal governance framework.

Capability-Building Across the Group

In 2025, a key focus was to strengthen the skills and competencies of our finance teams at all levels. In-person and virtual IFRS 17 Insurance Contracts training sessions were conducted across the Group. We commenced implementation activities for IFRS 18 Presentation and Disclosure in Financial Statements. As part of the transition, structured training is being delivered to ensure Finance teams are adequately prepared for adoption. Together, we are building and evolving our capabilities to more effectively achieve strategic goals and sustain long-term success.

Management Discussion and Analysis

Figures are quoted in Trinidad and Tobago Dollars unless otherwise stated.

The CFO's Statement and the Management Discussion and Analysis sections contain detailed information important to understanding the Group's result and financial condition and should therefore be read in its entirety.

Forward Looking Statement – Cautionary Language

The report reviews the Group's financial condition and results of operations including its liquidity and capital resources. Historical information is presented and discussed. Where appropriate, factors that may affect future financial performance are also identified and discussed. Certain statements made in this report include "forward-looking statements". Forward-looking statements include any statement that may predict, forecast, indicate or imply future results, performance or achievements instead of historical facts and may contain words like "believe", "expect", "estimate", "project", "budget", "forecast", "anticipate", "plan", "will", "shall", "may" and other words, phrases or expressions with similar meaning. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the results contained in the forward-looking statements and the Company cannot give assurances that such statements will prove to be correct. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

Group Overview

Summary Consolidated Statement of Income – $ million

	2025	2024
Insurance service result	1,195	886
Net income from investing activities	1,678	1,997
Net insurance finance expenses	(783)	(846)
Net insurance and investment result	**2,090**	**2,037**
Fee and commission income from brokerage activities	61	58
Net income from all activities	**2,151**	**2,095**
Other operating expenses	(902)	(836)
Other finance charges	(189)	(190)
Operating profit	**1,060**	**1,069**
Taxation and other	(172)	(220)
Profit from continuing operations after taxation	**888**	**849**
Profit from discontinued operations after taxation	651	8
Profit for the year	**1,539**	**857**
Profit attributable to non-controlling interest	(6)	(7)
Profit attributable to owners of the company	**1,533**	**850**

Solid Profitability Delivered from Continuing Operations

Profit attributable to owners of the company amounted to $1,533 million, an increase of $683 million or 80% over 2024 profit of $850 million. As discussed above, the Group successfully closed the sale of Thoma Exploitatie B.V. and its subsidiary companies (collectively, the Thoma Group) on 24 January 2025. The Group recognised a gain on sale of $651 million in the consolidated statement of income, within profit from discontinued operations after taxation. Excluding this profit, the Group recorded profit attributable to owners of the company on continuing operations of $882 million, surpassing the prior year's results of $842 million by $40 million or 5%.

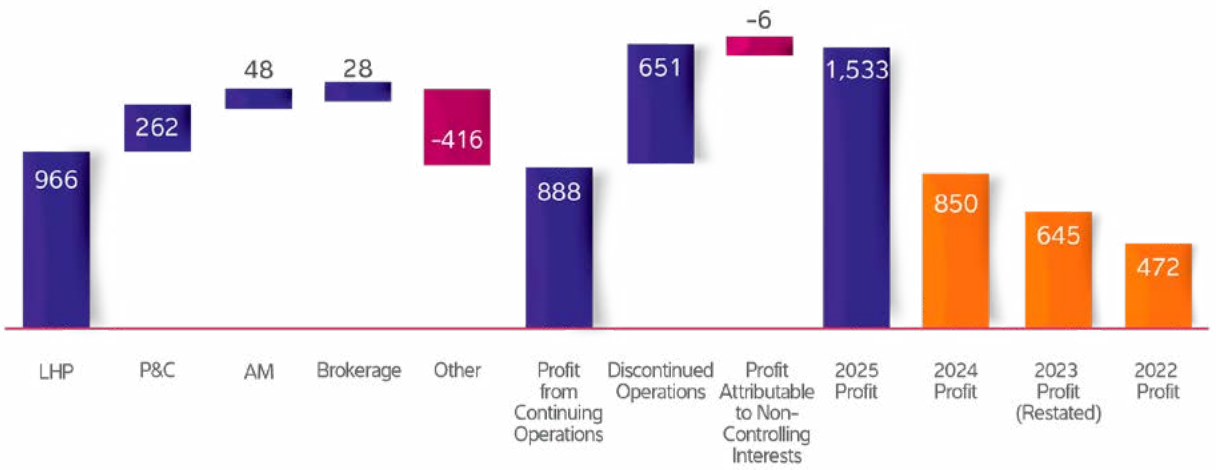
The Group achieved a year-over-year growth in continuing profits of $40 million from the continued improvement of our core operations, despite the 2025 financial year being significantly impacted by Hurricane Melissa and a highly volatile stock market. This growth was driven by increased insurance service results, lower net insurance finance expenses, lower taxation and higher share of profits from associated companies, partially offset by lower net income from investing activities and higher operating expenses.

Continued Improvement of Core Performance by Business Segments

The Life, Health and Pension segment was a key contributor for the current year's growth in continuing profits with an after-tax profit of $966 million, up $86 million or 10% over a 2024 profit of $881 million. The Asset Management segment also reported a year-over-year increase in after-tax profits of $11 million or 30%, mainly from higher net income from investing activities. The Insurance Brokerage Business segment generated profits from continuing operations of $28 million, which was slightly lower than the prior year by $2 million or 6%. The Property and Casualty segment reported an after-tax profit of $262 million, compared to a prior year profit of $271 million, lower by $9 million or 3%. This year-over-year decline was mostly due to Hurricane Melissa's after-tax impact of $78 million, partially offset by higher net income from new business.

Following the passage of Hurricane Melissa on 28 October 2025, the Property and Casualty segment incurred gross claims of $1,084 million (US$161 million) to policyholders. Property and Casualty's robust reinsurance programme recovered $1,000 million (US$148 million), protecting our balance sheet and providing significant liquidity to quickly settle our policyholders' claims. Additionally, our reinsurance programme funded an immediate reinstatement of cover, preserving sufficient protection levels. The pre-tax impact and after-tax impact of Hurricane Melissa to the core insurance operations of the P&C segment was $84 million and $78 million respectively.

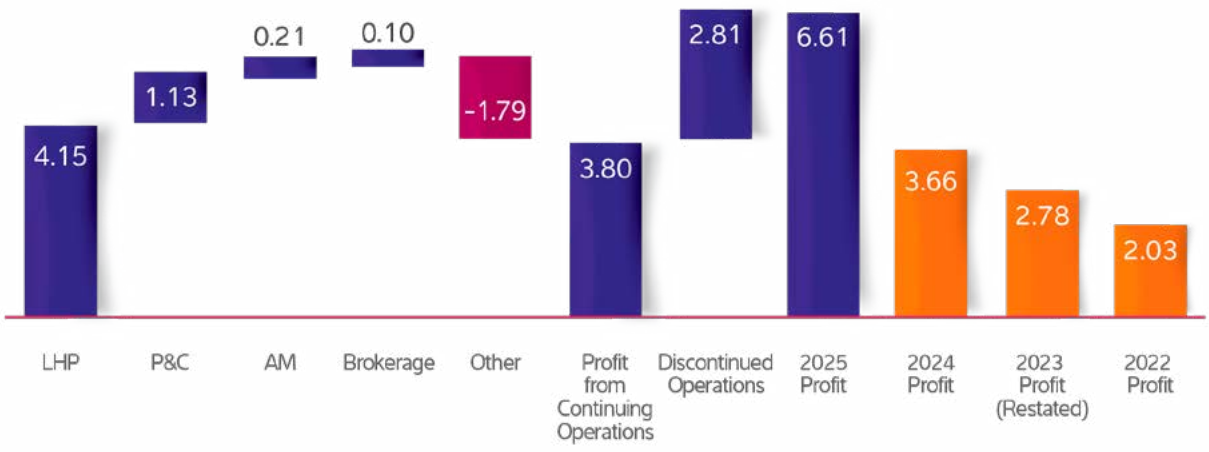
PROFIT CONTRIBUTION BY SEGMENT, FY 2025 (TT$M)



Upward Trend in Earnings Per Share and Other Performance Metrics

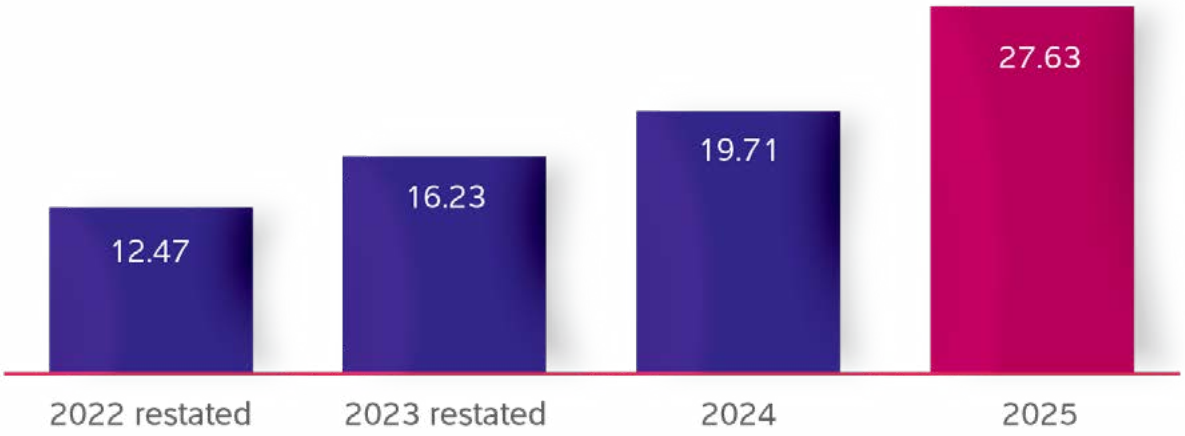
The Group's performance ratios continue to reinforce a positive upward growth trajectory. When compared to the prior year's results, the Group's earnings per share increased from $3.66 to $6.61, equity/book value per share increased from $19.71 to $27.63, and return on equity increased from 20% to 28%.

EARNINGS PER SHARE CONTRIBUTION BY SEGMENT, FY 2025 (TT$)



Upward Trend in Earnings Per Share and Other Performance Metrics (continued)

EQUITY VALUE PER SHARE (TT$)



RETURN ON EQUITY (%)



Stronger Balance Sheet and Strengthened Financial Flexibility

The Group continued to strategically deleverage in 2025, with financial liabilities decreasing by $233 million or 6% at the end of the 2025 financial year, resulting in a favourable decline of our gearing ratio from 80% to 53%. This strategy has derisked our balance sheet, strengthened our financial flexibility, reduced finance charges and enabled greater generation of free cash flows for our shareholders.

On 9 September 2025, your Group successfully prepaid and refinanced its $1.02 billion bond by issuing a $1.05 billion Secured Multi-Tranche Bond (Tranche A – $479 million at 5.19% for 3 years; Tranche B – $368 million at 6.49% for 6 years; and Tranche C – $203 million at 7.04% for 10 years). $449 million of Tranche A was drawn in 2025 with the balance of $30 million drawn in the 1st quarter of 2026. In addition, we continued to focus on deleveraging, with J$1.99 billion repaid from J$13.4B Unsecured Bond Series B facility in September 2025.

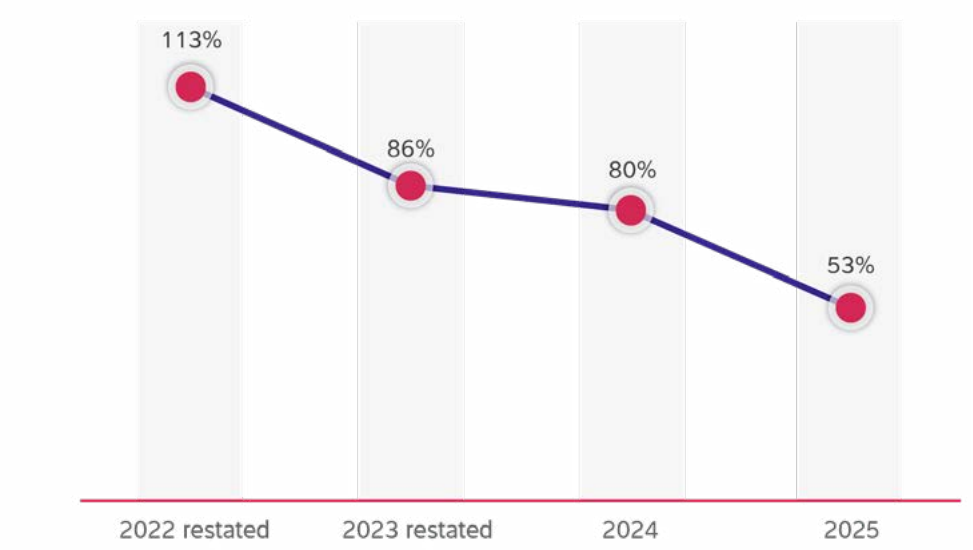
On 3 October 2025, CariCRIS reaffirmed the assigned ratings of CariAA- on the regional rating scale and jmAAA on the Jamaican national scale for Guardian Holdings Limited with a stable outlook. This reflects confidence in our risk management practices and the strength of our balance sheet to meet future obligations to our creditors and policy holders.

DEBT-TO-EQUITY (TT$ MILLION)



* Debt Excludes Interest Payable

DEBT-TO-EQUITY (%)

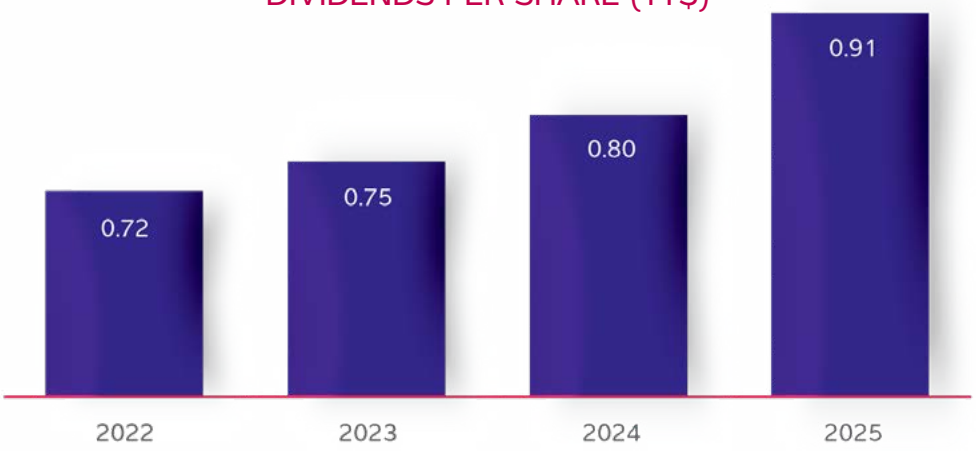


Increased Shareholder Value Creation

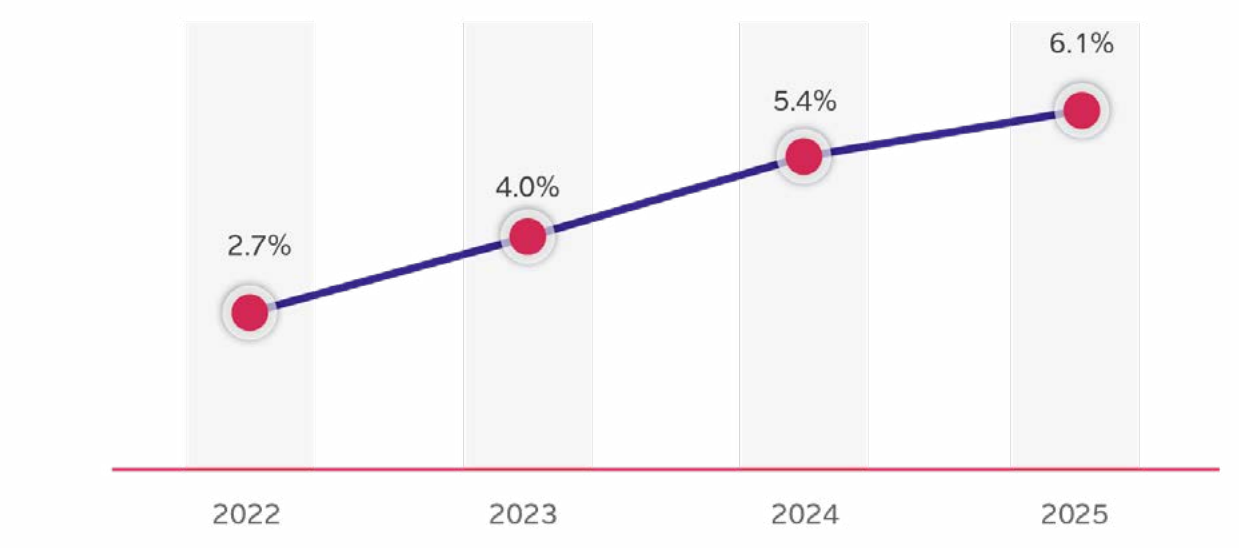
A key focus in 2025 was to increase the organisation's generation of free cash flow per share, which is essential to enabling resilience and sustainable growth. A deliberate strategy was to create value for shareholders through increasing both earnings per share and the dividend payout ratio. In 2025, we instituted our inaugural quarterly dividend in the financial year, increasing our dividend frequency from semi-annually to quarterly, and increased our dividend per share in each subsequent quarter. This reinforced our commitment to regularly return capital to shareholders and to frequently reward investors with a sustainable source of cash flow.

The Board proposed a final dividend payment of 25 cents per share, which will bring total dividends for the 2025 financial year to 91 cents per share, 11 cents or 14% higher than 80 cents per share paid for the 2024 financial year. This also represents a payout ratio of 14% and 24% on the earnings per share of $6.61 and earnings per share from continuing operations of $3.80 respectively.

DIVIDENDS PER SHARE (TT$)



DIVIDEND YIELD (%)



Group Overview Details

The following commentary elaborates on the financial highlights set out on page 31 of this report.

Income Statement Performance Drivers

The Group's core insurance operations remain robust, as insurance revenue and insurance service result for the current year outperformed the prior year by $278 million and $309 million, respectively. This growth in core business was driven by the Group's deliberate focus on key strategies and transformational initiatives to deliver the greatest possible value to our clients through our customer service and product offerings.

The Group's insurance revenue increased by 5% or $278 million to $6,156 million, mainly from continued growth in core business across the Group's diversified product offerings in both the Life, Health and Pension and Property and Casualty segments. The Life, Health and Pension segment demonstrated robust growth, contributing insurance revenue of $3,008 million, up from $2,935 million in the prior year by $73 million or 3%. Insurance revenue increased on all lines of business except for Annuities and Group Life, which were each marginally lower than the prior year by 4%. LHP revenues included a CSM release of $359 million, compared to $463 million in the prior period.

The Property and Casualty segment contributed insurance revenue of $3,148 million, which surpassed the prior year's revenue of $2,943 million by $205 million or 7%, principally from operations in Trinidad and Tobago, Dutch Caribbean and Netherlands markets. All P&C

business lines experienced revenue growth, with the property and motor lines being the highest revenue generators.

The Group recorded insurance service result of $1,195 million, compared to $886 million reported in 2024, up by $309 million or 35%. Insurance service result for the Life, Health and Pension Segment increased by $368 million, mainly due to higher insurance revenue, reversal of losses on onerous contracts and lower levels of claims and directly attributable expenses, partially offset by higher reinsurance expenses and lower levels of incurred claims recovery. For the year, the LHP generated $321 million in new business contractual service margin for the year, compared to the prior year's new business of $377 million, as we continue to sell new policies and retain and service existing businesses.

As discussed above, the pre-tax impact and after-tax impact of Hurricane Melissa to the core insurance operations of the Property and Casualty segment was $84 million and $78 million. This directly impacted P&C's insurance service results, resulting in a year-over-year decline by $35 million or 10%.

In the past year, the Group's investment strategies remained resilient and flexible and enabled us to navigate current market conditions, rebalance portfolios and deliver strong investment performance. The Group's core revenue streams of investment income and fee income surpassed the prior year's performance by $55 million and $22 million respectively, delivering higher year-over-year net investment income from sustainable and predictable investment revenue sources.

However, our results were adversely impacted by ongoing volatility in our domestic, regional and international stock markets. Net income from investing activities decreased by $319 million or 16% from $1,997 million in the prior year to $1,678 million in the current year. This was largely driven by net fair value losses in the current year of $242 million versus net fair value gains of $346 million in the prior year. This net fair value movement was partially offset by higher levels of realised gains in the current year of $249 million versus $52 million the prior year.

Net insurance finance expenses decreased by $62 million or 7% over the prior year, mainly from our LHP segment. Among other items, finance expenses include the flow through of the portion of net income from investment activities that are associated with insurance products with an investment component. The net impact of net fair value losses, partially offset by realised gains discussed earlier, reduced the portion of net income from investment activities that flowed through finance expenses in the current year, resulting in lower expenses for the Group.

Other operating expenses that were not attributable to insurance portfolios increased by $66 million or 8% over the prior year. This increase was driven partly by an impairment expense on a legacy software system. Excluding this one-off expense, the normalised year-over-year increase was 5%, driven mainly by investment in key strategic initiatives, higher spend to support commercial activities and increased inflationary impacts on costs. The Group remains focused on reducing controllable costs and seeking further operational efficiencies going forward.

Compared to the prior year, Finance Charges decreased year-over-year by $1 million or 1%. As noted earlier, the Group continues to strategically deleverage, with financial liabilities decreasing by $233 million or 6% at the end of the 2025 financial year, resulting in a favourable decline of our gearing ratio from 80% to 53%.

Statement of Financial Position

Summary Consolidated Statement of Financial Position – $ million

	2025	2024
Investment securities, investment properties and cash	32,618	31,119
Other assets	7,195	5,578
Assets held for sale	-	262
Total assets	39,813	36,959
Insurance contracts	23,930	23,074
Financial liabilities	3,428	3,661
Investment contract liabilities	2,003	2,108
Other liabilities	4,023	3,482
Liabilities related to assets held for sale	-	47
Equity	6,429	4,587
Total equity and liabilities	39,813	36,959

The Group provides financial services through the production, distribution and administration of insurance and investment products. Significant cash inflows resulting from these financial services are then invested to meet future obligations. The Group's investable assets are allocated across different investment classes, the majority of which are debt and equity instruments.

Investment securities, investment properties and cash assets increased by $1.5 billion, from $31.1 billion in 2024 to $32.6 billion in 2025, mostly driven by an increase in investment securities and partially offset by a decrease in cash assets. Investment securities increased by $1,773 million largely from net additions and partially offset by net fair value losses. Cash assets decreased by $350 million, mainly due to higher net cash used by both operating and financing activities and partially offset by net cash provided by investing activities.

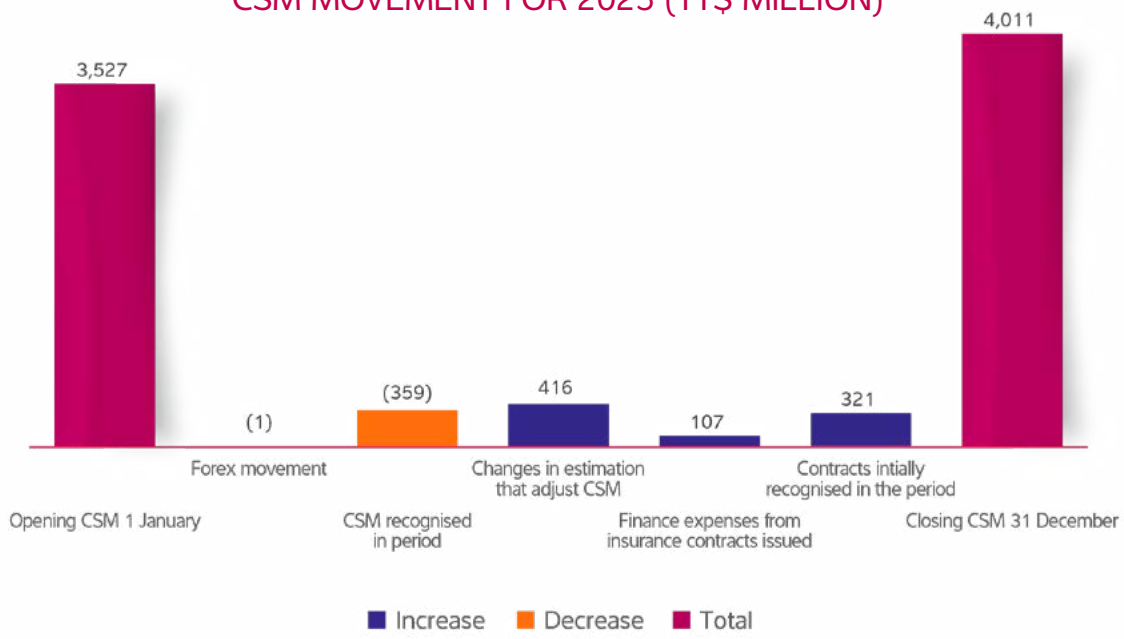
Insurance contract liabilities include CSM, which represents the unearned profit that the LHP segment will recognise as it provides insurance contract services in the future. Further details on the movement of CSM is provided below

Financial liabilities decreased by $233 million from $3,661 million in 2024 to $3,428 million in 2025, mostly due to repayment activities during 2025. As discussed above, the Group prepaid and refinanced its $1.02 billion bond and repaid J$1.99 billion in September 2025.

Contractual Service Margins (CSM)

CSM increased by $484 million or 14%, from $3,527 million in 2024 to $4,011 million in 2025. This year-over-year growth in CSM was driven by increases from changes in estimates that adjusted the CSM of $416 million, new business contribution of $321 million and finance expenses from insurance contracts issued of $107 million. These increases were partially offset by CSM release of $359 million and foreign exchange movements of $1 million.

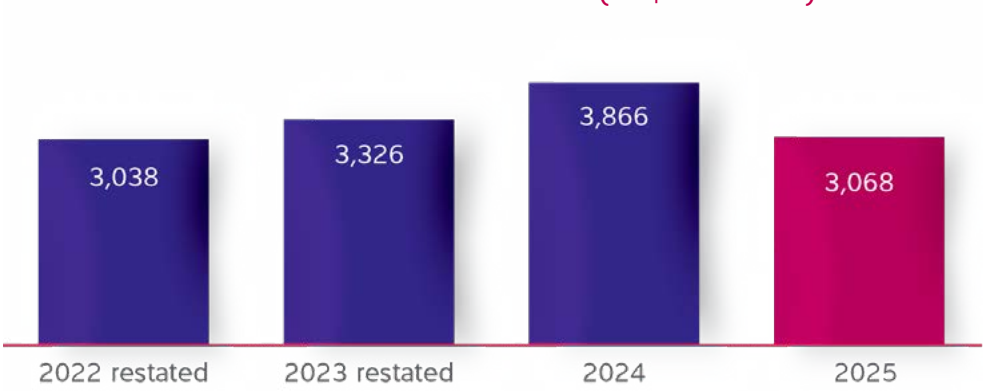
CSM MOVEMENT FOR 2025 (TT$ MILLION)



Working Capital

As at December 2025, working capital stood at $3,068 million, translating to a working capital ratio of 1.5, indicative of a solid financial position. This reflects a decline from the prior year's ratio of 1.8, primarily driven by an increase in other liabilities year over year.

GROUP WORKING CAPITAL (TT$ MILLION)



Shareholder Metrics

The Group's shareholder's value as earnings per share grew from $3.66 in 2024 to $6.61 in 2025, an increase of $2.95. Equity value per share increased by $7.92, from $19.71 in 2024 to $27.63 in 2025.

Shareholder Metrics	2025	2024
Profit attributable to owners of the Company	$1,533 million	$850 million
Comprehensive income attributable to owners of the Company	$2,097 million	$985 million
Earnings per share	$6.61	$3.66
Book value per share	$27.63	$19.71
Dividends per share declared	$0.91	$0.80
Market value per share (year-end)	$14.82	$14.95

Other Comprehensive Income

Comprehensive income attributable to owners of the company includes the reported profit for the year, together with Other Comprehensive Income (OCI), which are items of income and expense that the Group, in accordance with IFRS accounting standards, has elected to record through OCI, or is not allowed to record within profit or loss. Examples are property revaluation gains/(losses), exchange differences on translating foreign operations, fair value differences or impairment provisions for debt securities measured at fair value through OCI, finance income/(expenses) from insurance contracts issued and actuarial reserve movements for post-employment benefits.

OCI increased by $429 million, from $135 million in 2024 to $564 million in 2025. This year-over-year increase was principally due to exchange differences on translating foreign operations, increase in net fair value gains on debt securities at fair value through other comprehensive income, increase in finance income from insurance contracts issued, higher gains on property valuations and remeasurement of pension plans.

Group Treasury

Group Treasury continues to drive balance sheet optimisation via stabilising the Group's capital structure, improving the Group's treasury data infrastructure and strengthening asset-liability management. The refinancing of the $1.02 billion in 2025 into three tranches, along with the $233 million reduction in financial liabilities, reduce future maturity refinancing and liquidity risk, while improving free cash flows to shareholders. This stability allows the Group to have greater financial flexibility for strategic expansion and dividend growth.

As our assets and investment portfolio grow and the global economic landscape becomes more dynamic, timely insights are required to discover inefficiencies and risks that may arise for rapid execution and repositioning. Through the Asset and Liability Committee, the Group Chief Financial Officer will continue to oversee the balance sheet for risks and value-add opportunities to ensure our portfolios remain appropriately positioned.

Engagement with Shareholders and Investors

In 2025 we maintained our cadence of quarterly investor presentations through virtual and hybrid platforms. In Q1 2025 a dedicated investor hotline was established, where investors can contact the Group's investor relations team via email or landline. In Q2 and Q3, we executed a rolling bond roadshow to regional investors, and in Q4 we hosted our annual in-person investor forum. These initiatives have strengthened transparency and facilitated more substantive engagement with our investors, shareholders and key stakeholders.

As we look to 2026 and beyond, we are not just maintaining dialogue, we are cultivating a legacy of openness, shared purpose and bold transformation. We remain committed to fostering a connected and informed investment community—one that shares in our long-term vision, drives collective value and helps shape the future of our Group.

Accounting Developments

There were no new standards or amendments/revisions to published standards and interpretations effective in 2025 that had any significant impact on the consolidated financial statements of the Group. The Group is, however, in the process of implementing IFRS 18 *Presentation and Disclosure in Financial Statements*, which becomes effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 will result in some modifications to the structure of the Group's financial statements, but otherwise has no impact on the Group's profitability, net assets or general financial performance. The Group will continue to monitor developments arising from the International Accounting Standards Board (IASB) to proactively ensure compliance with IFRS reporting standards.

Change to Guardian Group's Year-End

On 26 February 2026, the Board of Directors approved a change in the financial year-end of the Group from 31 December to 30 September, effective 1 January 2026. The change was made to align the Group's reporting period with that of its parent company. As a result of this change, the next consolidated year-end financial statements will be prepared for a nine-month period from 1 January 2026 to 30 September 2026. Comparative information presented will cover the twelve-month period from 1 January 2025 to 31 December 2025 and therefore will not be directly comparable with the current period. The change in financial year-end does not result in any changes to the Group's accounting policies, nor does it have an impact on the Group's critical accounting estimates and judgements. This alignment will enhance operational efficiency, strengthen focus on strategic priorities and improve the overall effectiveness across our business.

Conclusion and Outlook

As we bring this year's financial review to a close, I would like to acknowledge the continued resilience and unwavering commitment demonstrated by our teams and operations. We remained steadfast, resilient and flexible in optimising opportunities and successfully navigating challenges to deliver results with integrity and lay the groundwork for tomorrow. Looking ahead, we carry forward a stronger balance sheet, sharper strategic lens and a clear mandate: keep delivering, keep evolving and keep earning the trust placed in us.

Life, Health and Pension

The Group's Life, Health and Pension (LHP) segment consists of the following entities in the English speaking and Dutch Caribbean:

Guardian Life of The Caribbean Limited (100%)

- Barbados
- British Virgin Islands
- Cayman Islands
- St. Lucia
- St. Vincent and The Grenadines
- Trinidad and Tobago
- Turks and Caicos Islands
- US Virgin Islands

Guardian Life Limited (100%)

- Jamaica

Bancassurance Caribbean Limited (100%)

- Trinidad and Tobago

Fatum Life Insurance N.V. (100%)

- Bonaire
- Curaçao
- Saba
- St. Eustatius
- St. Maarten

Fatum Life Insurance Aruba N.V. (100%)

- Aruba

Fatum Health N.V. (100%)

- Curaçao
- St. Maarten

Guardian Life (OECS) Limited (100%)

- Antigua
- Grenada

We remain active in our core Caribbean markets and continue to focus on sustainable long-term value creation by leveraging technology and operational efficiencies while continuously monitoring cost management and market dynamics.

Our product offerings and customer service continue to be key strategies to deliver optimal value to our clients while leveraging the scale of our regional LHP footprint.

Distribution

Our primary distribution channel is our tied field force. At the end of 2025, LHP had 841 agents, 1% more than 2024. We will continue to optimise our core distribution channel and strengthen high-quality sales teams to deliver optimal benefits to all stakeholders.

Our vision remains unchanged: to create a leaner, more profitable field force while fostering accountable leadership.

The sales force complement is broken down as follows:



Guardian Life of The Caribbean's Individual Life Sales performance ended 2025 with Annualised Premium Income (API) of $254.1 million, a $13.2 million decrease compared to 2024. 24-month persistency improved from 91.73% in 2024 to 92.8% in 2025, underscoring conservation gains that support stronger Contractual Service Margin (CSM) outcomes. Policy counts grew for the past 12 months, from Q4 2024 to Q4 2025, with a Compound Annual Growth Rate of 1.59%. Sales were largely driven by traditional risk-based products, aligning with our strategy to grow the most profitable line of business under IFRS 17 standards. Change management is ongoing with the field force to balance customer needs with optimal CSM outcomes.

Employee Benefits generated sales of $733 million in 2025, a $2 million decrease compared to 2024. The variance is primarily driven by the strategic exit of several large accounts whose performance and risk profile were misaligned with our thresholds, reinforcing our focus on higher-quality, more profitable growth.

In Jamaica, Guardian Life Limited's New Individual Life API settled at JM$2.25 billion, compared to JM$2.24 billion in 2024, reflecting essentially flat year-over-year performance. The impact of Hurricane Melissa negatively affected the growth projected for the Life segment in 2025. Employee Benefits sales increased by 40.4%, rising to JM$10.1 billion in 2025 from JM$7.2 billion in 2024. Brokers remain our primary distribution channel, accounting for 63% of Employee Benefit sales revenue.

In the Dutch Caribbean, Guardian Group Fatum's 2025 results reflect consistent advancement and a resilient response to evolving market dynamics, establishing a firm platform for continued growth. Improvements in operational efficiency reinforced sales outcomes by reducing turnaround times, elevating service standards and broadening the impact of marketing efforts.

Products

Life Insurance

Our products mainly consist of Unit-Linked Life Insurance, Term Life and Endowments. Within this category, we also include products with living benefits, i.e. critical illness. There are also Group versions targeted primarily at employer groups.

Health Insurance

Our Health Insurance plans are available for both individuals and groups. These cover both major medical along with customisable vision, dental and medical features, which are mainly offered through a provider network model that offers real-time adjudication of claims.

Pension

1. Unit-Linked Annuities: These products offer growth potential, death benefit features and income protection features. They are distributed primarily through our tied field force and brokers.
2. Fixed Annuities: These products include deferred annuities, immediate annuities and single-premium annuities.
3. Savings Benefit Pension Plan: This is a defined contribution type of pension plan, where the employer contributes a percentage of the salary of the employee as premium. This pension plan is sold in the Dutch Caribbean.
4. Deposit Administration Contracts and Pension Administration Services: These services are also provided to corporate clients.

Business Strategy

Life, Health and Pension teams remain focused on strengthening and protecting our core operations. We continue to invest in process and technology to enhance accuracy, flexibility and accountability.

Upgrades to core systems within Guardian Life of The Caribbean are underway, with the Group Life module already deployed. We've also made substantial improvements in reporting, putting information at the fingertips of operations and the sales force, enabling proactive, data-driven actions. This technology investment supports the operational mindset shift needed for a resilient, profitable business and improved customer experience.

We have strengthened risk governance and embedded risk culture throughout the organisation, enhancing group-wide oversight across Life, Health and Pension. Risk management and capital optimisation efforts continue to identify, assess and mitigate financial and operational risks while maximising the efficiency of deployed capital. This aligns to our strategic goals of enhancing profitability, securing long-term stability and maximising return on equity, while maintaining regulatory compliance.

As part of the ongoing implementation of Oracle Insurance Policy Administration System (OIPA), Guardian Life Limited completed the last module for Group Life implementation to deliver full functionality for the Group Life line of business.

Additional key functionalities were also implemented, including making requirements available to agents in real time through the agent portal and automating the delivery of requirements to brokers for policies that do not require underwriting. These enhancements now enable convenient access from any location with internet connectivity.

Business Strategy (continued)

Guardian Group Fatum's strategic initiatives in the Dutch Caribbean were centred on the improvement of the customer experience by streamlining operations, increasing automation and advancing digital transformation. Guardian Group Fatum optimised investment portfolios, expanded into new markets and conducted product alignment evaluations. The company contributed to a variety of community organisations and NGOs supporting youth and sports, among them the Bonaire Regatta and Carnival bands participating in Curaçao's Carnival. Over 10,000 people participated in the annual Guardian Group Fatum Walk & Run, which celebrated its 40th anniversary. The event encouraged people to lead more active lifestyles and raised money for good causes.

Outlook and Challenges

The IFRS 17 methodology has resulted in Guardian Life of The Caribbean deploying technology and data analytics to bolster decision-making and execution. People and talent development remain a top priority, with continuous programmes to lift capabilities. Customers are educated on the advantages of digital access and are being steered toward platforms such as myGG. All lines of business and investments are continuously evaluated, and underperforming positions are being addressed. Growth opportunities will be pursued in both distribution and market exploration.

In the Dutch Caribbean, Fatum is implementing measures to enhance product density, cross-sales and digital sales, which are already producing encouraging outcomes. The organisation is realigning itself with business platforms that exhibit the greatest potential for future optimal growth. This realignment is motivated by improved operational efficiency, increased market dominance and an emphasis on delivering better customer value.

Guardian Life Limited will continue to drive sustainable profitability through disciplined growth, strengthened distribution and enhanced operational efficiency. Key priorities include expanding and improving the productivity of the sales force, deepening engagement with brokers and improving persistency and renewal rates across both long-term and short-term portfolios. Continued emphasis will be placed on controlling acquisition and direct expenses, strengthening receivables and cash flow management. Prudent investment management will remain essential, ensuring portfolios are balanced to optimise returns while maintaining full regulatory compliance.

Despite the ongoing challenge of high market volatility, market fluctuations affecting investment returns, economic uncertainty and continued post-pandemic related issues that impact some portfolios such as health, we continue to actively monitor and pivot to opportunities that can maximise shareholder returns.

Legislative/Regulatory Changes

IFRS 17 became effective for Guardian Life of The Caribbean and Guardian Life Limited in 2023, replacing IFRS 4. However, the regulators and tax authorities in the Dutch Caribbean have not yet adopted the new approach and this region still follows the IFRS 4 reporting methodology.

Regulatory bodies like the Central Bank of Trinidad and Tobago are intensifying emphasis on market conduct, enhancing oversight of operations and strict adherence to regulatory requirements, with a view to improve monitoring and to promote ethical market practices. Simultaneously, risk management and culture have been strengthened throughout the organisation, improving governance, oversight and accountability.

In Jamaica, the Financial Services Commission established guidelines on the Management of Cyber Risks, which became effective on 1 October 2025. The primary objective of these guidelines is to safeguard financial stability across the financial sector, by establishing minimum standards and guidelines for how licensees identify, manage and mitigate cyber risks by regulating the collection, storage and processing of personal data. Jamaica's Twin Peaks Regulatory System has an expected implementation date of 2026. The Bank of Jamaica will be responsible for prudential regulation (capital adequacy, liquidity management, risk management, stress testing, solvency), while the Financial Services Commission will focus on market conduct and consumer protection.

Financial Results

Life, Health and Pension's profit after tax increased to $966 million in 2025, which represents an increase of $86 million or 10% over the prior year's results.

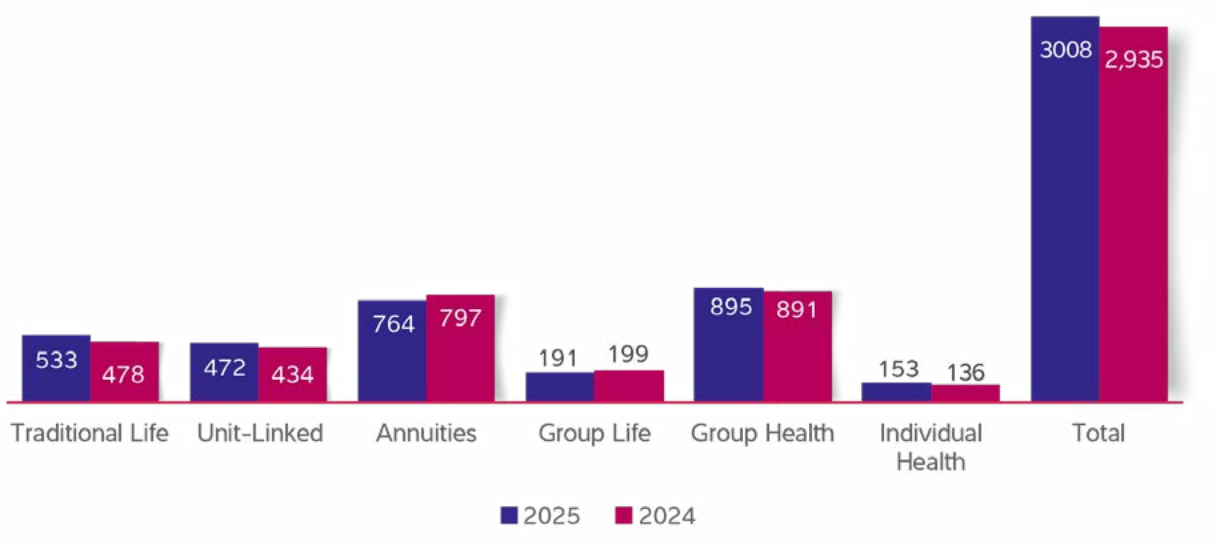
Income Statement

Insurance revenue increased by $73 million or 3% to $3,008 million in 2025, up from $2,935 million in the prior year. Insurance revenue increased on all products except for Annuities and Group Life, which were each marginally lower than the prior year by 4%.

The year-over-year movement in insurance revenue by product is reported in the graph on the following page.

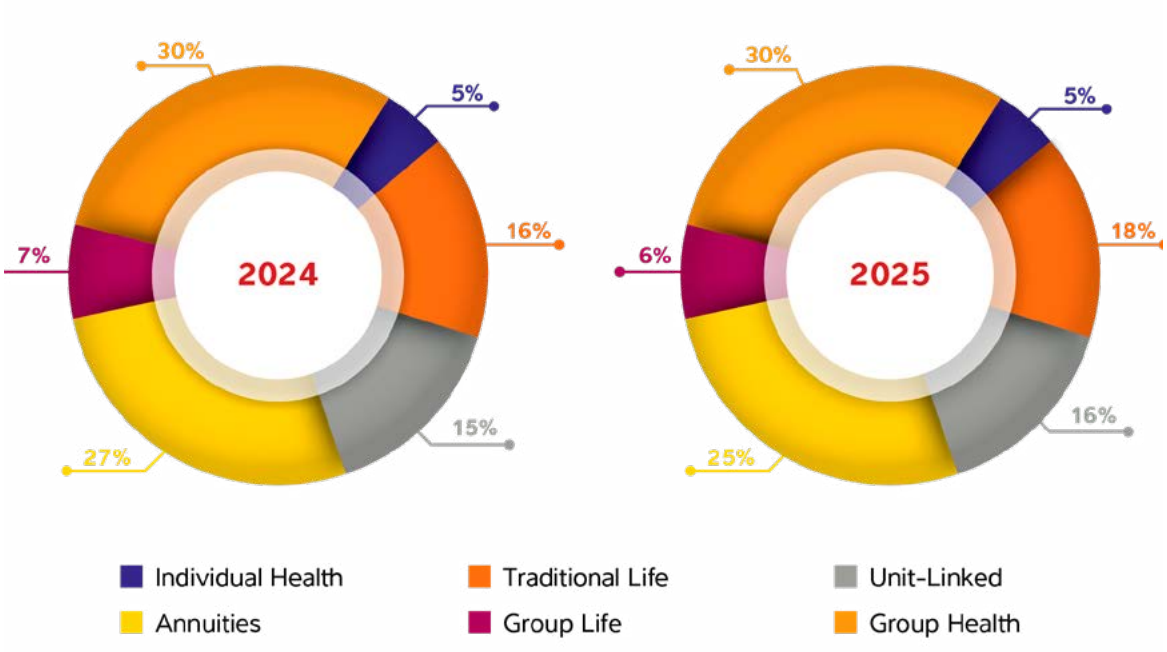
This year-over-year growth in profitability was largely driven by higher insurance service results, lower net insurance finance expenses and lower taxation, and partially offset by lower net investment income. Life, Health and Pension continues its growth path by delivering great results within the Caribbean market.

INSURANCE REVENUE BY PRODUCT (TT$ MILLION)



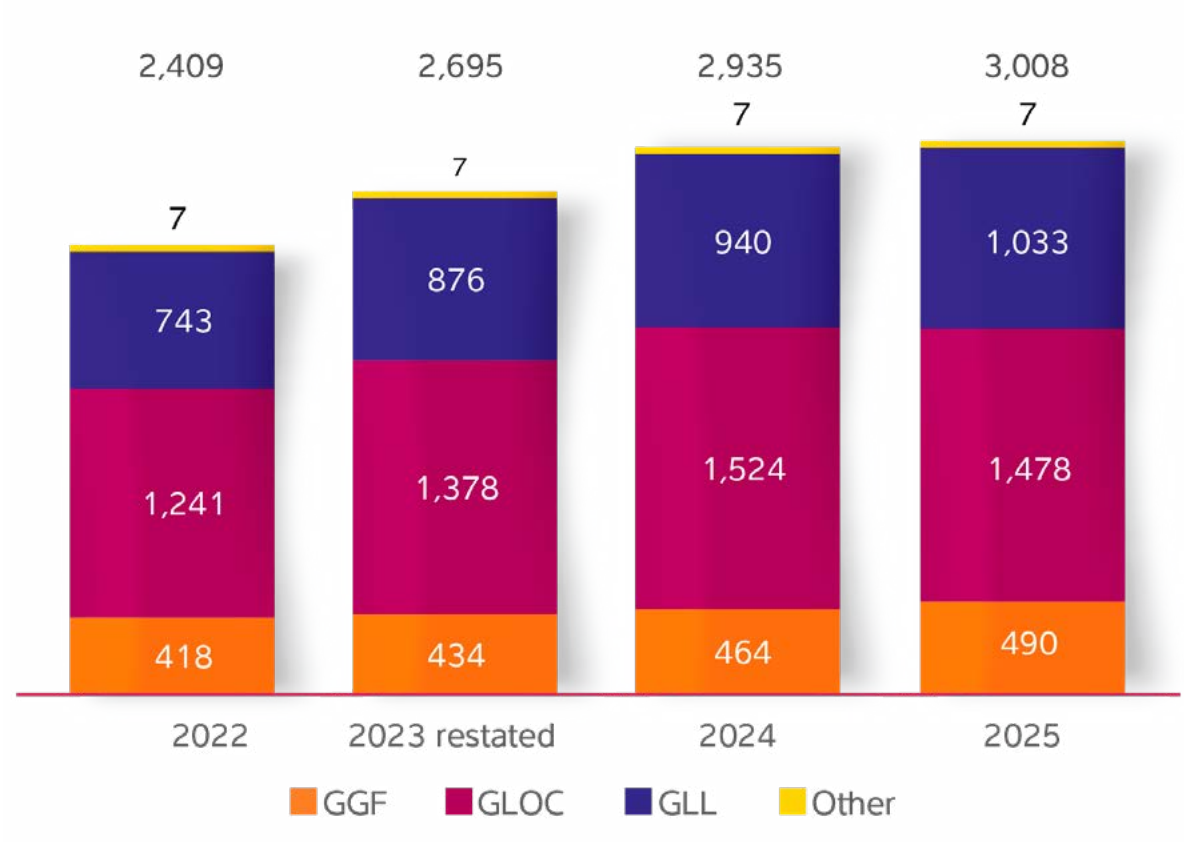
The largest contributors of insurance revenue in our diverse product portfolio continue to be Group Health (30%), Annuities (25%) and Traditional Life (18%). The various product offerings cater to different market segments and each have different growth potential and profitability.

PORTFOLIO MIX OF BUSINESS (%)



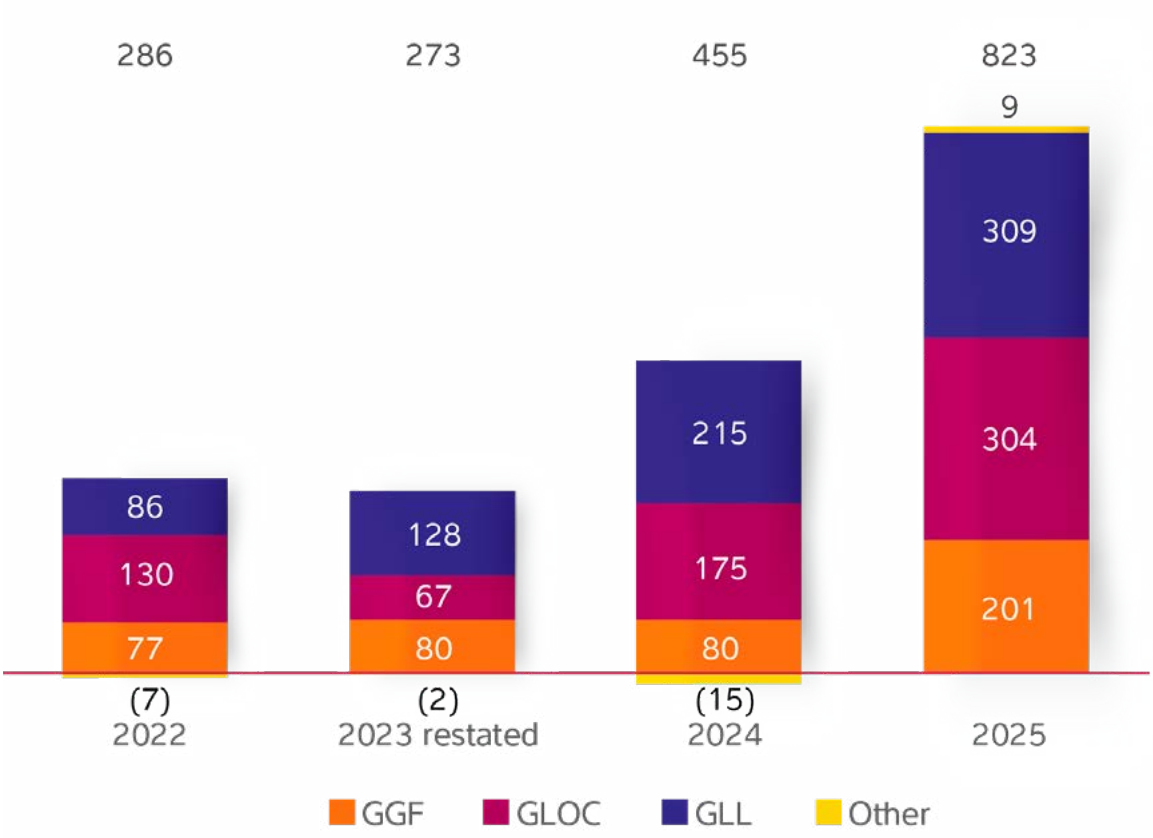
Two out of three business entities experienced growth in insurance revenue for 2025 when compared to the prior year. These positive results were led by Jamaica (Guardian Life Limited) with a 10% increase or $93 million, followed by Curaçao (Guardian Group Fatum) with a 6% increase or $27 million, while Trinidad and Tobago (Guardian Life of The Caribbean) experienced a 3% decrease or $46 million compared to the prior year's insurance revenue.

GROUP LIFE, HEALTH AND PENSION
INSURANCE REVENUE (TT$ MILLION)



The insurance service result increased in 2025 to $823 million, which is an increase of $368 million or 81% when compared to 2024. GLOC and GGF have made great strides in managing insurance service expenses as seen by the increase in insurance service result of $129 million and $121 million respectively when compared to 2024, while GLL continues to maintain a steady upward trend.

GROUP LIFE, HEALTH AND PENSION
INSURANCE SERVICE RESULTS (TT$ MILLION)

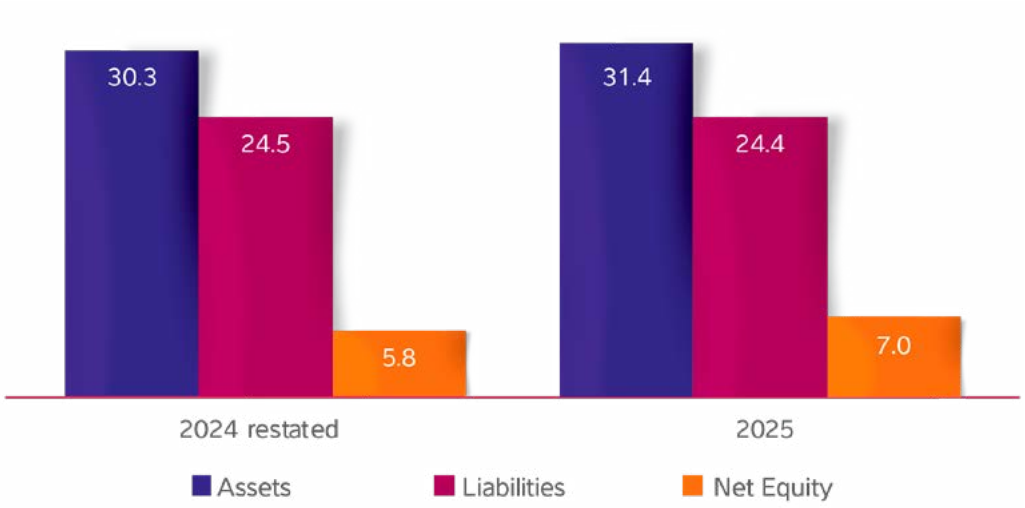


Net income from investing activities decreased by $336 million or 19% from $1,783 million in the prior year to $1,447 million in the current year. This year-over-year decline was largely driven by net fair value losses in the current year of $233 million versus net fair value gains of $374 million in the prior year, driven by ongoing volatility in our domestic, regional and international stock markets. This net fair value movement was partially offset by higher levels of realised gains in the current year of $229 million versus $35 million the prior year. Also, the LHP segment's core revenue streams of investment income and fee income surpassed the prior year's performance by $41 million and $15 million respectively, delivering higher year-over-year net investment income from sustainable and predictable investment revenue sources.

Net insurance finance expenses decreased by $59 million or 7% over the prior year. For insurance products with an investment component, the net impact of net fair value losses, partially offset by realised gains as noted earlier, reduced the portion of net income from investment activities that flowed through finance expenses in the current year, resulting in lower expenses for the Group.

Other operating expenses that were not attributable to insurance portfolios increased by $58 million when compared to the prior year. This year-over-year increase was part due to a combination of inflationary impacts on our cost structure and increased expenditure to support our commercial activities, partially offset by a reduction in controllable expenses from the active management of operating expenses.

FINANCIAL POSITION (TT$ BILLION)



The asset base of the Life, Health and Pension segment at the close of the year increased by $1.1 billion to $31.4 billion, a 4% increase from 2024. This was mainly driven by increase in investment securities, mostly from net additions, partially offset by net fair value losses. CSM increased by $484 million or 14%, from $3,527 million in 2024 to $4,011 million in 2025.

This represents the unearned profit that the Life, Health and Pension segment will recognise as it provides insurance contract services in the future.

The growth in CSM of $484 million was driven by new business contribution of $321 million, of which Traditional Life accounted for $158 million, Unit-Linked $95 million and Annuities $68 million and increases from changes in estimates that adjust the CSM of $416 million. This was partially offset by the CSM release of $359 million to the income statement in line with expectations.

Shareholders' equity improved by 20% to $7 billion.

Regulatory Capital

The Life, Health and Pension entities' regulatory capital remains well in excess of minimum standards set by their respective regulators.

Credit Rating

Guardian Life of The Caribbean's A.M. Best Rating of A-Excellent was reaffirmed for the 22nd successive year in 2024.

Property and Casualty

The Group's Property and Casualty (P&C) segment consists of the following 8 entities, operating across 24 territories:

GHL'S PROPERTY AND CASUALTY (P&C) SEGMENT

Guardian General Insurance Limited 100%

- Anguilla
- Antigua and Barbuda
- Bahamas
- Barbados
- Belize
- British Virgin Islands
- Cayman Islands
- Guyana
- Montserrat
- St. Kitts and Nevis
- St. Lucia
- St. Vincent and The Grenadines
- Trinidad and Tobago
- Turks and Caicos Islands
- United States Virgin Islands

Guardian General Insurance Jamaica Limited 100%

- Jamaica

Fatum General Insurance Aruba N.V. (100%)

- Aruba

RoyalStar Assurance Limited – Bahamas (25.83%)

- Bahamas

Guardian General Insurance (OECS) Limited 100%

- Grenada

Guardian Group Nederland N.V. (100%)

- Netherlands

Guardian Re (S.A.C.) Limited 100%

- Worldwide

Fatum General Insurance N.V. (100%)

- Curaçao
- Bonaire
- St. Maarten
- St. Eustatius
- Saba

Overview

Guardian Property and Casualty maintains a commanding footprint across the English-speaking Caribbean, the Dutch Caribbean and the Netherlands. This deliberate geographic diversification broadens our portfolio and anchors our resilience, thereby allowing us to navigate regional shifts while sustaining a robust, world-class market presence.

We deliver a comprehensive suite of risk transfer solutions, spanning Property, Motor, Casualty, Marine, Bonding, Crime and Personal Accident.

In addition to our suite of traditional coverage, we are actively redefining our offerings through our agile Product Factory to meet the complexities of a modern economy. Recent strategic expansions include:

- **Cyber Insurance:** Safeguarding digital infrastructure.
- **Electric Vehicle (EV) Coverage:** Supporting the global transition to sustainable mobility.
- **Niche Industrial Solutions:** Bespoke products engineered for high-growth, emerging sectors.

Overview (continued)

This synthesis of our regional expertise and forward-looking innovation ensures we remain the partner of choice for both standard and highly specialised risks.

Our reach is powered by a sophisticated, multi-channel distribution strategy designed for maximum market penetration:

- **Caribbean:** A growing network of premier brokers, dedicated agents and streamlined direct-to-consumer channels.
- **The Netherlands:** Strategic partnerships with specialised Managing General Agents (MGAs), ensuring precision-targeted market access and localised expertise.

Operating Environment and Market Conditions

2025 was a year that tested the strategic architecture we have built at Guardian Property and Casualty. It was a period marked by sharp contrasts: the emergence of historic climatic events alongside a stabilising global reinsurance market and a heightened competitive landscape met by our own internal digital transformation.

Guardian Property and Casualty's commitment to disciplined underwriting and operational agility has allowed us not only to weather these conditions but to emerge with a more resilient foundation for the future.

Volatile 2025 Hurricane Season & Extreme Weather

The 2025 Atlantic hurricane season was defined by extreme intensity despite a "near average" storm count. The region saw 13 named storms, among them a Category 1 hurricane, Imelda, and two Category 5 hurricanes, Erin and Melissa, which all created severe localised shocks.

Hurricane Melissa was the defining event of the year, becoming the strongest hurricane ever to hit Jamaica. This resulted in a massive surge in claims (847 reported), specifically in Property and Motor lines.

GUARDIAN GENERAL INSURANCE LIMITED (TT$)

MONTH OF LOSS	MAJOR LOSS	CLAIM COUNT	GROSS INCURRED	NET INCURRED
August	Erin	3	553,428	166,728
September	Imelda	43	3,339,814	1,066,187
*October	Melissa	2	175,992	43,998
TOTAL		**48**	**4,069,234**	**1,276,913**

* Two Trinidad and Tobago-based corporate customers insured with operations in Jamaica suffered losses.

GUARDIAN GENERAL INSURANCE JAMAICA LIMITED (TT$)

MONTH OF LOSS	MAJOR LOSS	CLAIM COUNT	GROSS INCURRED	NET INCURRED
Oct	Melissa	847	939,850,320	18,445,352

Moderating Reinsurance Markets (The "Softening" Shift)

After years of "hardening" (rising premiums and tighter underwriting terms), 2025 saw a critical pivot in the global reinsurance market. By the end of 2025, early signs of a softening market emerged as global reinsurance capacity increased. This led to a gradual decline in rates toward the end of the year.

Despite this softening, Guardian Property and Casualty maintained a disciplined underwriting approach. The company leveraged this shift not by lowering standards, but by securing business that aligned better with long-term risk appetite, eventually exceeding prior year new business results.

Economic Sensitivity and Tourism Reliance

The Caribbean and Dutch Caribbean economies remained hyper-sensitive to global macroeconomic shifts. In the Dutch Caribbean (Curaçao and Sint Maarten), growth moderated to roughly 4%, driven by stay-over tourism. Global uncertainty and inflation on non-oil goods imports created a complex pricing environment for insurers.

Persistent inflation and rising operating expenses across the region continued to put pressure on consumers' wallets, making "rate adequacy" a delicate balancing act for insurers trying to maintain market share without compromising profitability.

Technological and Regulatory Transformation (IFRS 17)

The industry continued to stabilise following the transition to IFRS 17 financial reporting standards. As competitors also enhanced their technical capabilities, the competitive environment intensified, notably in Trinidad and Tobago. This forced a shift toward data-driven decision-making tools and automation to maintain a competitive edge in pricing accuracy and service delivery.

There was an external push from customers for more intuitive experiences, leading to the re-engineering of service channels to meet the digital-first standards now expected in the Dutch and English-speaking Caribbean markets.

Thanks to these strategic transformations, Guardian Property and Casualty has maintained significant market share as indicated on the following page:

Territories where Guardian Property and Casualty is in the Top 5

- Anguilla
- Antigua and Barbuda
- Aruba
- Belize
- British Virgin Islands
- Curaçao
- Grenada
- Jamaica
- Montserrat
- Trinidad and Tobago
- Turks and Caicos Islands
- United States Virgin Islands

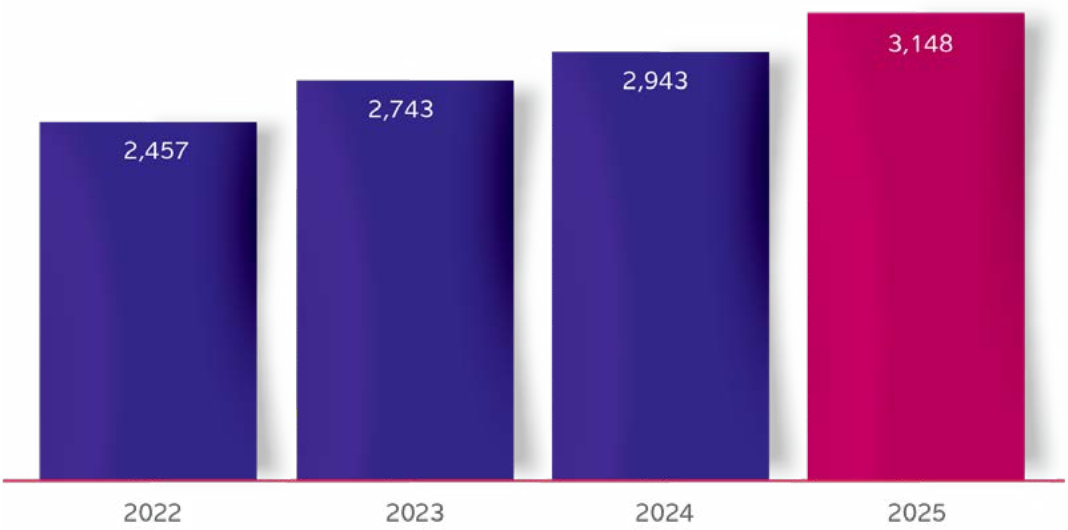
Territories where Guardian Property and Casualty is in the Top 10

- Bahamas
- Barbados
- Cayman Islands
- St Kitts and Nevis
- St Lucia
- St Vincent and The Grenadines

Financial Performance and Key Drivers

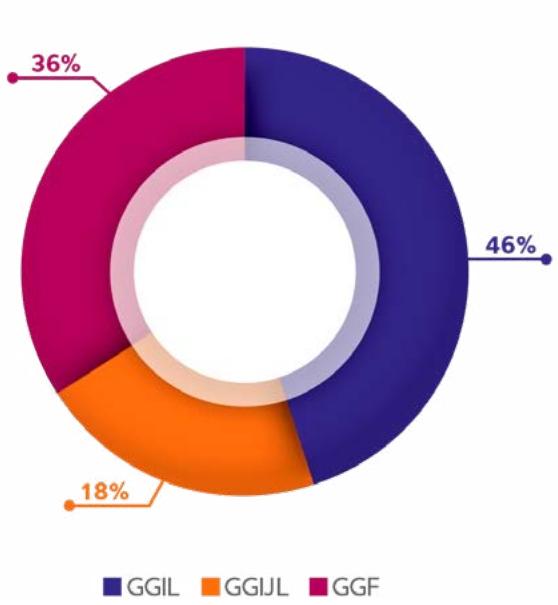
Guardian Property and Casualty earned $3,148 million of insurance revenue compared to $2,943 million in 2024. The growth of 7% or $205 million over the prior period was predominantly experienced in the Property Caribbean business. A notable 10% increase in Gross Written Premium was recorded in the Netherlands. Through strategies aimed at defending our core, Guardian Property and Casualty was able to retain a significant portion of existing business and underwrite new business during the year. This was driven by a deliberate focus on high potential producers through increased engagement across all territories, supported by targeted product innovation and strategic marketing campaigns.

INSURANCE REVENUE (TT$ MILLION)

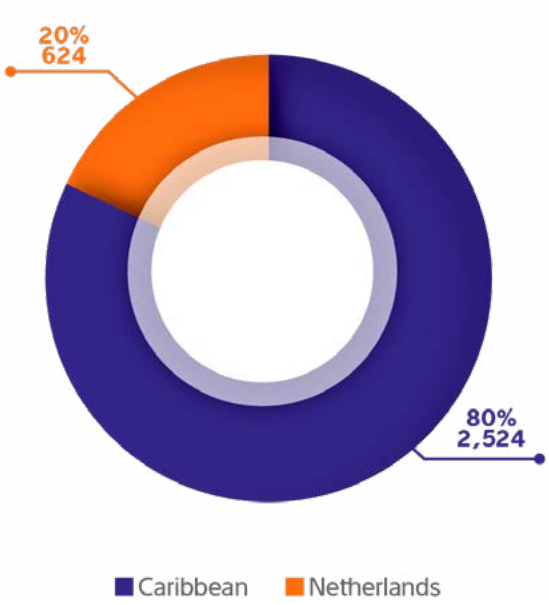


Guardian General Insurance Limited was the leading revenue contributor (46%) to the Group's Property and Casualty division, followed by Guardian Group Fatum (36%) and Guardian General Insurance Jamaica Limited (18%).

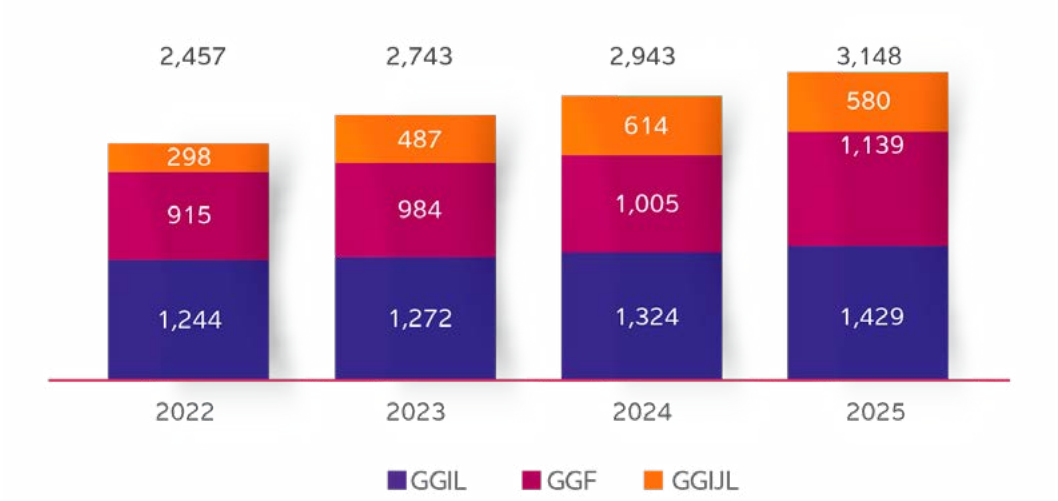
SHARE OF INSURANCE REVENUE BY COMPANY



INSURANCE REVENUE (TT$ MILLION)



GROUP PROPERTY AND CASUALTY - INSURANCE REVENUE (TT$ MILLION)

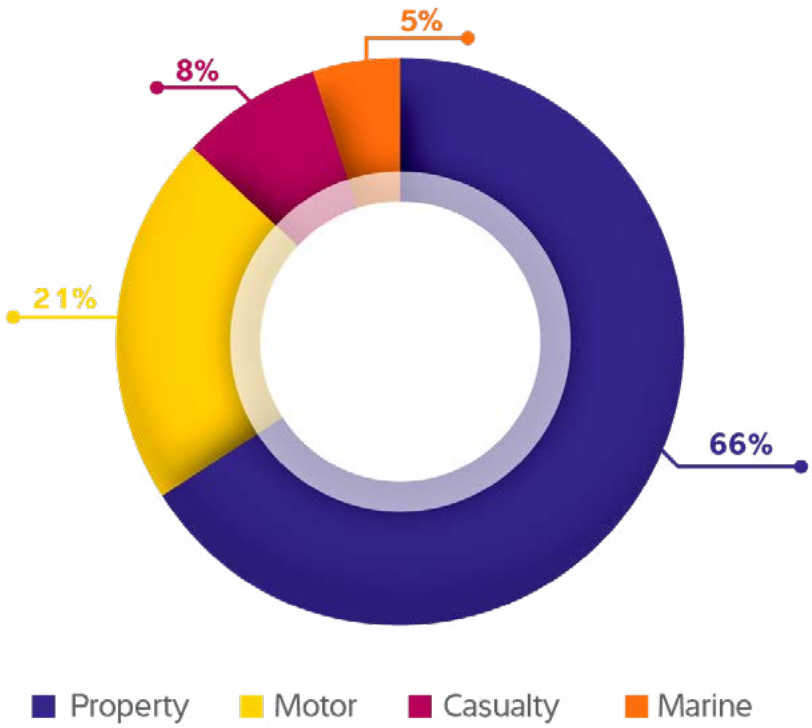


Our Caribbean portfolio continues to represent most of our insurance revenue with an 80% share. Conversely, our Netherlands business in Guardian Group Fatum comprises a 20% share. In terms of insurance revenue overall there was an increase between 2024 and 2025. Guardian General Insurance Limited Jamaica, however, experienced lower levels of Property business in 2025. The following table shows the changes:

COMPANY	DEC-24	DEC-25	INCREASE/ (DECREASE) (TT$M)	INCREASE/ (DECREASE) (%)
Guardian General Insurance Limited	1,324	1,429	105	8
Guardian Group FATUM	1,005	1,139	134	13
Guardian General Insurance Jamaica Limited	614	580	(34)	(5)
Total	**2,943**	**3,148**	**205**	**7**

Rate adjustments in the Property segment and enhancements to our product lines were key factors contributing to revenue growth at Guardian General Insurance Limited. The portfolio's composition continues to be dominated by Property and Motor business. At the end of December 2025, our Property business covered approximately $71 billion in aggregate, with Guardian Group Fatum Netherlands representing a 67% share.

PORTFOLIO MIX OF BUSINESS (%)

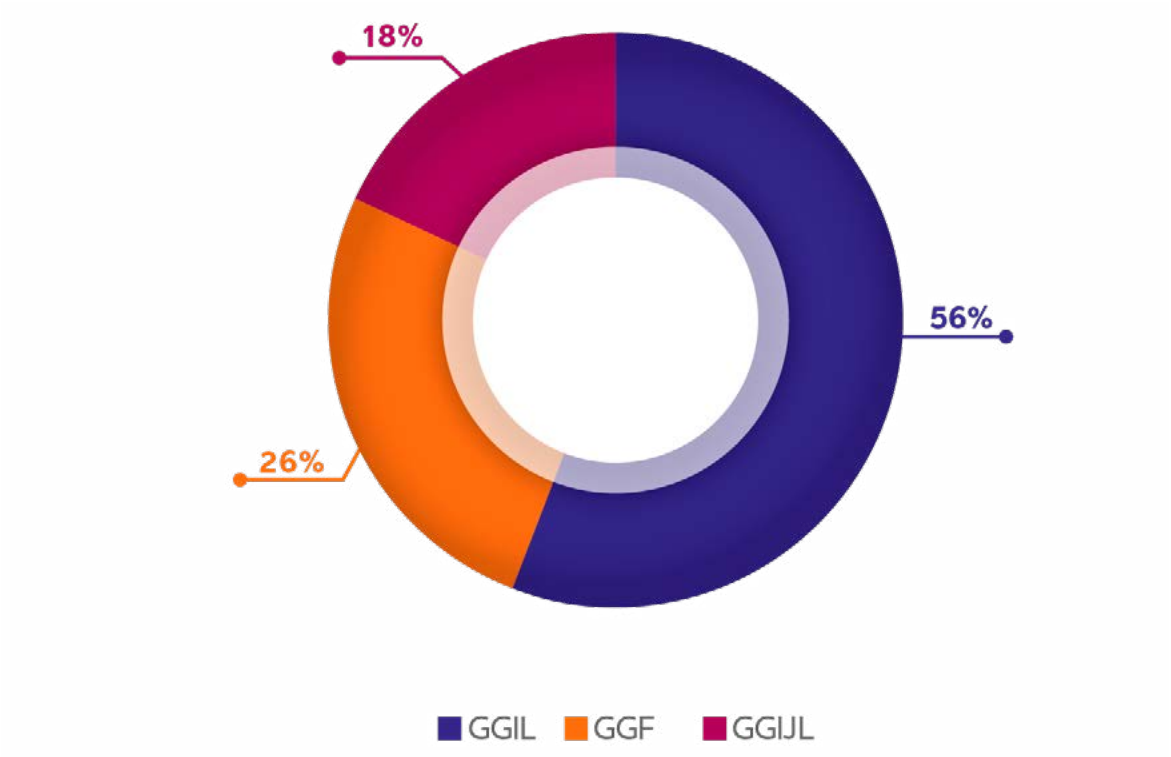


The following table shows the details of the 2025 insurance revenue broken down by company and major line of business:

TT$ MILLION	PROPERTY	MOTOR	CASUALTY	MARINE	TOTAL	SHARE
Guardian General Insurance Limited	944	294	77	114	1,429	46%
Guardian Group FATUM	699	274	140	26	1,139	36%
Guardian General Insurance Jamaica Limited	431	105	35	9	580	18%
Total	**2,074**	**673**	**252**	**149**	**3,148**	**100%**

The Netherlands portfolio generated over half of Guardian Group Fatum's insurance revenue. Guardian Group provides Motor Insurance coverage for over 175,000 vehicles in the Caribbean and 162,000 in the Netherlands. In the Caribbean, Guardian General Insurance Limited holds the largest Motor portfolio share (56%), followed by Guardian Group Fatum (Caribbean) at 26%. Trinidad and Tobago remains our leading Caribbean Motor market.

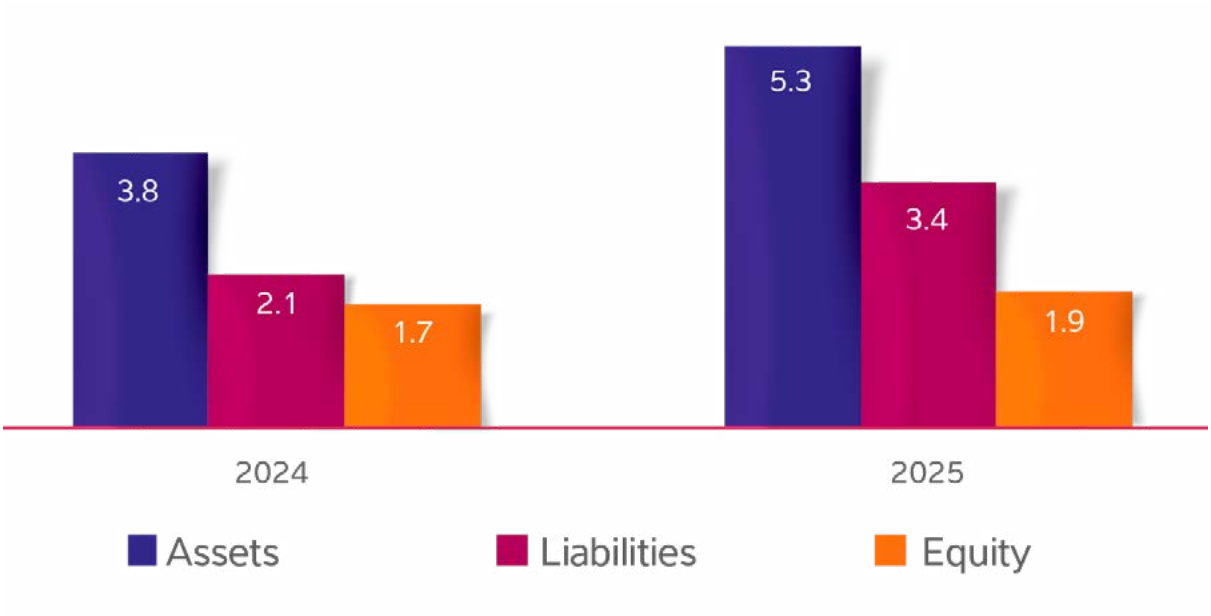
SHARE OF VEHICLE COUNT BY COMPANY
(CARIBBEAN MOTOR MARKET)



Our Guardian Property and Casualty financial position remains stable with $5.3 billion in assets and approximately $3.4 billion in liabilities.

Moreover, the use of reinsurance allows us to deploy capital in more strategic operational avenues. The increase in the asset and liability position year-over-year is as a result of the impacts of Hurricane Melissa on the Jamaica business.

FINANCIAL POSITION (TT$ BILLION)



Strategic Progress and Business Developments: Strengthening Customer Value through Innovation and Operational Excellence

2025 marked a period of meaningful progress and disciplined execution as Guardian Property and Casualty entities advanced our respective strategic priorities. We continued to invest in modern technologies that enhance operational agility and position us for long-term competitiveness. Key initiatives including automation, digital platform enhancements, collaborations with our advanced analytics team, and data driven decision-making tools delivered measurable improvements in efficiency, accuracy and service delivery.

Strengthening our relationships with customers, partners and stakeholders remained central to our strategy. Through deeper engagement and improved service responsiveness, we reinforced our commitment to building trusted, enduring partnerships across all segments of our business.

Our focus on customer-centricity guided every major initiative undertaken throughout the year. By re-engineering processes, enhancing service channels and introducing more intuitive customer experiences, we improved satisfaction

Strategic Progress and Business Developments: Strengthening Customer Value through Innovation and Operational Excellence (continued)

and accessibility while ensuring our offerings evolve with the needs of the markets we serve.

At the same time, Guardian Property and Casualty entities implemented a series of efficiency and cost optimisation measures, resulting in stronger operational discipline and improved financial resilience. These efforts allowed us to streamline processes, reduce waste and reinvest savings into innovation and customer value.

Collectively, these achievements reflect a clear strategic direction: leveraging technology, partnership strength and customer focus to deliver sustainable growth and enhanced performance.

Guardian General Insurance Limited: Resilient Results in a Competitive Market

Building on the disciplined underwriting approach established in 2024, GGIL continued to strengthen its underwriting performance throughout 2025. The difficult but necessary decisions made within our Trinidad and Tobago Motor portfolio last year laid the foundation for more consistent and predictable results. This year, we maintained that discipline while introducing targeted refinements that enhanced portfolio quality and improved risk selection and adopting the same approach across our other Caribbean territories.

As a result, underwriting profitability remained resilient, supported by improved rate adequacy, more accurate pricing models and deeper insights driven by data analytics. While the competitive environment in Trinidad and Tobago continued to pressure new business acquisition, our focus on sustainable growth ensured that we secured business aligned with our risk appetite and long-term strategic objectives. By the end of 2025, early signs of the softening market emerged and rates began to decline; however, our teams remained diligent and exceeded our prior year's new business results.

In 2025, we also expanded our efforts to strengthen technical capabilities across our underwriting teams, leveraging technology, training and enhanced governance. These actions further reinforced our commitment to underwriting excellence as a cornerstone of financial strength and long-term value creation.

Delivering Exceptional Claims Outcomes

We assigned dedicated staff to key partners, supported by weekly Technical Officer visits, to reduce backlogs and resolve stalled or complex cases.

Claims workflows were streamlined and integrated through ongoing process reviews, with efficiency gains driven by real-time workload and cycle-time monitoring and the return of automated alerts.

Lastly, given our focus on culture and people development, we reinforced proactive performance management and ongoing staff development to support timely, well-informed decision-making.

AM Best

On 19 November 2024, AM Best reaffirmed the Guardian General Insurance Limited's A- (Excellent) rating, recognising our strong financial position, rigorous risk management practices and ongoing commitment to delivering value for our stakeholders.

Guardian General Jamaica: Improving Operational Efficiencies

Guardian General Jamaica Limited delivered several key operational achievements focused on efficiency, resilience and service continuity, despite the challenges following the passage of Hurricane Melissa. These achievements strengthened trust and confidence among customers, partners and other stakeholders:

- **Reduced claims settlement turnaround time** for Hurricane Melissa Motor claims by empowering loss adjusters to assess and settle claims on the spot, enabling faster customer payouts and improved service delivery.
- **Successful activation of the Business Continuity Plan** before and after the hurricane, which was tested and proved effective. Despite operational limitations at the Montego Bay branch, our customers, brokers and agents were able to transact business seamlessly with minimal disruption.
- **Improved receivables performance,** reflecting stronger collection discipline and enhanced operational resilience. Collections exceeded the 65% target, achieving 69%, with 94% of total premiums collected in 2025 successfully allocated.
- **Enhanced digital servicing capabilities,** resulting in increased traffic on the online platform and higher levels of customer self-service. This has driven growth in online payments and policy renewals, with over 4,000 customer activities recorded during the year, which represented a 50% increase over 2024.
- **Increased brand visibility and market engagement,** which complemented operational improvements by reinforcing market confidence, strengthening stakeholder engagement, supporting business continuity during the recovery period and increasing traffic on our online platform.

Guardian General Fatum: Digital Innovation Supporting Growth and Customer Convenience

The transition of the Digital General Insurance Portal to the C-360 platform strengthened our ability to serve the Dutch Caribbean while driving operational efficiencies. Continued growth in traffic and sales reflected the platform's growing contribution to our digital strategy.

Additionally, we expanded our product range offered through the portal, giving our customers access to more tailored insurance solutions.

The continued success of the portal was reflected in the steady growth of new policies over the last four years:

2022	2023	2024	2025
3,500	6,728	8,798	8,183

With increasing adoption and continuous improvements, we remain dedicated to driving digital transformation and delivering unparalleled convenience to our customers.

The launch of the MyGuardian App has been rescheduled for 2026. The app will provide customers with a seamless, self-service platform to view and manage their full portfolio of Guardian Group insurance policies, representing a significant milestone in our digital innovation agenda and customer experience journey.

Risks, Challenges and Mitigating Actions

Guardian Property and Casualty's risk profile reflects the region's exposure to natural catastrophes, evolving regulation, macroeconomic volatility and rapid shifts in technology and customer expectations. Our risk management framework combines strong governance, disciplined underwriting, robust reinsurance and enterprise-wide operational resilience to protect stakeholders and sustain long-term value creation.

We anticipate continued reinsurance market selectivity, persistent claims inflation and elevated catastrophe activity. Our focus on underwriting discipline, strengthened reinsurance protections, investment prudence and continued digitisation are expected to sustain resilience and support earnings quality. We will prioritise portfolio balance, operational efficiency and customer experience, while advancing climate resilience and regulatory readiness across all territories.

Escalating Climate Risk and Catastrophe Exposure

The Caribbean region continues to face an increase in the frequency and severity of natural disasters, which include hurricanes, flooding and extreme weather. This places sustained pressure on underwriting performance and claims volatility. Industry analyses highlight that insured loss events have become more frequent and more severe, elevating reinsurance costs and complicating pricing adequacy across the region.

We have collaborated with our advisors to strengthen catastrophe modelling capabilities leveraging the improvements made in the data quality of our book. We also promoted resilience-based underwriting that incentivised climate-adaptive property upgrades and enhanced the diversification of risk portfolios by geography and line of business.

Escalating Climate Risk and Catastrophe Exposure (continued)

Post-event opportunities included launching public awareness initiatives that highlighted the importance of insurance and maintaining adequate property values. These experiences also supported the development of new products and more tailored solutions for our customers, contributing to market expansion through enhanced claims handling and strengthened regulatory relationships.

Reinsurance Market Dynamics

Global Market Position and Capital Availability. Entering 2026, the global reinsurance sector remains in solid financial condition with ample capital available and disciplined underwriting, despite absorbing large catastrophe losses in the past few years. Reinsurance capital has grown robustly, providing continued capacity to support insureds.

Pricing Trends and Terms. On a global basis, reinsurance pricing for property catastrophe risks softened at 1 January 2026 renewals as abundant capital outpaced demand in some segments. However, loss-impacted portfolios are generally facing either flat renewals or rate increases as well as higher retentions and more restrictive protections as reinsurers reassess risk concentrations, especially after major events like Hurricane Melissa.

Softening in some global markets does not necessarily translate linearly to the Caribbean, where reinsurers often price risk according to catastrophe exposure, local loss experience and wider portfolio impacts.

Though Caribbean reinsurance capacity has historically been constrained, recent renewals indicate some growth in capacity for regional risks (+5 to +10%) for better-performing portfolios. Catastrophe pricing is expected to reduce (-5% to -7.5%) for loss-free accounts.

Our reinsurance strategy involves structured multi-layered reinsurance arrangements and a widely diversified panel of highly rated reinsurance counterparties to reduce risk. We continue to leverage data quality enhancements to optimise accumulation management and regularly refresh our underwriting guidelines to reduce volatility exposure.

Regulatory Modernisation and Evolving Compliance Landscape

Caribbean regulators continue to adopt updated frameworks, including enhanced solvency standards and the implementation of IFRS 17 reporting. While these reforms aim to bolster industry stability, they also require meaningful investment in systems, processes and actuarial and risk expertise.

Guardian Property and Casualty has continued to evolve our governance and compliance frameworks to be aligned with the highest regulatory standard, underscoring our commitment to ensuring zero compliance events. Our actuarial and enterprise risk management capabilities enable us to conduct stress-testing and support forward-looking capital management.

Outlook and Priorities

Strategic Business Transformation Leveraging Artificial Intelligence

As part of our forward-looking transformation agenda, Guardian Property and Casualty has embarked on a comprehensive upgrade of its core policy administration system. This strategic investment has been designed to fundamentally elevate customer experience, sharpen operational efficiency and unlock the full potential of advanced analytics and AI-driven decision-making. The global and regional insurance landscape is rapidly shifting toward digital-first engagement and automated processes, with delayed modernisation shown to increase acquisition costs, erode competitiveness and constrain growth potential.

By modernising our core platforms, we are creating a more agile and data-rich operating environment capable of supporting real-time underwriting, more accurate risk selection and streamlined claims-handling capabilities we consider to be increasingly essential amid heightened climate-related volatility and more complex risk exposures across the Caribbean.

This transformation will allow the Guardian Property and Casualty to improve service responsiveness, reduce manual processing burdens, enhance regulatory reporting and enable scalable AI solutions that improve pricing precision, strengthen portfolio quality and ultimately deliver a more seamless and trusted experience for our policyholders.

Underwriting and Pricing Discipline

Guardian Property and Casualty continues to closely monitor our portfolios across the region, especially in those territories with high exposure to wind, flood and storm perils. We will adjust our pricing to reflect climate-adjusted risk models and reinsurer requirements.

Capital & Risk Retention Strategies

Guardian Property and Casualty maintains continuous monitoring of its reinsurance programme to ensure capital adequacy under increasingly volatile climate conditions. For 2026, emphasis is being placed on optimising risk retentions and catastrophe limits to balance solvency protection with cost efficiency, while maintaining compliance with regulatory capital requirements and internal risk appetite. Scenario testing and stress modelling are being enhanced to assess capital resilience under severe but plausible catastrophe events.

In response to evolving climate risks and market conditions, Guardian Property and Casualty will evaluate greater use of parametric and alternative reinsurance solutions as a complement to traditional reinsurance. These structures offer faster recovery payments and diversification of reinsurance counterparties. Parametric covers are expected to play an increasing role in improving cash-flow stability and strengthening disaster response capability during the 2026 hurricane season and beyond. Work is already on stream for this initiative as Guardian Property and Casualty launched its partnership with the Caribbean Catastrophe Risk Insurance Facility in 2025 with roll-out of their Livelihood Protection Plan in Jamaica. Future implementations are planned throughout the Caribbean in 2026.

Climate Risk Mitigation & Resilience

Working alongside our Environment, Social and Governance (ESG) Team, Guardian Property and Casualty is actively investing in climate adaptation and mitigation, including strengthening our insured's understanding of building codes and risk-mitigating protections, disaster-risk modelling tools and community risk awareness programmes. These initiatives will be critical in reducing both insured and economic losses in the decade ahead.

Asset Management

The Group's Asset Management Division comprises Guardian Asset Management & Investment Services Limited and Guardian Group Trust Limited.

Guardian Asset Management delivers integrated investment and financing solutions designed to support wealth creation, preservation and long-term financial growth. It serves a broad spectrum of clients, including retail investors, small- and medium-sized enterprises, corporate entities, pension plans and institutional investors. The Division provides customised strategies aligned to various risk profiles and financial objectives.

Through a diversified platform, Guardian Asset Management offers a comprehensive suite of mutual funds, discretionary and advisory portfolio management services, brokering and trading capabilities and capital market solutions facilitated through its merchant banking operations. This integrated model enables the Division to respond effectively to evolving market dynamics while continuing to deliver sustainable, value-driven outcomes for its clients.

Business Strategy

Aligned with our 2028 North Star priorities and Horizons framework, 2025 was characterised by disciplined execution, measurable progress and strategic advancement. The team delivered strong operational performance and accelerated initiatives designed to enhance competitiveness, strengthen governance and expand our value proposition.

The following strategic pillars drove our performance and defined our focus throughout the year:

Enhancing Customer Experience – From the moment of its inception, the Division has been an Asset and Wealth Management firm of choice. Its merchant bank function provides capital market solutions to governments, large corporate clients and individual investors in the wealth management arm of the business. Together, these entities have carved out Guardian Asset Management's market leadership through one of the most important business elements: Customer Experience (CX). In a changing world where competition is fierce and firms are not only assessed on performance, Guardian Asset Management's CX is focused on clear communication, responsiveness and accessibility, strength of relationships and operational reliability.

Optimising the Product Suite – In March 2025, Guardian Asset Management strategically repositioned the BRIC Fund as the Global Equity Fund, expanding its mandate beyond BRIC markets to a broader global equity universe. This enhancement improved diversification, increased access to international growth opportunities and provided greater flexibility to respond to changing market conditions, strengthening the Fund's long-term return potential and resilience. The segment remains focused on optimising its other mutual fund offerings. Guardian Asset Management increased the payout rate on its US Monthly Income Fund during the year in light of higher US interest rates.

Business Strategy (continued)

Guardian Asset Management also progressed two key areas of focus for the business:

a) Conditional approval was received from the Central Bank of Trinidad and Tobago (CBTT) to act as a Second Tier Primary Dealer for GoRTT Open Market Operations
b) Regulatory approval was received to progress product expansion in the retirement planning field.

Capital Optimisation and Business Efficiency – In 2025, Guardian Asset Management's focus remained on deploying strategies to strengthen financial performance, improve resilience and maximise return on invested capital (ROIC). This required that product offerings were considered with cost of capital in mind, promoting the discipline of capital allocation to highest risk-adjusted return projects and initiatives. Key efficiency metrics for Guardian Asset Management improved in 2025 as both its operating efficiency and ROIC ratios trended positively.

Digital Transformation and Technology Advancement – In line with our strategic focus on digital innovation, the first phase of Guardian Asset Mangement's system replacement project is in progress, with a comprehensive evaluation of viable solutions ongoing. This initiative aims to strengthen operational efficiency and deliver greater customer satisfaction in the coming years. Additionally, Guardian Asset Management is actively progressing its digital onboarding initiative with a planned rollout in 2026, reinforcing its commitment to optimising both client experience and internal operations.

Leveraging Guardian Group Collaboration – Being part of the Guardian Group provides a powerful strategic advantage through healthy, Group-wide collaboration, enabling shared innovation, operational efficiency and stronger overall results. As part of our strategic priorities, Guardian Asset Management is engaging the extensive network of the Guardian Life of The Caribbean sales force to enhance distribution of its products.

Merchant Banking Success – The Merchant Banking Unit delivered a strong year of execution across the local debt capital markets in 2025, strengthening its structuring, distribution and market execution capabilities while supporting priority sovereign and corporate counterparties. During the year, the Unit successfully arranged and executed a significant local corporate deal of $1.05 billion for Guardian Holdings Limited. It also supported Sovereign Issuers and their agencies through multiple financing transactions in both local and foreign currencies totaling over $1.3 billion. These successes reflect the Unit's continued ability to deliver tailored financing solutions aligned with national development priorities.

Investing in our Talent – In 2025, Guardian Asset Managmenet advanced its people strategy by embedding structured learning, enhancing performance governance and strengthening leadership capability. The introduction of Guardian Asset Management University, our internal education programme, and increased participation in digital learning initiatives and reinforced a culture of continuous development. Simultaneously, refined performance management practices improved alignment, accountability

and differentiation. Together, these initiatives strengthened retention, supported internal advancement and positioned the organisation for long-term resilience.

Strategic Acquisition Opportunities – Guardian Asset Management remains focused on delivering sustained organic growth while actively pursuing opportunities to expand its footprint. Consistent with this strategy, the segment continues to evaluate selective acquisition prospects across both local and regional markets with a focus on capital-light businesses. These initiatives are aimed at accelerating long-term growth, enhancing market diversification and strengthening Guardian Asset Management's competitive positioning in key strategic segments critical for driving our growth strategy.

Distribution

Guardian Asset Management's distribution model is anchored in strong relationship management, driven by a dedicated internal team of Wealth Managers and Investment Advisors. This model is amplified by collaborations across the wider Group, alongside selected external partnerships. The relationship-driven approach fosters a high-performance sales culture focused on understanding client needs and building long-term wealth.

Further, the strategy is delivered through three primary channels: a strong physical presence via offices in Port of Spain, Chaguanas and San Fernando, the deepening and expansion of strategic partnerships across the Group and external collaborators to broaden distribution reach. In addition, digital marketing and social media provide timely investment insights, strengthen client engagement and elevate the Guardian Asset Management brand.

Competition

The Advanced Analytics team has further strengthened Guardian Asset Management's decision-making capabilities through cross-functional collaboration to develop dynamic dashboards that deliver timely and data-driven insights. These tools enhance visibility, improve responsiveness and support more informed strategic decisions. Guardian Asset Management continues to closely monitor mutual fund market trends and competitor activity, leveraging these insights to guide internal discussions and proactively shape strategic priorities and next steps.

Outlook and Challenges

The global economic and financial environment is expected to remain uncertain in 2026, influenced by the US midterm election cycle, geopolitical developments and evolving trade dynamics, which may lead to increased market volatility and pressure on investor confidence, cross-border investment flows and corporate earnings. Locally, the outlook for the energy sector and changes in liquidity levels are expected to continue affecting capital flows, financing conditions and asset valuations. Despite the ongoing uncertainties, Guardian Asset Management remains focused on delivering strong investment performance for its clients.

Outlook and Challenges (continued)

Additionally, the regulatory landscape continues to evolve, with increased compliance and reporting requirements shaping investment operations and financial market dynamics. The trajectory of inflation, interest rates and global growth will remain central to market performance, particularly as central banks balance price stability with slowing labour markets. Guardian Asset Management will continue to provide timely insights through its Private Wealth Briefing, Guardian Asset Management Investor Alerts and Quarterly Economic Review and Outlook to ensure clients remain informed of key market developments, emerging risks and investment opportunities throughout the year.

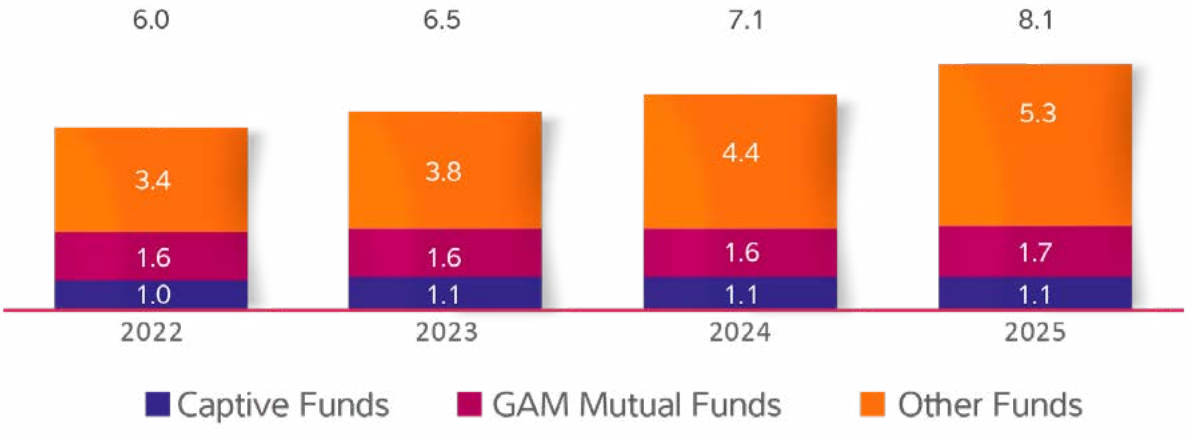
While limited access to US dollars continues to present a significant constraint, we are actively looking for opportunities to navigate these challenges. The negative outlook on the country's credit rating remains a concern which we are monitoring. The consistent decline in the local stock market continues to be an impediment to portfolio performance. Our priorities remain centred on capitalising on market opportunities, upholding disciplined risk management and adhering to the evolving regulatory landscape to support long-term value creation for all stakeholders.

Financial Update

In 2025, Assets Under Management (AUM) expanded by 14% to $8.1 billion, outpacing the 9% growth achieved in 2024. Revenue for the year reached $113.7 million, representing an 18% year-over-year increase. While AUM experienced fluctuations during the period, overall revenue performance underscored the continued effectiveness of our strategic focus on third-party mandates.

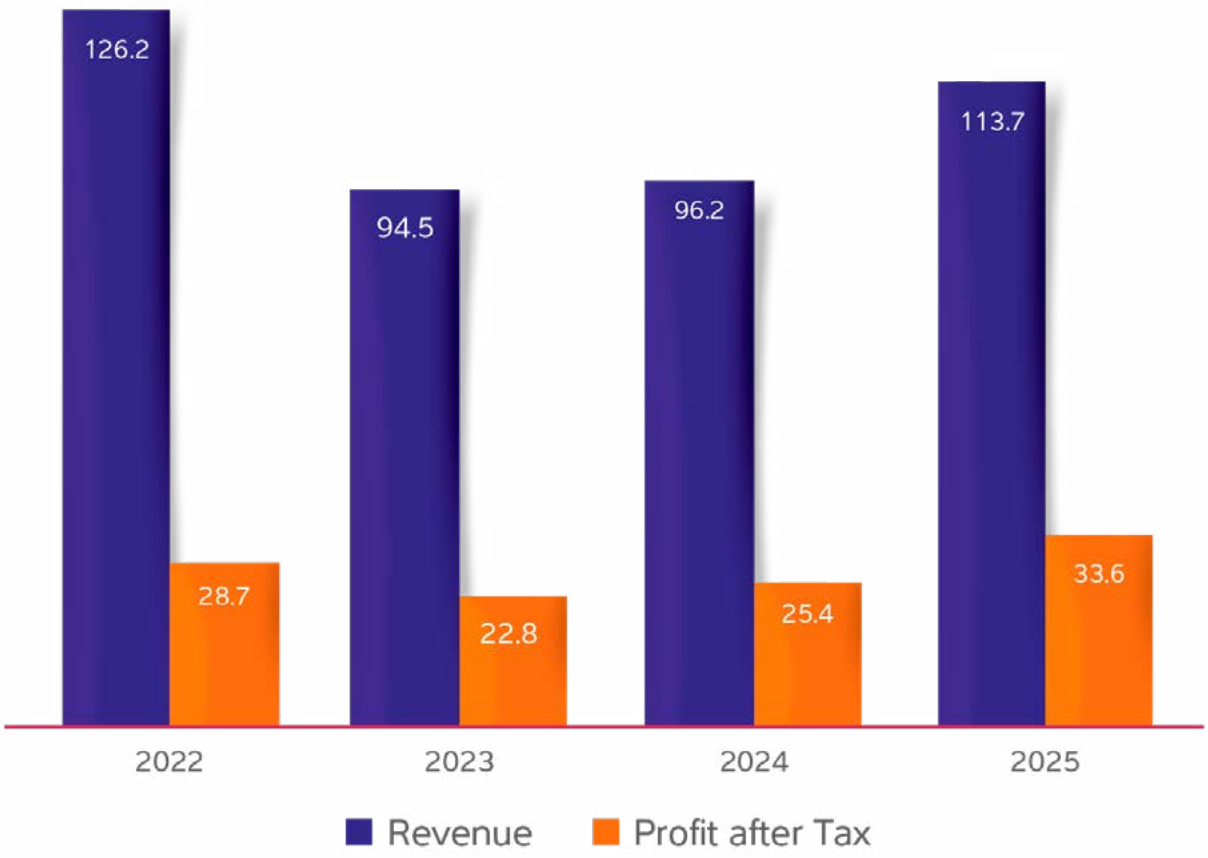
Profit after tax rose by a solid 32% compared to the prior year, supported by heightened trading activity and disciplined expense management. Looking ahead, the segment remains committed to capitalising on market opportunities, driving operational efficiencies and maintaining a strong platform for sustained, long-term profitability.

ASSET UNDER MANAGEMENT (AUM) TOTAL
(TT$ BILLION)



Guardian Asset Management's business lines performed solidly in 2025, with Mutual Funds and Private Wealth managed funds expanding by $1 billion, delivering year-over-year growth of 17%. Captive business levels remained stable throughout the period, providing a consistent foundation for the portfolio. The segment continues to strengthen its core offerings while actively identifying opportunities for further growth across all business segments.

GUARDIAN ASSET MANAGEMENT FINANCIAL PERFORMANCE (TT$ MILLION)[1]



[1] excludes mutual funds

Guardian Asset Management's portfolios delivered impressive performance in 2025, driven primarily by gains in international markets. Twelve out of thirteen floating NAV funds were positive on a year-to-date basis, with four funds generating returns between 20% and 28%. Our managed portfolios also provided attractive returns given more active trading and risk management strategies employed during the year. The passively managed Genius international portfolios similarly delivered strong returns, with four portfolios achieving returns of over 10% on a year-to-date basis. Portfolios with local market exposure were impacted by conditions within the domestic equity market. Our TT and US Income Funds continued to provide steady returns that are currently held at 1.90% and 2.25%, respectively.

Global financial markets retained its momentum in 2025, with major indices posting double-digit gains despite political uncertainty, trade tensions

and periods of market volatility. Performance was largely driven by continued strength in large-cap technology and AI-related stocks, which supported valuation expansion and earnings growth and remained key drivers of US equity market performance. The S&P 500 returned 17.86% for the year, while the Nasdaq Composite and Dow Jones Industrial Average gained 21.17% and 14.92%, respectively. Sector performance was broadly positive, led by Communication Services (33.56%) and Technology (24.04%), with Industrials (19.27%) and Utilities (16.04%) also delivering strong returns, while Consumer Staples (3.90%) and Real Estate (3.15%) underperformed the broader market.

Globally, equities also performed strongly, with the MSCI World Index rising 21.63%, MSCI World ex-USA gaining 32.68% and MSCI Emerging Markets advancing 34.32%. Bonds recovered, with the Bloomberg US Aggregate Bond Index returning 8.94%. European equities performed strongly, with the MSCI Europe Index gaining approximately 20.20%, supported by aerospace and defense sector strength amid ongoing geopolitical tensions.

The US economy remained resilient in 2025 despite contracting by 0.6% in the first quarter, rebounding with growth of 3.8% and 4.4% in the second and third quarters, respectively, as exports and consumer spending strengthened. Inflation eased during the first half of the year, with the Consumer Price Index declining from 3.0% in January to a low of 2.3% in April before rising again to 3.0% in September and ending the year at 2.7%, remaining above the Federal Reserve's 2% target. Labour market conditions softened gradually: unemployment rose from 4.0% at the start of the year to a peak of 4.6% in November, ending at 4.4% in December. Job creation slowed significantly; it increased by only 584,000 jobs in 2025 compared to 2 million jobs in 2024.

In response to moderating growth and labour market risks, the Federal Reserve maintained rates for most of the year before implementing three 25-basis-point cuts in September, October and December, lowering the policy rate to 3.50%–3.75% by year-end. Treasury yields were volatile but generally declined at the front end, with the 2-year yield falling 78 basis points to 3.47%, the 10-year yield declining 39 basis points to 4.18% and the 30-year yield ending slightly higher at 4.84%.

In Trinidad and Tobago, economic activity remained uneven, with real GDP contracting by 2.1% in the first quarter before expanding by 2.6% in the second quarter, driven by improved energy sector output following new gas production.

The Trinidad and Tobago yield curve maintained an upward slope throughout 2025, reflecting tighter domestic financial conditions and sustained government borrowing activity. According to the Central Bank of Trinidad and Tobago (CBTT), the 1-year GoRTT yield increased by 66 basis points, rising from 3.94% in December 2024 to 4.60% in December 2025, while the 10-year yield rose by 36 basis points from 5.55% to 5.91%. Longer-dated yields remained relatively stable, with the 30-year yield ending the year at 7.65%. Government financing activity remained strong, with the primary debt market recording 10 bond issuances totaling $11.6 billion during the first nine months of the year, contributing to upward pressure on yields across the curve.

Liquidity conditions fluctuated during the year, with commercial banks' excess reserves rising from $4.82 billion at the start of 2025 to a peak of $7.35 billion in March, before tightening to a low of $3.53 billion in October and closing the year at $5.33 billion. While liquidity was supported by $1.86 billion in maturing Open Market Operations and average net fiscal

injections of $288.3 million, significant foreign exchange sales totaling $7.95 billion withdrew liquidity from the system, contributing to tighter conditions at various points during the year.

In 2025, Trinidad and Tobago's sovereign credit ratings were affirmed but outlooks were revised to Negative by both major rating agencies, reflecting concerns over fiscal weakness and rising debt levels. S&P Global Ratings maintained the country's BBB- rating but lowered the outlook due to persistent fiscal deficits, reliance on energy revenues and modest growth prospects, despite acknowledging strong external buffers and the Heritage and Stabilisation Fund. Similarly, Moody's affirmed Trinidad and Tobago's Ba2 rating with a Negative outlook, citing continued fiscal deterioration, increasing debt burdens and vulnerability to external shocks linked to hydrocarbon dependence. Both agencies highlighted growing risks to the medium-term fiscal outlook and the need for stronger fiscal consolidation and economic diversification.

The local equity market underperformed, with the Trinidad and Tobago Composite Index declining 7.77%, the All T&T Index falling 8.84% and the Cross-Listed Index losing 4.01% amid weak investor sentiment and limited market liquidity.

Insurance Brokerage

Guardian Group has been building our Insurance Brokerage segment during the last few years. Most recently, we expanded into the English-speaking market. Our reach includes the following:

Curaçao
Fatum Brokers Holding B.V. (100%)
Seguros Brouwer N.V. (100%)

Aruba
Fatum Holding Aruba VBA (100%)
Boogaard Assurantiën N.V. (100%)

St. Maarten
Caribbean Insurance Brokers N.V. (100%)
Boogaard Insurances B.V. (100%)

Bonaire
Boogaard Assurantiën Bonaire B.V. (100%)

Cayman Islands
Vanguard Risk Solutions Limited (67.7%)

Business Strategy

Dutch Caribbean:
We have implemented sales-driven transformations to enhance customer experience and drive revenue, and restructured our organisation to support this, appointing dedicated Sales Managers for each territory. Boogaard has acquired three brokers, two on St. Maarten and one on Aruba. Simultaneously, we continue to optimise expense management to maximise returns.

Netherlands:
In January 2025, 100% of the shares of the insurance brokerage in the Netherlands, Thoma Exploitatie B.V., was sold. The transaction, which was effected through a closed sale process, aligns with our strategic priority of maximising shareholder value. We continue to focus on growth through the acquisition of Managing General Agents and portfolios.

Cayman Islands:
Effective 31 December 2025, Vanguard Risk Solutions Limited acquired the book of business of Baldaramos Insurance Services Limited to command a greater share of the Cayman Islands brokerage sector.

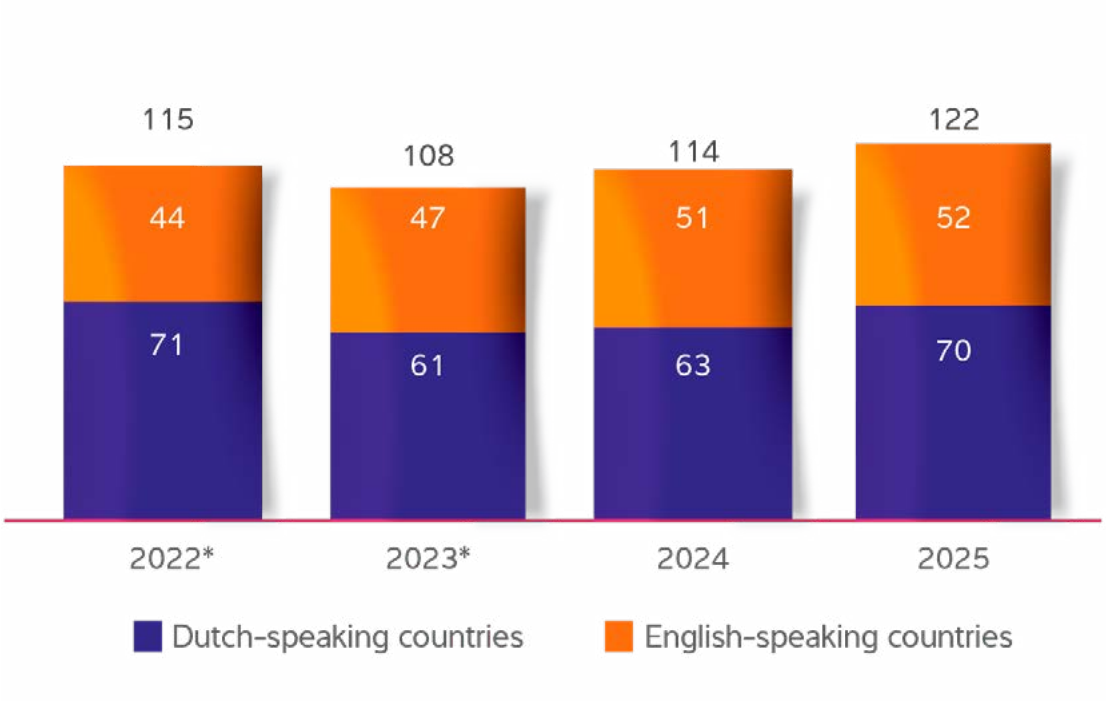
The acquisition enables us to derive greater operational efficiencies, up-sell and cross-sell potential from the combined book and leverage recent technology investments. We are also strategically investing in business development professionals to foster greater relationships and deliver growth in both general insurance and health segments.

Financial Performance

For the year ended 31 December 2025, the Insurance Brokerage segment delivered profits of $679 million, surpassing prior year's profits of $66 million by $613 million. This increase was mainly attributed to the first quarter gain on sale of 100% of the shares of Thoma Exploitatie B.V. Excluding profit from discontinued operations after taxation of $651 million, the Insurance Brokerage Segment recorded profits on continuing operations of $28 million, slightly behind the prior year's results of $30 million by $2 million or 6%.

To be compliant with the rules governing the preparation of the Group's consolidated financial statements, the Brokerage income disclosed in the Consolidated Statement of Income is net of fees and commissions earned on business placed with fellow subsidiaries engaged in underwriting business. Gross fees and commissions earned on the Brokerage business amounted to $122 million, ahead of the prior year's income of $114 million by $8 million or 7%. This was driven by our operations in the Dutch Caribbean and Cayman Islands, which surpassed income from the prior year by 10% and 3% respectively.

GROSS FEE AND COMMISSION INCOME FROM BROKERAGE ACTIVITIES (TT$ MILLION)



*2022 and 2023 have been re-presented to exclude Thoma Group, which was sold in January 2025

Outlook

We are accelerating a bold transformation of our Brokerage operations, strengthening the foundation for sustained, region-wide growth. Significant investments in talent, technology, office modernisation and brand elevation are positioning us to compete at a higher level and deliver a superior client and partner experience. Through Vanguard Risk Solutions, we are executing a focused strategy to scale our Brokerage footprint across the English-speaking Caribbean, unlocking new revenue opportunities and enhancing our regional presence.

At the same time, we are reinforcing operational rigour and governance to meet rising regulatory expectations, ensuring our expansion is both resilient and responsibly managed.

FINANCIAL STATEMENTS 2025





STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Guardian Holdings Limited (the Company) and its subsidiaries (the Group) and which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act and Insurance Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited consolidated financial statements, management utilised the IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date.

Management affirms that it has carried out its responsibilities as outlined above.

Ian Chinapoo
Group Chief Executive Officer
26 February 2026

Keesha Sahadeo
Group Chief Financial Officer
26 February 2026

Independent auditor's report

To the Shareholders of Guardian Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Guardian Holdings Limited (the Company) and its subsidiaries (together 'the Group') as at 31 December 2025, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated 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.

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T: +1 (868) 299 0700

www.pwc.com/tt

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview



Overall materiality: TT$103,000,000 which represents approximately 1% of total Net Asset Value plus Contractual Service Margin.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors from other PwC network firms or other networks operating under our instruction.

• Valuation of insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods - Estimation of fulfilment cash flows.

• Integrity of input data within IT systems requiring complex calculations to determine insurance revenue and insurance service expenses measured under the GMM and VFA approach.

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management 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, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated 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.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	TT$103,000,000
How we determined it	Approximately 1% of total Net Asset Value plus Contractual Service Margin
Rationale for the materiality benchmark applied	We chose total Net Asset Value plus Contractual Service Margin as the benchmark because, in our view, it is an appropriate benchmark against which the performance of the Group will be measured by users. We chose 1% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT$4,000,000, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter

Valuation of insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods - Estimation of fulfilment cash flows

Refer to notes 2.15, 3(a), 4.1 and 15 to the consolidated financial statements for disclosures of related accounting policies and balances.

As at 31 December 2025, insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods totalled TT$21.3 billion or 63.9% of the Group's total liabilities. Insurance contract liabilities measured under the variable fee approach and general measurement model consist of:

- Contractual service margin (CSM), which is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the Group will recognise as it provides insurance contract services under the insurance contracts in the group.
- Fulfilment cash flows (FCFs) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. FCFs comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk (risk adjustment).

Measurement of the FCFs requires management judgments in estimating the probability-weighted expected value of present value of the future cash flows, in addition to applying a risk adjustment for non-financial risk.

Our approach to addressing the matter, with the assistance of our actuarial experts, included the following procedures amongst others:

- Evaluated the accounting policies for any material changes.
- Updated our understanding of management's end-to-end process and controls supporting the determination of FCFs.
- Tested the accuracy and completeness of a sample of the data used in the estimates of FCFs.
- Assessed the reasonableness of management's best-estimate assumptions for mortality and policyholder behaviour (lapse and surrenders), economic assumptions for discount rates, and the adjustment for non-financial risk used in the measurement of insurance contract liabilities by:
  - Evaluating the Group's internal experience studies for appropriateness by considering published industry studies, market data, entity specific facts and circumstances and our knowledge of the products.
  - Evaluating whether management's assumptions were determined in accordance with the requirements of IFRS 17.

Key audit matter	How our audit addressed the key audit matter
Estimates of expected cash flows incorporate best estimate assumptions for mortality, morbidity, longevity, expenses, and policyholder behaviour, as well as assumptions for discount rates and the risk adjustment. The assumptions are reviewed and updated at least annually by the Group's Appointed Actuaries. We considered this a key audit matter due to the judgement applied by management when determining the FCFs and the corresponding high degree of auditor judgment and effort required in evaluating the assumptions described above.	• Evaluated a sample of actuarial models used in management's determination of the FCFs by: - Assessing the appropriateness of the modelling of product features. - Assessing the appropriateness of the application of best-estimate assumptions. • Assessed the disclosures within the consolidated financial statements against the requirements of IFRS 17.
Integrity of input data within IT systems requiring complex calculations to determine insurance revenue and insurance service expenses measured under the GMM and VFA approach Refer to notes 2.15 and 15 to the consolidated financial statements for disclosures of related accounting policies and balances. As at 31 December 2025, insurance contract revenue and insurance service expenses measured under the GMM and VFA methods totalled TT$1.8 billion and TT$1 billion respectively. Insurance revenue comprises the amounts relating to the changes in liability for remaining coverage (LRC) and insurance acquisition cash flows recovery. Insurance service expenses include amongst others, incurred claims and benefits, other directly attributable insurance service expenses, amortisation of insurance acquisition cash flows and changes that relate to past and future service.	Our approach to addressing the matter, with the assistance of our actuarial experts, included the following procedures amongst others: • Evaluated the accounting policies for any material changes. • Tested the operating effectiveness of select IT general controls as it pertains to the systems used in calculating insurance revenue and service expenses. • Inspected management's reconciliation of select data and traced to the underlying source systems to test the completeness and accuracy of data transfer. Insurance revenue: - Tested, on a sample basis, the insurance revenue in the period by tracing and agreeing to underlying source documents and the applicable policy administration systems. - Recalculated the unearned profit recognised in profit or loss for the services provided in the period. - Tested a sample of insurance acquisition cash flows recovery by tracing to underlying insurance contracts and recalculating the allocation over the contract boundary period.

Key audit matter	How our audit addressed the key audit matter
The amounts pertaining to these classes of transactions are calculated and accounted for via various complex IT applications and systems which are responsible for the processing, transformation and output of data. We considered this a key audit matter due to the magnitude of the classes of transactions and the complexity of calculations associated with the transformation of the underlying data.	Insurance service expenses: - Tested a sample of incurred claims, benefits and other incurred expenses by tracing to supporting documentation and the applicable policy administration systems including subsequent payments. - Recalculated the amortisation of insurance acquisition cash flows for the period. • Traced on a sample basis, source data pertaining to insurance revenue and insurance service expenses through the Group's various information technology (IT) applications and systems and tested that configurations used were in accordance with the Group's methodology. • Tested the underlying IT system logic used to calculate insurance revenue and expenses by using a benchmarking approach.

Other information

Management is responsible for the other information. The other information comprises the supplemental information showing the USD translation of the primary statements appended to the consolidated financial statements (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Annual Report , which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dwayne Rodriguez-Seijas.



Port of Spain
Trinidad, West Indies
26 February 2026



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2025 $'000	2024 $'000
Assets			
Property, plant and equipment	5	717,718	637,734
Right-of-use assets	6	45,370	43,632
Investment properties	7	1,635,918	1,559,542
Intangible assets	8	760,086	610,633
Investment in associated companies	9	357,155	326,204
Investment securities	10	27,285,530	25,512,188
Loans and receivables	11	2,820,928	2,350,057
Properties for development and sale	12	117,222	149,541
Pension plan assets	13	85,534	80,311
Deferred tax assets	14	135,849	164,287
Reinsurance contract assets	15	1,563,743	795,121
Insurance contract assets	15	280,365	154,755
Taxation recoverable		310,461	265,575
Cash and cash equivalents	16	3,696,795	4,046,938
		39,812,674	36,696,518
Assets held for sale	17	–	262,005
Total assets		39,812,674	36,958,523
Equity and liabilities			
Share capital	18	1,969,633	1,970,090
Reserves	19	597,067	(362,854)
Retained earnings		3,842,919	2,966,368
Equity attributable to owners of the company		6,409,619	4,573,604
Non-controlling interest in subsidiary	20	19,273	13,238
Total equity		6,428,892	4,586,842
Liabilities			
Insurance contract liabilities	15	23,929,755	23,074,425
Reinsurance contract liabilities	15	422,473	140,297
Financial liabilities	21	3,427,760	3,661,250
Lease liabilities	6	43,629	49,951
Investment contract liabilities	22	2,003,139	2,107,775
Third party interests in mutual funds	23	1,646,482	1,579,685
Pension plan liabilities	13	28,978	29,494
Post-retirement medical benefit obligations	24	129,828	124,582
Deferred tax liabilities	14	331,940	345,454
Provision for taxation		148,598	247,660
Other liabilities	25	1,271,200	963,884
		33,383,782	32,324,457
Liabilities directly associated with assets held for sale	17	–	47,224
Total liabilities		33,383,782	32,371,681
Total equity and liabilities		39,812,674	36,958,523

The accompanying notes form an integral part of these consolidated financial statements.

On 26 February 2026, the Board of Directors of Guardian Holdings Limited authorised these consolidated financial statements for issue.

Director: Director:



CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2025 $'000	2024 $'000
Insurance revenue	15	6,156,448	5,878,384
Insurance service expenses	15	(4,426,846)	(3,686,251)
Net expenses from reinsurance contracts held	15	(534,276)	(1,306,290)
Insurance service result		1,195,326	885,843
Investing activities			
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	26	916,980	831,035
Investment income from financial assets measured at fair value through profit or loss	26	566,983	598,042
Net realised gains	27	249,074	51,702
Net fair value (losses)/gains	28	(242,016)	345,583
Fee income	29	105,433	83,106
Other income	30	213,602	206,238
Net impairment losses on financial assets	31	(67,022)	(46,902)
Investment contract benefits	22	(64,868)	(71,412)
Net income from investing activities		1,678,166	1,997,392
Finance expenses from insurance contracts issued	15	(808,744)	(846,095)
Finance income from reinsurance contracts held	15	24,948	53
Net insurance finance expenses		(783,796)	(846,042)
Net insurance and investment result		2,089,696	2,037,193
Fee and commission income from brokerage activities		61,370	57,783
Net income from all activities		2,151,066	2,094,976
Other operating expenses	32	(902,534)	(836,409)
Other finance charges	33	(188,830)	(189,987)
Operating profit		1,059,702	1,068,580
Share of after tax profits of associated companies	9	40,534	30,872
Profit before taxation		1,100,236	1,099,452
Taxation	34	(211,832)	(250,995)
Profit from continuing operations after taxation		888,404	848,457
Profit from discontinued operations after taxation	17	650,550	8,380
Profit for the year		1,538,954	856,837
Profit attributable to non-controlling interest		(5,962)	(6,691)
Profit attributable to owners of the company		1,532,992	850,146
Earnings per share			
- Basic and diluted	35	$ 6.61	$ 3.66
- Basic and diluted - for continuing operations	35	$ 3.80	$ 3.63

The accompanying notes form an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	Other reserves 2025 $'000	Other reserves 2024 $'000	Retained earnings 2025 $'000	Retained earnings 2024 $'000	Non-controlling interest 2025 $'000	Non-controlling interest 2024 $'000	Total 2025 $'000	Total 2024 $'000
Profit for the year		–	–	1,532,992	850,146	5,962	6,691	1,538,954	856,837
Other comprehensive income/(loss)									
Items that may be reclassified subsequently to profit or loss:									
Exchange differences on translating foreign operations		117,886	(55,264)	–	–	73	62	117,959	(55,202)
Net fair value gains on debt securities at fair value through other comprehensive income		115,514	29,806	–	–	–	–	115,514	29,806
Net change in allowance for expected credit losses on debt securities at fair value through other comprehensive income	31	5,553	(1,744)	–	–	–	–	5,553	(1,744)
Net gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal		–	(654)	–	–	–	–	–	(654)
Finance income from insurance contracts issued	15	274,113	195,731	–	–	–	–	274,113	195,731
Finance (expenses)/income from reinsurance contracts held	15	(1,047)	98	–	–	–	–	(1,047)	98
Taxation relating to components of other comprehensive income		5,538	(8,267)	–	–	–	–	5,538	(8,267)
Net other comprehensive income that may be reclassified subsequently to profit or loss		517,557	159,706	–	–	73	62	517,630	159,768
Items that will not be reclassified subsequently to profit or loss:									
Gains on property revaluation		76,630	7,205	–	–	–	–	76,630	7,205
Remeasurement of pension plans	13	–	–	(17,363)	(35,076)	–	–	(17,363)	(35,076)
Remeasurement of post-retirement medical benefit obligations	24	–	–	595	2,607	–	–	595	2,607
Share of other comprehensive income of associated companies	9	–	–	–	167	–	–	–	167
Taxation relating to components of other comprehensive income		(11,721)	(533)	(2,065)	791	–	–	(13,786)	258
Net other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss		64,909	6,672	(18,833)	(31,511)	–	–	46,076	(24,839)
Other comprehensive income/(loss) for the year, net of tax		582,466	166,378	(18,833)	(31,511)	73	62	563,706	134,929
Total comprehensive income for the year, net of tax		582,466	166,378	1,514,159	818,635	6,035	6,753	2,102,660	991,766

The accompanying notes form an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Share capital $'000	Reserves (Note 19) $'000	Retained earnings $'000	Equity attributable to owners of the company $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 January 2025	1,970,090	(362,854)	2,966,368	4,573,604	13,238	4,586,842
Movement in treasury shares	(457)	–	–	(457)	–	(457)
Total comprehensive income	–	582,466	1,514,159	2,096,625	6,035	2,102,660
Transfer to/from retained earnings	–	352,240	(352,240)	–	–	–
Disposal of discontinued operations	–	25,215	–	25,215	–	25,215
Dividends (Note 36)	–	–	(285,368)	(285,368)	–	(285,368)
Balance at 31 December 2025	1,969,633	597,067	3,842,919	6,409,619	19,273	6,428,892
Balance at 1 January 2024	1,970,043	(519,878)	2,314,716	3,764,881	11,930	3,776,811
Movement in treasury shares	47	–	–	47	–	47
Total comprehensive income	–	166,378	818,635	985,013	6,753	991,766
Transfer to/from retained earnings	–	(9,354)	9,354	–	–	–
Dividends (Note 36)	–	–	(176,337)	(176,337)	(5,445)	(181,782)
Balance at 31 December 2024	1,970,090	(362,854)	2,966,368	4,573,604	13,238	4,586,842

The accompanying notes form an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2025 $'000	2024 $'000
Cash flows from operating activities			
Profit before taxation from continuing operations		1,100,236	1,099,452
Profit before taxation from discontinued operations	17	650,550	19,705
Adjustment for specific items included on the accruals basis:			
- Other finance charges		188,830	190,676
- Investment income		(1,568,922)	(1,467,863)
Adjustment for non-cash items	37	(500,616)	(311,369)
Interest received		1,418,221	1,379,540
Dividends received		128,921	114,717
Operating profit before changes in operating assets/liabilities		1,417,220	1,024,858
Change in insurance contract assets/liabilities		1,042,715	904,241
Change in reinsurance contract assets/liabilities		(483,895)	(65,418)
Net (decrease)/increase in investment contracts		(84,009)	84,823
Purchase of investment securities		(12,604,853)	(9,077,872)
Proceeds from sale of investment securities		10,937,836	9,047,370
Purchase of/additions to investment properties		(23,239)	(4,473)
Proceeds from sale of investment property		29,820	7,739
Additions to properties for development and sale		(10,599)	(8,096)
Proceeds from sale of properties for development and sale		67,753	28,971
Net increase in loans and receivables		(501,430)	(434,058)
Net decrease in other operating assets/liabilities		220,560	43,874
Cash provided by operating activities		7,879	1,551,959
Interest paid		(203,095)	(211,496)
Net taxation paid		(347,414)	(219,905)
Net cash (used in)/provided by operating activities		(542,630)	1,120,558
Cash flows from investing activities			
Acquisition of brokerage portfolios	8	(5,084)	–
Acquisition of pension fund management portfolio	8	(157,716)	–
Proceeds from sale of discontinued operations	17	888,007	–
Purchase of property, plant and equipment	5	(40,539)	(31,779)
Proceeds from sale of property, plant and equipment		4,592	49,862
Purchase of intangible assets	8	(46,513)	(57,109)
Net cash provided by/(used in) investing activities		642,747	(39,026)
Cash flows from financing activities			
Proceeds from borrowings and repurchase agreements		1,344,242	549,716
Repayments of borrowings and repurchase agreements		(1,594,521)	(164,215)
Payment of principal portion of lease liabilities		(15,922)	(16,239)
Dividends paid to equity holders of the company	36	(285,368)	(176,337)
Dividends paid to non-controlling interest		–	(5,445)
Redemptions from mutual funds		(923,225)	(933,883)
Subscriptions to mutual funds		1,014,232	864,263
Net cash (used in)/provided by financing activities		(460,562)	117,860
Net (decrease)/increase in cash and cash equivalents	16	(360,445)	1,199,392

The accompanying notes form an integral part of these consolidated financial statements.

1. Incorporation and principal activities of the Group

Guardian Holdings Limited (the 'Company' and 'GHL') is a public limited liability holding company, which was incorporated in Trinidad and Tobago on 8 November 1982. The address of its registered office is 1 Guardian Drive, Westmoorings S.E., Trinidad and Tobago. Guardian Holdings Limited and its subsidiaries (the 'Group') constitute a diversified financial services group engaged in underwriting all classes of long-term and short-term insurance business, insurance brokerage operations, the provision of pension and asset management services and property development.

The Company is 61.77% (2024: 61.77%) owned by NCB Global Holdings Limited ('NCBGH' and the 'Parent'), a limited liability holding company, which was incorporated in Trinidad and Tobago in December 2017. NCBGH is 100% owned by NCB Financial Group Limited ('NCBFG'). NCBFG was incorporated in Jamaica in April 2016 and is the financial holding company for the NCB Group. NCBFG is 46.24% (2024: 47.14%) owned by AIC (Barbados) Limited and the ultimate parent company is Portland Holdings Inc., incorporated in Canada. Portland Holdings Inc. is controlled by Hon. Michael A. Lee-Chin, O.J., a director of the Company. The NCB Financial Group provides a diversified range of financial services through its subsidiaries and associates.

The ordinary shares of GHL and NCBFG are listed on the Trinidad and Tobago Stock Exchange and the Jamaica Stock Exchange.

2. Material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied in all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements are prepared in accordance with IFRS Accounting Standards which comprise the following authoritative literature: IFRS Accounting Standards, IAS Standards, and Interpretations developed by the IFRS Interpretations Committee (IFRIC interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The consolidated financial statements have been prepared on a historical cost basis, except for the following balances which are stated at fair or actuarial value in compliance with the relevant IFRS: freehold properties, investment properties, financial assets at fair value through profit or loss or other comprehensive income, derivative financial instruments, defined benefit pension plan assets and obligations, insurance and reinsurance contracts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

(a) New standards and amendments/revisions to published standards and interpretations effective in 2025

The following amendments to published standards took effect for the Group's accounting periods beginning on or after 1 January 2025:

IAS 21 – The effects of changes in foreign exchange rates – Amendments – Lack of exchangeability

These amendments specify when a currency is exchangeable into another currency and when it is not, how exchange rates should be determined when a currency is not exchangeable, and the disclosures that are required for currencies that are not exchangeable. These amendments had no impact on the Group's consolidated financial statements.

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(b) New standards, interpretations and revised or amended standards that are not yet effective and have not been early adopted by the Group.

The following is a list of new IFRS reporting standards, interpretations and amendments issued that are not yet effective as at 31 December 2025 and have not been early adopted by the Group. The Group expects to implement these standards when they become effective.

Effective 1 January 2026:

IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments – Amendments to the classification and measurement of financial instruments.

These amendments provide guidance on the derecognition of a financial liability settled through electronic transfer and the classification of financial assets where contractual terms are consistent with a basic lending arrangement. They also enhance the description of the term "non-recourse" where assets have non-recourse features and clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Finally, these amendments require additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and for financial assets that have contractual terms that could change the timing or amount of contractual cash flows. The Group does not expect these amendments to have a material impact on the consolidated financial statements.

IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments – Contracts Referencing Nature – dependent Electricity.

These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. The amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'. These amendments do not impact the Group's consolidated financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11

The Annual Improvements (Volume 11) include amendments to the following Standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures, and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

These are minor updates to reduce potential confusion that may be caused by obsolete references or inconsistencies in the wording of various IFRS accounting standards. No impact is expected on the Group's consolidated financial statements.

Effective 1 January 2027:

IFRS 18 – Presentation and disclosure in financial statements – New standard

IFRS 18 replaces IAS 1, 'Presentation of financial statements'. The new concepts introduced in IFRS 18 include the structure of the statement of profit or loss, disclosures for profit or loss performance measures that are reported outside of the financial statements, and enhanced principles on aggregation and disaggregation for both the primary statements and the notes to the financial statements. This new standard is expected to impact the Group's consolidated financial statements and the extent and nature of this impact is being assessed.

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(b) New standards, interpretations and revised or amended standards that are not yet effective and have not been early adopted by the Group. (continued)

IFRS 19 – Subsidiaries without Public Accountability: Disclosures – New standard

This is a new, optional standard that can only be applied to subsidiaries that do not have public accountability and whose ultimate or immediate parent produces publicly available, consolidated financial statement that are compliant with IFRS Accounting Standards. Subsidiaries applying IFRS 19 will be subject to a reduced disclosure requirement burden. The Group is conducting an assessment to determine the extent to which the implementation of IFRS 19 is applicable and appropriate for its subsidiaries.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

All intra-group transactions and balances are eliminated on consolidation. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

A listing of the Group's principal subsidiaries is set out in Note 42.

(b) Associated companies

The Group's investment in associated companies is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Under the equity method, the investment in associates is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment and is not amortised. The consolidated statement of income reflects the share of the results of operations of the associates. When there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity.

2. Material accounting policies (continued)

2.2 Consolidation (continued)

(b) Associated companies (continued)

The financial statements of the associates are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring their accounting policies in line with the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associates. The Group determines at each consolidated statement of financial position date whether there is any objective evidence that the investment in associates is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value and recognises the amount in the consolidated statement of income.

A listing of the Group's associated companies is set out in Note 42.

(c) Mutual funds

The Group manages a series of mutual funds through its trust and asset management subsidiaries, Guardian Group Trust Limited and Guardian Asset Management and Investment Services Limited. These funds invest mainly in equity securities, debt securities and cash and cash equivalents.

As at the consolidated statement of financial position date, the Group has determined that it controls, as defined in Note 2.2(a), specific funds. Similar to the Group's consolidation of its subsidiaries, the assets and liabilities of these funds have been consolidated in the financial statements on a line-by-line basis. The carrying value of the total investments and cash held by the funds are recorded as investment securities and cash and cash equivalents respectively on the consolidated statement of financial position. Interests held by external parties in the funds that are consolidated are recorded as third party interest in mutual funds on the consolidated statement of financial position.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments. For management purposes, the Group is organised into business units based on their products and services and has four main reportable operating segments:

(i) Life, health and pension;

(ii) Property and casualty;

(iii) Insurance brokerage; and

(iv) Asset management.

All other activities of the Group that do not fall into the segments above are aggregated and reported under 'Other including consolidation adjustments'. These activities include the following: the Group's property development in Martinique, the Group's investment in RGM Limited, the Group's shared services subsidiary and the activities of the Company.

2.4 Foreign currency translation

(a) Translation of transactions in foreign currencies

The financial results of Group companies are prepared in the currency in which they conduct their ordinary course of business, which is referred to as functional currency.

Transactions occurring in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of income.

2. Material accounting policies (continued)

2.4 Foreign currency translation (continued)

(b) Translation to the presentation currency

In preparing the consolidated financial statements, the results and financial position of all the Group entities are translated from their respective functional currencies to Trinidad and Tobago dollars, the presentation currency, as follows:

(i) Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the end of the reporting period;

(ii) Income and expenses for each consolidated statement of income are translated at average exchange rates; and

(iii) All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to the consolidated statement of comprehensive income. When a foreign operation is sold, liquidated or wound up, such exchange differences are recognised in the consolidated statement of income as part of the gain or loss on sale.

2.5 Property, plant and equipment

Freehold properties comprise mainly offices occupied by the Group and are shown at fair value, based on periodic, but at least triennial, valuations by external independent appraisers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in the consolidated statement of comprehensive income. Decreases that offset previous increases of the same asset are charged to the consolidated statement of comprehensive income. All other decreases are charged to the consolidated statement of income.

Land is not depreciated. Depreciation is charged over the estimated useful lives of the assets using the following rates and methods:

Freehold building	-	straight-line method, 2% per annum
Leasehold property	-	over the period of the lease
Air-conditioning equipment	-	straight-line method, 10 - 20% per annum
Motor vehicles	-	straight-line method, 20% per annum
Other plant, machinery, office furniture & equipment	-	straight-line method, 10 - 40% per annum

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of income. When revalued assets are sold, the amounts included in the revaluation surplus account are transferred to retained earnings.

2. Material accounting policies (continued)

2.6 Investment properties

Freehold or leasehold properties held for long-term rental yields that are not occupied by the Group are classified as investment properties. Investment properties comprise freehold land and buildings, and subsequent to initial recognition, are stated at fair value. Fair value is based on active market prices, adjusted as necessary, for any difference in the nature, location or condition of the specified asset, as determined annually by external independent appraisers. Any appreciation or diminution in value is recognised in the consolidated statement of income.

If investment properties become owner-occupied, they are reclassified as property, plant and equipment, and their fair value at the date of reclassification becomes its cost for subsequent accounting periods. Alternatively, where properties classified as held for use become investment properties because of a change in use, these properties are accounted for as investment properties and any differences arising between the carrying amount and the fair value of these items at the date of transfer are recognised in the consolidated statement of comprehensive income. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the consolidated statement of income.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Upon disposal, any surplus previously recorded in the property revaluation reserve in equity is transferred to retained earnings.

Properties under construction that are intended for sale, are classified as properties for development and sale. These balances are carried at the lower of cost and net realisable values (Note 2.8).

2.7 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the acquisition date. Goodwill on acquisition of subsidiaries is reported in the consolidated statement of financial position. Goodwill on acquisition of associates is included in investments in associates. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(b) Customer-related intangibles

Customer-related intangibles comprise renewal rights and relationships when a business is acquired. They are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date.

Subsequent to initial recognition, customer-related intangibles are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the intangibles over their useful lives. The remaining useful lives of customer-related intangibles range from 3 to 50 years.

(c) Brands

Brands acquired through direct purchase are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of brands over their estimated useful lives. The remaining useful life of brands is 3 years.

2. Material accounting policies (continued)

2.7 Intangible assets (continued)

(d) Computer software and website development costs

Acquired computer software licenses and website development costs are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and which will probably generate economic benefits exceeding costs beyond one year, are also recognised as intangible assets. These costs are amortised using the straight line method over their estimated useful lives. The remaining useful lives of computer software and website development costs range from 0.7 to 10 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

2.8 Properties for development and sale

Properties for sale or under construction that are intended for sale, are classified as properties for development and sale. These balances are carried at the lower of cost and net realisable values. These properties include offices, retail shops and residential units.

An external valuation specialist was engaged in determining the net realisable value for the office and retail shops, and a discounted cash flow model was used as there is a lack of comparable data because of the nature of the properties. For the residential units, data from binding sales transactions are used to assess the net realisable value.

Impairment losses on properties for development and sale are recognised in the consolidated statement of income when the net realisable value is lower than cost. Subsequently, where cost is lower than the net realisable value, a reversal of any prior impairment losses is recognised in the consolidated statement of income.

Reclassification to investment properties is made when the Group enters into an operating lease with a third party. Transfers are done at fair value.

2.9 Financial assets

(a) Initial recognition and measurement

At initial recognition, the Group measures financial assets at its fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of income.

The Group's financial assets include cash and short-term deposits, investment in debt and equity securities, interest receivable, and other loans and receivables.

(b) Classification and subsequent measurement

Debt instruments

Subsequent to initial recognition, the Group's debt instruments are measured in accordance with the business models determined by the Group's respective business units for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classified its debt instruments:

(i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The carrying amounts of these assets are adjusted by any expected credit loss allowance recognised. In addition to certain debt securities, the Group's loans and receivables are carried at amortised cost.

2. Material accounting policies (continued)

2.9 Financial assets (continued)

(b) Classification and subsequent measurement (continued)

Debt instruments (continued)

(ii) Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss.

(iii) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in the consolidated statement of income in the period in which it arises. The Group may, on initial recognition, irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or fair value through other comprehensive income as fair value through profit or loss, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets held for trading, or are managed and whose performance is evaluated on a fair value basis, are measured at fair value through profit or loss.

The Group reclassifies debt instruments when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be infrequent.

Business model assessment

The Group's business units determine their business models at the level that best reflects how it manages groups of financial assets to achieve its business objective. Factors considered by the business units in determining the business model for a group of assets include:

- the stated policies and objectives for the group of assets and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets with the duration of any related liabilities or expected cash outflows or realising cash flows through sale of the assets;
- how performance of the group of assets is evaluated and reported to management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

If cash flows after initial recognition are realised in a way that is different from original expectations, the business units do not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets.

The solely payment of principal and interest (SPPI) test

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and other basic lending risks and costs, as well as a profit margin.

2. Material accounting policies (continued)

2.9 Financial assets (continued)

(b) Classification and subsequent measurement (continued)

Debt instruments (continued)

The solely payment of principal and interest (SPPI) test (continued)

Where the business model is to hold assets and collect contractual cash flows or to collect contractual cash flows and sell, the Group's business units assesses whether the financial assets' cash flows represent solely payments of principal and interest. In making this assessment, the business units considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. the definition of interest. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Equity instruments

Subsequent to initial recognition, the Group measures all equity investments at fair value, and changes in the fair value of equity instruments are recognised in the consolidated statement of income.

(c) Derecognition of financial assets

A financial asset (or when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired.
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement.
- The Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received is recognised in the consolidated statement of income. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to the consolidated statement of income.

2.10 Impairment of assets

(a) Financial assets

At each reporting date, the Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its financial assets measured at amortised cost and fair value through other comprehensive income (excluding equity instruments).

The Group measures loss allowances on its debt instruments at an amount equal to lifetime ECL, except in the following cases, for which the amount recognised is 12-month ECL:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments for which credit risk has not increased significantly since initial recognition.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial asset, whereas 12-month ECL are the portion of ECL that results from default events that are possible within the 12 months after the reporting date.

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

For receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Loss allowances for ECL are presented in the consolidated financial statements as follows:

- Financial assets measured at amortised cost: the loss allowance is deducted from the gross carrying amount of the assets in the statement of financial position. Movement in ECL is recognised in the consolidated statement of income.
- Debt instruments measured at fair value through other comprehensive income: the loss allowance is recognised in the consolidated statement of income with the corresponding entry recognised in other comprehensive income.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring as at the reporting date with the risk of default occurring as at the date of initial recognition. In making this assessment, the Group considers information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

The assessment to identify whether credit risk has increased significantly since initial recognition takes into account the following:

- Actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the debtor;
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor;
- Actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant change in the debtor's ability to meet its debt obligation.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrated otherwise.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if the financial instrument has a low risk of default, the debtor has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt instruments carried at fair value through comprehensive income are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor or issuer;
- A breach of contract, such as a default or past due event;
- The disappearance of an active market for a financial asset because of financial difficulties;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- Rating agencies' assessments of creditworthiness.

Definition of default

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the debtor is past due more than 90 days unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

In assessing whether a debtor is in default, the Group considers indicators that are qualitative, quantitative and based on data developed internally and obtained from external sources.

Write-off

The Group writes off financial assets, either partially or in full, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity and where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount.

Measurement of expected credit losses

The measurement of expected credit losses is a function of:

(i) Probability of default (PD);

(ii) Loss given default (LGD); and

(iii) Exposure at default (EAD).

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Forward-looking information considered by the Group includes economic data and forecasts published by governmental bodies and monetary authorities, supranational organisations such as the Organization for Economic Cooperation and Development and the International Monetary Fund, and selected private-sector and academic forecasters.

Expected credit losses are measured as the present value of all cash shortfalls i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

Measurement of expected credit losses (continued)

The mechanics of the expected credit losses method are summarised below:

- A financial instrument that is not credit-impaired on initial recognition, a 12-month ECL allowance is calculated. The Group calculates the 12-month ECL allowance based on the expectation of a default occurring in the twelve months following the reporting date. The expected 12-month default probability is applied to a forecast exposure at default and multiplied by the expected loss given default, and discounted by the original effective interest rate.
- When a financial instrument has shown a significant increase in credit risk since initial recognition, the Group records an allowance for life-time ECL. The mechanics are similar to 12-month ECL calculation on a financial instrument that is not credit-impaired on initial recognition, but default probability and loss given default are estimated over the life of the instrument.
- A financial instrument that is credit-impaired, but is not a purchased or originated credit-impaired financial instrument, the Group records an allowance for lifetime ECL calculated similar to lifetime ECL on a financial instrument that has shown a significant increase in credit risk since initial recognition.
- Purchased or credit-impaired financial assets are assets that are credit-impaired on initial recognition. ECL on these assets are always measured on a lifetime basis, discounted by a credit adjusted effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the basis of shared risk characteristics that include: instrument type; credit risk ratings; nature, size and industry of debtors; collateral type; and geographic location of the debtor.

(b) Non-financial assets

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. For longer periods, a long-term growth rate is applied to project future cash flows after the third year.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. Goodwill and intangible assets are tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

2. Material accounting policies (continued)

2.11 Fair value measurement

The Group measures certain financial instruments and non-financial assets at fair value at each statement of financial position date.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market. If there is no quoted price in an active market, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis making maximum use of market inputs and relying as little as possible on entity-specific inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This level consists mainly of various freehold and investment properties, various unquoted equity securities, and the unquoted, illiquid Series G Government of Barbados debt securities.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of certain assets such as investment properties, freehold and leasehold properties and properties for development and sale. Involvement of external valuers is decided annually and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.12 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, money market placements and other short-term highly liquid investments with original maturities of three months or less, which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts, when they arise, are shown within borrowings in current financial liabilities on the consolidated statement of financial position.

2.14 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts

(a) Summary of measurement approaches

The Group uses different measurement approaches, depending on the type of contracts, as follows:

Contracts issued	Product Classification	Measurement model
Traditional Life and Interest Sensitive without Guarantees		
Traditional life and critical illness contracts – participating; non-participating; interest sensitive non-participating	Insurance contracts	General Measurement Model
Individual Life Personal Accident	Insurance contracts	General Measurement Model
Group Life Term (5-year contract duration)	Insurance contracts	General Measurement Model
Annuities		
Group annuity contracts – defined benefits; defined contribution; savings benefits	Insurance contracts	General Measurement Model
Traditional annuity contracts – deferred benefit; immediate benefit; lifestyle; non-participating	Insurance contracts	General Measurement Model
Individual annuity lifestyle	Insurance contracts with direct participation features	Variable Fee Approach
Unit linked life and interest sensitive with guarantees		
Unit and Equity Linked contracts – annuity; critical illness; life	Insurance contracts with direct participation features	Variable Fee Approach
Unit and Equity Linked contracts – life & critical illness Evolution series	Insurance contracts with direct participation features	Variable Fee Approach
Short term Group life and Health contracts		
Group life; individual and group health	Insurance contracts	Premium Allocation Approach
Property and Casualty		
Property; motor; casualty such as employers' liability and public liability; marine; accident; engineering; bonding and crime	Insurance contracts	Premium Allocation Approach
Long term reinsurance contracts		
Individual life and critical illness reinsurance contracts	Reinsurance contracts held	General Measurement Model
Individual Life Personal Accident Reinsurance contracts	Reinsurance contracts held	General Measurement Model

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(a) Summary of measurement approaches (continued)

Contracts issued	Product Classification	Measurement model
Short-term reinsurance contracts – Life, Health & Pensions		
Group life; health	Reinsurance contracts held	Premium Allocation Approach
Short-term reinsurance contracts – Property & Casualty		
Property; motor; casualty; marine; accident; engineering; bonding and crime	Reinsurance contracts held	Premium Allocation Approach

(b) Definition and classification

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant. The Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more, on a present value basis, than the benefits payable if the insured event did not occur.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without discretionary participation features issued by the Group fall under this category. Refer to Note 22. The Group does not have any investment contracts with discretionary participation features, whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Group's discretion, potentially significant additional benefits based on the return of specified pools of investment assets.

The Group issues certain insurance contracts that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders.

An insurance contract with direct participation features is defined by the Group as one which, at inception, meets the following criteria:

- The contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items;
- The Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Investment components in most Traditional Life, Critical Illness, and Annuity products comprise cash surrender values less policy loans and applicable surrender fees. These are not considered significant.

The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value on the underlying returns.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(b) Definition and classification (continued)

Insurance contracts with direct participation features are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Group's share of the fair value of the underlying items, which is based on a fixed percentage of investment management fees (withdrawn annually from policyholder account values based on the fair value of underlying assets and specified in the contracts with policyholders) less the FCF that do not vary based on the returns on underlying items. The measurement approach for insurance contracts with direct participation features is referred to as the VFA. The VFA modifies the accounting model in IFRS 17 (referred to as the GMM) to reflect that the consideration an entity receives for the contracts is a variable fee.

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets and accounts for these groups of contracts under the VFA. All other insurance contracts originated by the Group are without direct participation features.

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 significant loss.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired, reinsurance contracts held or issued and insurance contracts with or without direct participation features, unless specifically stated otherwise.

(c) Aggregation bases for disclosure purposes

Insurance contracts are classified into five main categories.

(i) Property and casualty insurance contracts

These contracts are principally property, motor, casualty (employers' liability, public liability), and marine contracts.

Property insurance contracts indemnify the Group's customers in the event of a loss from a specified insured peril such as fire, windstorm or earthquake up to the insured amount and within the terms of the policy conditions. These contracts are issued for both private and commercial risks.

Motor insurance contracts indemnify the Group's customers for their legal requirement under the respective country's road traffic legislation, which in certain instances stipulate unlimited coverage for third party liability. These contracts may be extended for additional coverage such as physical damage, theft and personal accident.

Casualty insurance contracts provide coverage for liability exposures that indemnify the Group's customers against actions from third parties, which are subject to the policy limits and conditions. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and employers who become liable to pay compensation to third parties for bodily harm or property damage (public liability).

Marine insurance contracts indemnify the Group's customers for loss or damage to their insured cargo, commercial hull and pleasure craft vessels. Third party coverage is also provided.

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders. They arise from events that have occurred up to the consolidated statement of financial position date, even if they have not yet been reported to the Group. Liabilities for unpaid claims are estimated using

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(c) Aggregation bases for disclosure purposes (continued)

(i) Property and casualty insurance contracts (continued)

techniques such as the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported ('IBNR'), and to estimate the expected ultimate cost of more complex claims that may be affected by external factors such as court decisions. Estimates are continually revised as more information becomes available and for the effects of anticipated inflation. Adjustments arising on these revisions are recognised within claims expense in the current year.

(ii) Short-term group life and health insurance contracts

These contracts are principally group life, group health, and individual health insurance policies.

Group life contracts protect the Group's customers from the consequences of events (such as death or critical illness) that would affect the ability of the customer or his/her dependants to maintain their current level of income. Health insurance contracts provide for both unexpected and preventative medical treatment and drugs. On these contracts, the benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the policyholder. There are no maturity or surrender benefits.

Claims and loss adjustment expenses arise, are estimated, and charged similarly to that of the property and casualty insurance contracts.

(iii) Traditional life and interest sensitive without guarantees

These contracts insure events associated with human mortality over a long duration. A liability for policyholders' benefits that are expected to be incurred in the future is established on acceptance of the insurance risk, and is based on key assumptions made with respect to variables such as mortality, persistency, investment returns and expense inflation.

Actuarial liabilities are calculated using best estimates of future cash flows arising from the insurance contracts in force, with a risk adjustment. As experience unfolds, the risk adjustment will be included in future income to the extent they are no longer required to cover adverse experience.

In addition to death benefits, some of these contracts contain a discretionary participation feature that entitles the holders to a bonus or dividend declared from time to time. The discretionary element of the benefits payable under these policies, as well as the guaranteed elements are treated as liabilities. The actuarial calculations make allowance for future expected policyholder bonuses and dividends.

(iv) Unit linked life and interest sensitive with guarantees

The premiums paid for these contracts contain an element that covers the insured event and another which is used to accumulate cash values available for withdrawal at the option of the policyholder. These cash values earn interest.

The liabilities arising from the unit-linked contracts comprise the liability for the insured risk and the accumulated cash value. The liability for the insured risk is determined in a manner identical to the liability for traditional life and interest sensitive contracts without guarantees and is included in the policyholders' liability balance, while the liability for the accumulated cash value is carried at fair value of the assets which fund the liabilities.

The Jamaican life insurance subsidiary issues interest-sensitive policies. The liability for the interest-sensitive policies is determined as the sum of the liability for the insured risk (as determined above for unit-linked policies) and the liability for the accumulated cash values. The entire liability for the interest-sensitive policies is recorded in insurance contracts. For the Trinidad and Tobago life insurance subsidiary, the insurance contracts prescribe no fixed terms.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(c) Aggregation bases for disclosure purposes (continued)

(v) Annuities

These contracts insure events associated with human longevity over a long duration. A liability for policyholders' benefits that are expected to be incurred in the future is established on acceptance of the insurance risk, and is based on key assumptions similar to those made for traditional life products, except that morbidity is also a key variable. Some of the annuities include unit-linked elements containing guarantees that entitle the holders to a minimum guaranteed crediting rate over the life of the policy and provide for minimum annuity purchase rates. These guarantees are allowed for in the liability calculations.

(d) Unit of account

The Group manages insurance contracts issued by product lines and certain sub-categories, where each sub-category includes contracts that are subject to similar risks. All insurance contracts within a specified sub-category represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contract.

A single cohort was applied to all contracts issued 31 December 2021 and prior. These contracts were measured using the Fair Value Approach.

Quarterly cohorts were applied to all GMM and VFA contracts issued 1 January 2022 and after, and all PAA portfolios are disaggregated into annual cohorts regardless of their issue date. The Full Retrospective Approach was applied to all of these contracts.

All portfolios are further disaggregated as follows:

(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. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

For all long-term and short-term products, sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at a portfolio level with no information available at a more granular level.

Some individual and group health products, unit-linked annuity products, defined benefit annuity products, and Lifestyle individual annuity products have break-even profitability or are loss making, and therefore were allocated to groups of contracts that were onerous or remaining at initial recognition. All other contracts issued are always priced with high expected profitability margins, and thus, such contracts are allocated to groups of contracts that have no significant possibility of becoming onerous at initial recognition.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(d) Unit of account (continued)

For the property and casualty contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at a portfolio level.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts into quarterly and annual cohorts in line with how this was defined for insurance contracts. These portfolios then were further disaggregated as follows:

(i) Contracts for which there is a net gain at initial recognition, if any;

(ii) Contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and

(iii) Remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance, by treaty and sub-divided by line of business. This information is used as a basis for price negotiations with reinsurers as well as setting retention amounts. The Group's assessment of the performance of the treaties have concluded that some reinsurance contracts held are in a net cost position without a significant possibility of a net gain arising subsequently while other reinsurance contracts have a net gain at initial recognition.

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- Cash flows relating to embedded derivatives that are required to be separated;
- Cash flows relating to distinct investment components; and
- Promises to transfer distinct goods or distinct non-insurance services.

The Group does not have any products with components that require separation. The Group therefore applies IFRS 17 to all components of the contract. In assessing whether the contract should be further separated, the following considerations are made:

(i) Whether there is interdependency between the different risks covered;

(ii) Whether components lapse together; and

(iii) Whether components can be priced and sold separately.

The Group does not have any contracts that require further separation of insurance contracts.

(e) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- The beginning of the coverage period;
- The date when the first payment from the policyholder is due or actually received, if there is no due date; and
- When the Group determines that a group of contracts become onerous.

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition on transfer.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(e) Recognition and derecognition (continued)

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised from the earlier of:

- The beginning of the coverage period of the group; and
- The date the Group recognised an onerous group of underlying insurance contracts, if the Group entered into the related reinsurance contract held in the group at or before that date.

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one insurance contract in a group of the underlying insurance contracts, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held. A gap between the start of the coverage period for a quota share contract and that of the underlying contracts rarely occurs in practice.

A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the beginning of the coverage period of that group.

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.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- Extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- The contract is modified and certain additional criteria are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in the regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

(a) If the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
    (i) Is not in scope of IFRS 17;
    (ii) Results in different separable components;
    (iii) Results in a different contract boundary; or
    (iv) Belongs to a different group of contracts.

(b) The original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

(c) The original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

(a) Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group.

(b) Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(e) Recognition and derecognition (continued)

Accounting for contract modification and derecognition (continued)

(i) If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.

(ii) If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less than the premium charged by the third party.

(iii) If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

(c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

(a) If the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;

(b) If the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or

(c) If the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

(f) Measurement

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

(a) Are based on a probability weighted mean of the full range of possible outcomes;

(b) Are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

(c) Reflect conditions existing at the measurement date.

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 LIC.

The estimates of future cash flows 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 of cash flows. 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. Refer to Note 3(a).

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Fulfilment cash flows (continued)

Fulfilment cash flows within contract boundary (continued)

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at a policy level, which is then aggregated into the relevant profitability groups, cohorts, and portfolios.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

(a) The Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

(b) Both of the following criteria are satisfied:

  (i) The Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

  (ii) The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policies' maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Fulfilment cash flows (continued)

Contract boundary (continued)

The Group's individual life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a 60-day notice period by either party. Thus, the Group treats such reinsurance contracts as a series of contracts that cover underlying business in force at the end of the reporting period. Estimates of future cash flows arising from all underlying contracts in force at the reporting period are included in the measurement of the reinsurance contracts.

The Group's group life reinsurance contracts and some of its property and casualty reinsurance contracts held provide coverage for claims incurring during the period of the reinsurance treaty coverage. Thus, 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. The premium status of reinsurance policies are aligned with that of the underlying insurance policy. As a result, if the underlying policy is terminated, reinsurance premiums cease; if the underlying policy is reinstated, reissued, converted or otherwise continued after being previously terminated, reinsurance premiums will recommence, with specific rules applied.

The Group's health reinsurance contracts and some of its property and casualty reinsurance contracts held provide coverage for claims incurring during the period of the reinsurance treaty coverage, and up to one year after (i.e., risk attaching reinsurance contracts). Thus, all cash flows arising from claims incurred and expected to be incurred in the two year period are included in the measurement of the reinsurance contracts held.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquisition costs

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts to which the group belongs. Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

(a) To that group; and

(b) To groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

The Group does not pay (or recognise a liability, applying a standard other than IFRS 17) directly attributable acquisition costs to originate a group of insurance contracts before they are recognised. The Group therefore does not recognise insurance acquisition cash flows assets.

Risk adjustment for non-financial risk

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.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 3(a).

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial measurement – Groups of contracts measured under the GMM and/or the VFA

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

(a) The initial recognition of the FCF;

(b) Cash flows arising from the contracts in the group at that date;

(c) The derecognition of any insurance acquisition cash flows asset; and

(d) The derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section below).

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

(a) The initial recognition of the FCF; and

(b) Cash flows arising from the contracts in the group at that date;

(c) The amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and

(d) Any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

For insurance contracts acquired in a portfolio transfer or a business combination within the scope of IFRS 3, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

(a) The initial recognition of the FCF; and

(b) Cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

(a) The LRC, comprising:

  (i) The FCF related to future service allocated to the group at that date; and

  (ii) The CSM of the group at that date; and

(b) The LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

(a) The remaining coverage, comprising:

  (i) The FCF related to future service allocated to the group at that date; and

  (ii) The CSM of the group at that date; and

(b) The incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

The FCF are 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.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

(a) Changes that relate to current or past service are recognised in profit or loss; and

(b) Changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

(a) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

(b) Changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

(c) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and

(d) Changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b), and (d) are measured using the locked-in discount rates as described in the section 'Interest accretion on the CSM' below.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) Changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement - Groups of contracts measured under the GMM and/or the VFA (continued)

Changes in fulfilment cash flows (continued)

(b) Changes in the FCF relating to the LIC;

(c) Experience adjustments – arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and

(d) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognised in insurance finance income or expenses.

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

(a) Changes in the Group's share of the fair value of the underlying items; and

(b) Changes in the FCF that do not vary based on the returns of underlying items:

(i) Changes in the effect of the time value of money and financial risks including the effect of financial guarantees;

(ii) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

(iii) Changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

(iv) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and

(v) Changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (ii) to (v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) Changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;

(b) Changes in the FCF that do not vary based on the returns of underlying items;

(i) Changes in the FCF relating to the LIC; and

(ii) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Group does not have any products with complex guarantees and does not use derivatives to economically hedge the risks.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

(a) The effect of any new contracts added to the group.

(b) For contracts measured under the GMM, interest accrued on the carrying amount of the CSM.

(c) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.

(d) The effect of any currency exchange differences.

(e) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For reinsurance contracts held, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

(a) The effect of any new contracts added to the group.

(b) Interest accreted on the carrying amount of the CSM.

(c) Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised.

(d) Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held.

(e) Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts.

(f) The effect of any currency exchange differences.

(g) The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in (c) above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of (c)–(e) above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Refer to the Reinsurance contracts held – Loss recovery component section below for loss-recovery component accounting.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

The Group does not have any reinsurance contracts held measured under the GMM with underlying contracts measured under the PAA.

Interest accretion on the CSM:

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates).

Adjusting the CSM for changes in the FCF relating to future service:

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the 'Changes in fulfilment cash flows' section.

Release of the CSM to profit or loss:

The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The coverage period is defined as a period during which the entity provides insurance contract services. Insurance contract services include coverage for an insured event (insurance coverage), the generation of an investment return for the policyholder, if applicable (investment-return service) for the contracts under the GMM, and the management of underlying items on behalf of the policyholder (investment-related service) for the contracts under the VFA. The period of investment-return service or investment-related service ends at or before the date when all amounts due to current policyholders relating to those services have been paid. Investment-return services are provided only when an investment component exists in insurance contracts or the policyholder has a right to withdraw an amount, and the Group expects these amounts to include an investment return that is achieved by the Group by performing investment activities to generate that investment return.

For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

(a) For life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk for life insurance policies and longevity risk for deferred annuities; and

(b) For insurance contracts with investment components, the coverage period corresponds to the period in which insurance or investment return and investment related services are expected to be provided.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. In instances where multiple services are provided to a policyholder, the coverage units are calculated based on each rider, but aggregated to produce the total contract's coverage units. The coverage units are determined at each reporting period-end prospectively by considering:

(a) The quantity of benefits provided by contracts in the group;

(b) The expected coverage duration of contracts in the group; and

(c) The likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs at the basis for the quantity of benefits.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

The Group determines coverage units as follows:

(a) For products under the "Traditional life and interest sensitive without guarantees" category, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;

(b) For products under the "Unit linked life and interest sensitive with guarantees" category, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values;

(c) For products under the "Annuities" category that are in the accumulation phase, coverage units are based on policy size (i.e., the value of the accumulated funds). When they are in the annuitisation phase, coverage units are based on the annuity payout. The coverage units were summed (weights are 50%/50%).

The Group reflects the time value of money in the allocation of the CSM to coverage units using discount rates that are applied to nominal cash flows that do not vary based on the returns of underlying items. For GMM contracts, these discount rates are determined at initial recognition, while for VFA contracts, current discount rates are applied.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' fixed face values taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary. Refer to the 'Contract boundary' section within this Note above.

Onerous contracts – Loss component:

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses and records it as a loss component of the LRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

(a) Expected incurred claims and expenses for the period;

(b) Changes in the risk adjustment for non-financial risk for the risk expired; and

(c) Finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance services expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

Reinsurance contracts held – Loss-recovery component:

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts discussed in the Onerous contracts – Loss component section above. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

Initial and subsequent measurement – Groups of contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less. The PAA eligibility test was applied to risk-attaching reinsurance contracts, and it was concluded that the PAA can also be used for such contracts.

For insurance contracts issued, insurance acquisition cash flows are deferred and recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amounts of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

(a) The LRC; and

(b) The LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

(a) The remaining coverage; and

(b) The incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

(a) Increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;

(b) Decreased for insurance acquisition cash flows paid in the period;

(c) Decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial and subsequent measurement – Groups of contracts measured under the PAA (continued)

(d) Increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

(a) Increased for ceding premiums paid in the period; and

(b) Decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

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 of contracts, which is one year or less.

There are no investment components within insurance contracts issued and reinsurance contracts held that are measured under the PAA.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. The health insurance contracts typically have a settlement period of one year and less, and therefore the future cash flows are not adjusted for the time value of money. For property and casualty and group life insurance contracts, future cash flows are adjusted for the time value of money since these insurance contracts sometimes have claims with a settlement period of over one year. Some of these insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (salvage). The Group may also have the right to pursue third parties for payment of some or all costs (subrogation). The estimated cost of claims includes a deduction for the expected value of salvage and other recoveries.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component. Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial and subsequent measurement – Groups of contracts measured under the PAA (continued)

Where applicable, changes in the loss-recovery component are disaggregated between net income from reinsurance contracts held (refer to note 2.15(g)) and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein in proportion to the disaggregation applied to the changes in the underlying loss component.

The Group does not have any reinsurance contracts held measured under the PAA with underlying contracts measured under the GMM.

(g) Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As the Group provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Group expects to be entitled to in an exchange for those services.

For contracts measured under the GMM and/or the VFA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:
  - (a) Insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - amounts related to the loss component;
    - repayments of investment components and policyholder rights to withdraw an amount;
    - amounts of transaction-based taxes collected in a fiduciary capacity;
    - insurance acquisition expenses; and
    - amounts related to the risk adjustment for non-financial risk (see (b));
  - (b) Changes in the risk adjustment for non-financial risk, excluding:
    - changes included in insurance finance income (expenses);
    - changes that relate to future coverage (which adjust the CSM); and
    - amounts allocated to the loss component;
  - (c) Amounts of the CSM recognised in profit or loss for the services provided in the period;
  - (d) Experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes; and
  - (e) Other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance service result from insurance contracts issued (continued)

Insurance service expenses

Insurance service expenses include the following:

(a) Incurred claims and benefits excluding investment components reduced by loss component allocations;

(b) Other incurred directly attributable insurance service expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;

(c) Amortisation of insurance acquisition cash flows;

(d) Changes that relate to past service (i.e. changes in the FCF relating to the LIC);

(e) Changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components); and

(f) Insurance acquisition cash flows assets impairment.

For contracts measured under the GMM and/or the VFA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of income or loss.

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

(a) Reinsurance expenses;

(b) Incurred claims recovery;

(c) Other incurred directly attributable insurance service expenses;

(d) Changes that relate to past service – changes in the FCF relating to incurred claims recovery;

(e) Effect of changes in risk of reinsurer non-performance;

(f) Amounts relating to accounting for onerous groups of underlying insurance contracts issued:

  i. Income on initial recognition of onerous underlying contracts;

  ii. Reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and

  iii. Reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance service result from reinsurance contracts held (continued)

Net income (expenses) from reinsurance contracts held (continued)

For contracts measured under the GMM and/or the VFA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

(a) Claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
- Amounts allocated to the loss-recovery component;
- Repayments of investment components;
- Amounts related to the risk adjustment for non-financial risk (see (b));

(b) Changes in the risk adjustment for non-financial risk, excluding:
- Changes included in finance income (expenses) from reinsurance contracts held;
- Changes that relate to future coverage (which adjust the CSM);
- Amounts allocated to the loss-recovery component;

(c) Amounts of the CSM recognised for the services received in the period; and

(d) Experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

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. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

(a) The effect of the time value of money and changes in the time value of money; and

(b) The effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

(a) Interest accreted on the FCF and the CSM; and

(b) The effect of changes in interest rates and other financial assumptions.

For contracts measured under the VFA, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

(a) Interest accreted on the LIC; and

(b) The effect of changes in interest rates and other financial assumptions.

The Group disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance finance income or expenses (continued)

For the contracts measured under the VFA and the PAA, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

For the contracts measured using the GMM, except for those supported by investments measured at fair value through profit or loss, the OCI option is applied. The investments held by the Group that are used to support the GMM portfolio are typically measured at either amortised cost or at fair value through OCI, therefore the use of the OCI option results in the elimination of accounting mismatches with the associated assets. When the OCI option is applied, the impact of the change in discount rate is posted to the OCI. The difference between the liability measured on current rates and the liabilities measured on locked-in rates at any point in time represent the accumulation of amounts in OCI. Interest accreted on the BEL and CSM are also posted to profit or loss for these portfolios.

Groups of insurance and reinsurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items. Where these groups of insurance and reinsurance contracts generate cash flows in multiple currencies, the Group has opted to maintain the underlying cash flows in their transactional currencies. The risk adjustment is also denominated in multiple currencies reflecting the currencies of its related fulfilment cash flows. The CSM, loss component, and the loss recovery component within each insurance and reinsurance group is however assigned a single currency ("the CSM Currency") in order to operate the mechanics of IFRS 17. This currency is determined separately for each insurance or reinsurance group based on the predominant currency in which the underlying cash flows are denominated.

The impact of adjusting the CSM, loss component, or loss recovery component in the CSM Currency due to changes in the exchange rate between the currencies of the underlying cash flows and the CSM Currency are accounted for as changes in financial risk – i.e., within effects of changes in interest rates and other financial assumptions. Applying IAS 21 at the end of the reporting period, the carrying amount of the group of insurance or reinsurance contracts (including the CSM, loss component, or loss recovery component) is translated into the functional currency at the closing rate, with the resulting impact presented as foreign exchange differences. Both the foreign exchange differences and changes in financial risk are accounted for within 'finance expenses from insurance contracts issued' for insurance contracts and 'finance income from reinsurance contracts held' for reinsurance contracts.

(h) Classification

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable on a present value basis if the insured event did not occur.

Investment contracts are those contracts that transfer financial risk with no significant insurance risk.

A number of insurance contracts contain a discretionary participation feature, which entitles the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

a) That are likely to be a significant portion of the total contractual benefits;

b) Whose amount or timing is contractually at the discretion of the Group; and

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(h) Classification (continued)

c) That are contractually based on:

(i) the performance of a specified pool of contracts or a specified type of contract;

(ii) realised and/or unrealised investment returns on a specified pool of assets held by the Group; or

(iii) the profit or loss of the Group, fund or other entity that issues the contract.

The terms and conditions of these contracts set out the basis for the determination of the amounts on which discretionary benefits are based and within which the Group may exercise its discretion as to the quantum and timing of their payments to contract holders, which will be subject to the advice of the Group's actuary or a locally appointed actuary.

(i) Investment contracts

The Group issues investment contracts including deposit administration contracts and individual deferred annuity contracts. Premiums are recognised directly as liabilities. These liabilities are increased by credited interest or change in the unit prices and are decreased by policy administration fees, mortality and surrender charges, and any withdrawals. Revenue consists of investment income and interest credited is treated as an expense.

(j) Reinsurance contracts held

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held.

Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inward reinsurance) are included with insurance contracts.

(k) Receivables and payables other than those for contracts under IFRS 17

Receivables and payables are recognised when due. These include amounts due to and from agents and brokers. If there is objective evidence that the receivable is impaired, the Group reduces the carrying amount of the receivable accordingly and recognises that impairment loss in the consolidated statement of income.

(l) Insurance finance reserve

The insurance finance reserve comprises the cumulative insurance finance income and expenses recognised in other comprehensive income. If the Group derecognises a contract without direct participation features as a result of a transfer to a third party or a contract modification, then any remaining amounts of accumulated other comprehensive income for the contract are reclassified to profit or loss as a reclassification adjustment.

2.16 Financial liabilities

Financial liabilities in the consolidated statement of financial position comprise borrowings and repurchase agreements.

(a) Borrowings

Borrowings are recognised initially at fair value, plus directly attributable transaction costs. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the consolidated statement of income when the liabilities are derecognised as well as through the EIR amortisation process.

2. Material accounting policies (continued)

2.16 Financial liabilities (continued)

(a) Borrowings (continued)

The Group derecognises a loan when its contractual obligations are discharged, cancelled or have expired. The Group also derecognises a loan when its terms are modified and the cash flows of the modified borrowing is substantially different, in which case a new loan based on the modified terms is recognised at fair value. On derecognition of the loan, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the consolidated statement of income.

(b) Repurchase agreements

Securities sold under agreements to repurchase (repurchase agreements) are treated as collateralised financing transactions. The difference between the sale and repurchase price is treated as interest and accrued over the life of the agreements using the EIR method.

2.17 Taxation

Taxation in the consolidated statement of income comprises current and deferred income tax.

Current income tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted or substantively enacted at the date of the consolidated statement of financial position.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is charged or credited to the consolidated statement of income, except where it relates to items charged or credited to the consolidated statement of comprehensive income, in which case, deferred tax is also dealt with in the consolidated statement of comprehensive income.

2.18 Employee benefits

(a) Pension plans

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held in separate trustee-administered funds. The plans are generally funded by payments from employees and by the relevant Group companies after taking account of the recommendations of the external qualified actuaries.

The plans are governed by trust/fund deeds and rules and are administered in accordance with the laws of the jurisdiction in which the plan resides. Responsibility for the governance of the plans, including investment strategies, lies with the Board of Trustees/Foundation.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods.

The asset or liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the consolidated statement of financial position date less the fair value of plan assets. Plan assets exclude any insurance contracts issued by the Group.

2. Material accounting policies (continued)

2.18 Employee benefits (continued)

(a) Pension plans (continued)

For defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the consolidated statement of income so as to spread the regular cost over the service lives of employees in accordance with the advice of a qualified actuary, who carries out full valuations of the plans every three years. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest), are recognised immediately through other comprehensive income in the consolidated statement of comprehensive income.

The defined benefit plans mainly expose the Group to actuarial risks such as investment risk, interest rate risk and longevity risk.

The Group's contributions to the defined contribution pension plans are charged to the consolidated statement of income in the year to which they relate.

(b) Post-retirement medical benefit obligations

The Group's subsidiaries in Trinidad and Tobago and the Dutch Caribbean provide post-retirement medical benefits to its permanent employees who retire from active service, their spouses and their dependents. The entitlement to these benefits is based on the employee remaining in service up to retirement age or leaving service due to ill health. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit plans. All actuarial gains and losses are recognised immediately through other comprehensive income in the consolidated statement of comprehensive income. External qualified actuaries carry out a valuation of these obligations.

(c) Cash-based long-term performance incentive plan

The Group operates a cash-based long-term performance incentive plan for eligible executives. Accruals are made annually based on the ultimate expected payments to eligible executives.

(d) Employee share ownership plan ('ESOP')

The employees of subsidiaries incorporated in Trinidad and Tobago have the option to receive their bonuses in cash or to instead substitute 40% or more of that cash bonus for the equivalent value of ordinary shares of the company, purchased on the open market, in accordance with the terms outlined in the Trust Deed governing an approved ESOP. The Group recognises an expense within staff costs when bonuses are awarded. When the cash portion of the bonuses are paid to employees, the Trustees simultaneously purchase and hold the allocated shares. Employees or their appointed legal representatives are entitled to receive their shares upon the employee's cessation of employment, retirement, death, or upon the request of the employee if 5 years have elapsed since the shares were allocated. Dividends received by the Trustees with respect to allocated shares held are paid over to employees within 28 days of receipt. The ESOP is an equity-settled plan, with the associated unallocated shares (treasury shares) reflected in the consolidated financial statements as a deduction to share capital. This amount is not material to the Group's consolidated financial statements.

(e) Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obligated or where there is a past practice that has created a constructive obligation.

2. Material accounting policies (continued)

2.19 Provisions

Provisions are made when the Group has a present legal or constructive obligation as a result of past events, for which it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

2.20 Revenue recognition

Revenue comprises the fair value for services rendered after eliminating revenue within the Group. Revenue is recognised as follows:

(a) Insurance revenue – This is recognised in accordance with the requirements of IFRS 17 as laid out in Note 2.15.

(b) Investment income – Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(c) Rental Income

(d) Realised and unrealised investment gains and losses

(e) Commission income from brokerage activities and fronting contracts

(f) Fee income – Fees are earned from fronting contracts, the management of the assets of the segregated funds and deposit administration funds and from general policy administration and surrenders. Fees are recognised in the period in which the services are rendered. For the asset management companies in the Group, portfolio, asset management fees and other management advisory and service fees are recognised based on the applicable service contracts over the period in which the service is provided. Management fees and commissions arising from negotiating, or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

2.21 Leases

The Group as a lessee

The Group mainly leases various office space, motor vehicles and equipment used in its operations. Rental contracts for these leases are typically made for fixed periods but may have extension options, which is described below. Some contracts contain lease and non-lease components, which are accounted for as separate components based on the stand-alone prices stated in the contracts.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. At lease commencement date, the Group recognises a right-of-use asset and a lease liability in the consolidated statement of financial position.

The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent to initial measurement, the right-of-use asset is depreciated 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. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group also assesses the right-of-use asset for impairment when such indicators exist. The Group does not revalue any of its right-of-use assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments included in the measurement of the lease liability comprise the following:

2. Material accounting policies (continued)

2.21 Leases (continued)

The Group as a lessee (continued)

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalty payments for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The Group remeasures the lease liability when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of income if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments. The Group did not have any variable lease payments that do not depend on an index or a rate for the period ended 31 December 2025 (2024: nil).

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets to leases that are considered to be low value. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The Group as a lessor

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated statement of income.

2.22 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as an appropriation in the Group's consolidated financial statements in the period in which the dividends are approved by the Group's Board of Directors.

2.23 Other finance charges

Finance charges are recognised as an expense in the period in which they are incurred except to the extent that they are capitalised when directly attributable to the acquisition, construction or production of an investment property or in developing properties for sale.

2.24 Assets under management

The Group provides custody and trustee discretionary investment management services to third parties. Such assets under management represent the managed funds administered by the Trust company.

2. Material accounting policies (continued)

2.25 Subscriptions and redemptions on mutual funds portfolio

(a) Subscriptions - Units relating to the various pools of mutual funds consolidated in the Group's financial statements could be subscribed based on the net asset value per unit of the underlying funds determined on each business day.

(b) Distributions - The net income and net realised capital gains of the various pools of mutual funds are calculated and accrued to the investor daily and distributed monthly. Investors have the option either to receive a cash distribution or to reinvest income distributions into units at the prevailing subscription price as at the date of distribution.

(c) Redemptions - Units relating to the various pools of mutual funds consolidated in the Group's financial statements are redeemed at a price per unit based on the net asset value of the underlying funds published on the date that the request is made.

2.26 Assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Depreciation and amortisation cease once assets are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

The assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the consolidated statement of financial position.

A discontinued operation is a component of the entity that has been classified as held for sale and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the consolidated statement of income.

2.27 Comparative information

Where necessary, comparative data has been adjusted to conform with changes in presentation in the current year.

3. Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that may affect the reported amounts of assets and liabilities during the succeeding financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Insurance contracts

Definition and classification

Definition and classification determines whether contracts are in the scope of IFRS 17 and, for contracts determined to be in scope of IFRS 17, what measurement model is applicable.

Determining whether a contract issued accepts significant insurance risk and, similarly, whether a reinsurance contract held transfers significant insurance risk requires judgement. Refer to Note 2.15(b) which gives details on how the Group determines the classification of insurance products with investment components as insurance or investment contracts.

Determining whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with discretionary participation features requires judgement. The Group does not issue any investment contracts with discretionary participation features.

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Definition and classification (continued)

Determining whether contracts that were determined to be in the scope of IFRS 17 meet the definition of an insurance contract with direct participation features requires judgement:

(a) Whether the pool of underlying items is clearly identified;

(b) Whether amounts that an entity expects to pay to the policyholders constitute a substantial share of the fair value returns on the underlying items; and

(c) Whether the Group expects the proportion of any change in the amounts to be paid to the policyholders that vary with the change in fair value of the underlying items to be substantial.

Significant judgement is applied to determine whether the proportion to be paid by the Group to life contract policyholders and to direct participating contract policyholders is substantial.

The Group applies the PAA to some insurance contracts with a coverage period of more than one year. The eligibility assessment involved significant judgement on whether the application of the PAA will produce a measurement of the liability for the LRC that would not differ materially from the one that would be produced applying the GMM.

Several subsidiaries in the Group act as agents in relation to the insurance contract services being provided by other parties via fronting arrangements. Where the Group has determined that it retains no credit or insurance risk on these contracts, the assets and liabilities arising out of these arrangements are not accounted for under IFRS 17, but are instead accounted for under the relevant IFRS Accounting Standard. Where the Group retains insurance or credit risk, these arrangements are accounted for as 100% reinsured contracts.

Unit of account

Judgement is involved in combination of insurance contracts and separation of distinct components, however the Group neither separated components of its insurance contracts nor combined any insurance contracts.

Judgements involved in the identification of portfolios of contracts, as required by paragraph 14 of IFRS 17 (that is, having similar risks and being managed together) are not an area of significant judgement for the Group. This is due to the Group historically managing its insurance and reinsurance portfolios in a way that, consistent with regulatory considerations, clearly distinguishes groups of products by their associated risks.

Judgement is required in aggregating insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous and groups of other contracts. A similar grouping assessment is required for reinsurance contracts held.

For contracts measured under the PAA, the assessment of the likelihood of adverse changes in applicable facts and circumstances is an area of judgement.

For insurance contracts issued measured under the PAA, management judgement is required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate any changes in the onerous group's profitability and whether any loss component remeasurement is required. In 2024 and 2025, the Group did not identify any facts or circumstances that might have indicated that a group of contracts measured under the PAA had become onerous. All contracts measured by the Group in 2024 and 2025 under the PAA were determined to be non-onerous on initial recognition.

Measurement – Fulfilment cash flows

The concept of a contract boundary is used to determine which future cash flows should be considered in the measurement of a contract in the scope of IFRS 17. Judgement is involved to determine when the Group is capable of repricing the entire contracts to reflect the reassessed risks, when policyholders are obliged to pay premiums and when premiums reflect risks beyond the coverage period. Only those liabilities or assets relating to expected premiums or claims driven by substantive rights and obligations are recognised

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Measurement – Fulfilment cash flows (continued)

within the boundary of the insurance contract. The Group applied judgement to the determination of the contract boundaries of several deferred annuity products with guaranteed annuitisation rates.

The Group uses judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to fulfilment of the contract. The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts. Refer to Note 3(d).

Financial performance

The Group applied significant judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss in 2024 and 2025:

(a) For individual life GMM contracts without any accumulating Fund – coverage units are determined based on the quantity of benefits provided via the Face Amount of the coverage.

(b) For individual life contracts that have an accumulated Fund Balance, coverage units are determined based on the quantity of benefits provided via the Face Amount of the coverage plus the Fund Value.

(c) For annuity contracts that are still in the accumulation phase, coverage units are determined based on the value of the fund accumulated to date.

(d) For annuity contracts that are in the annuitisation phase, coverage units are determined based on the value of expected annuity payout.

In performing the above determination, management applied judgement that might significantly impact the CSM carrying values and amounts of the CSM allocation recognised in profit or loss for the period.

Contracts measured under the Fair Value Approach

The Group applied the fair value approach to all long-term insurance and reinsurance contracts in force as at 31 December 2021. The Group applied significant judgement in determining the transition amounts under this approach.

Applying the fair value approach, the Group determined the CSM as at 1 January 2022 to be the difference between the fair value of a group of insurance contracts, measured in accordance with IFRS 13, 'Fair Value Measurement' (IFRS 13), and its FCF at the transition date. The Group did not apply the deposit floor when measuring insurance contracts when using the fair value approach on transition.

The fair value of an insurance liability is the price that a market participant would be willing to pay to assume the obligation and the remaining risks of the in-force contracts as at the transition date. Where available, recent market transactions were used to estimate the fair value of groups of contracts. In the absence of recent market transactions for similar contracts, a present value technique was used to value groups of contracts.

In estimating the fair value of groups of insurance contracts, the following considerations were applied:

a. only future cash flows within the boundaries of the insurance contracts were included in the fair value estimation, excluding future renewals and new business that would be outside the contract boundary of the contracts under IFRS 17;

b. assumptions about expected future cash flows and risk allowances were adjusted for the market participant's view, as required by IFRS 13; and

c. other sources of profit were included to reflect what a market participant would require for accepting obligations under insurance contracts, beyond the risk adjustment for non-financial risk.

Given the lack of a liquid and observable market of insurance liabilities in the Caribbean, the fair value of insurance contracts was estimated using a method consistent with the income approach. There are two techniques that is consistent with this namely: the adjusted fulfilment cash flows and embedded or appraisal value. The group used the adjusted fulfilment cash flows as it is similar to the technique used to

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Contracts measured under the Fair Value Approach (continued)

determine the fulfilment cash flows; however, adjusted to reflect the perspective of a market participant (IFRS 13) rather than the entity's view (IFRS 17).

The Group used significant judgement to determine adjustments required to reflect the market participant's view, and it considered the following:

Definition and classification	The following assessments were performed using the criteria described in note 3, based on the information available as at the transition date: a. An assessment of whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with discretionary participation features within the scope of IFRS 17; and b. An assessment of whether an insurance contract issued meets the definition of an insurance contract with direct participation features.
Discount rates	The discount rates at the dates of initial recognition were determined at the transition date, as described in Note 3(a). The determination of an appropriate market discount rate to calculate the fair value at initial recognition included the application of the Group's own credit risk. This was calculated as a percentage of the Group's FCF. It was incorporated as a reduction to the Group's FCF, to derive the adjusted fulfilment cash flows (AFCF). The Group also included its reported Capital Adequacy requirements as of 31 December, 2021 to determine the Cost of Capital (COC). The COC was then calculated as the discounted value of the base solvency at the hurdle rate and applying a cost of capital factor. The Target Available Capital was calculated as the base solvency buffer, net of diversification benefit, multiplied by the target capital ratio (175%). This was further reduced by the Risk Adjustment for territories where the Capital regime is based solely on the Best Estimate Liability, though for the others, the Risk Adjustment reduction was not applied. The COC was then calculated as the discounted value of the base solvency at the hurdle rate and applying a cost of capital factor.
FCF	The FCF were estimated prospectively as at the transition date, and were determined as the present value of the Group's cash flows, consistent with the typical actuarial approach to determining the best estimate liability and risk adjustment. The ratios of Capital Adequacy risk components to the FCF were used to estimate the Group's risk components for the life of the business. The base solvency was calculated as the sum of the risk components. The Target Available Capital was calculated as the base solvency buffer net of diversification benefit multiplied by the target capital ratio, less Risk Adjustment.
CSM	The CSM (for insurance contracts issued) were estimated to be the difference between the fair value of a group of insurance contracts, measured in accordance with IFRS 13 as described above, and its FCF at the transition date. All relevant sources of required profit were considered, particularly for blocks of business that have significant additional capital considerations. The profit margin was calculated as the sum of COC, Risk Provision release and the other sources of profit, with each item in the profit margin calculation discounted at the hurdle rate.

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Discount rates

A mix of the bottom-up and top-down approaches was applied in the determination of the discount rates for different territories.

The bottom-up approach was used to derive the discount rate for the cash flows of all territories except for the Dutch Caribbean. Under this approach, the discount rate is determined as the government yield curve for the relevant territory, which is adjusted for a credit risk premium and an illiquidity premium. The credit risk premium is quantified by finding the average spread between the government yield curve and that of the US Treasury on the assumption that the US Treasury yield curve is risk free. The illiquidity premium is determined by differences in liquidity characteristics between the financial assets used to derive the government yield and the relevant liability cash flows, as illustrated by government bond bid-ask spreads. The government yield curve and the relevant liability are denominated in the same currency as the product being measured for the portfolios denominated in Trinidad & Tobago dollars and Jamaican dollars, with the Trinidad & Tobago curve used as a proxy for portfolios denominated in all other currencies. Given the limited term of the government yield curves, for the unobservable period, the yield curve was interpolated between an ultimate rate and the last observable point using the Smith-Wilson method.

The ultimate rate for the Trinidad & Tobago curve and the Jamaica curve was 7.6% (2024: 7.6%) and 10.0% (2024: 11.5%), respectively.

The top-down approach was used to derive the discount rate for the cash flows within the Dutch Caribbean. One curve was used for Curacao and Aruba due to the similarities in corporate and retail interest rates, the interconnectedness of the islands, identical exchange rate regimes and similar statuses within the Dutch Kingdom. Under this approach, the discount rate is determined based on a combination of a local currency yield curve and a US Treasury yield curve, in keeping with the standard financial profile for life insurance portfolios in the Dutch Caribbean. For the local currency yield curve, observations of interest rates within the Dutch Caribbean market were used as a starting point. The observations included time deposit rates from commercial banks, interest rates on commercial loans, and mortgage interest rates from various financial institutions. Given that there is no active secondary market for local investments, a specified Illiquidity Premium was not considered necessary. The US Treasury curve represents a risk free curve therefore no credit spreads were deducted. An Illiquidity Premium was added to this curve to account for the lesser liquidity of the Group's insurance portfolio versus US Treasury investments.

Observable market information was used from 2010 to capture the low interest environment that much of the world, including the Caribbean, has been in since the 2008 financial crisis. Going back further than this point was considered inappropriate as it is not reflective of the current economic environment.

Cash flows varying based on underlying items are discounted using a discount rate that reflects the variability of the underlying assets. Insurance contracts with direct participating features include investment components where cash flows vary based on the return of investment assets. The cash flows arising from the investment component are discounted using the expected return of the assets supporting the investment component. There are limited financial guarantees in these products. The liabilities associated with these guarantees are measured using a market consistent deterministic interest scenario.

The weighted average yield curves used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Discount rates (continued)

	As at 31 December 2025				As at 31 December 2024			
	1 year	5 years	10 years	20 years	1 year	5 years	10 years	20 years
Traditional life and interest sensitive without guarantees								
- Trinidad & Tobago	5.3%	5.2% - 6.0%	6.2% - 6.8%	6.9% - 8.9%	4.6%	4.7% - 5.7%	5.9% - 6.5%	6.8% - 8.4%
- Jamaica	6.2%	6.8%	7.6%	8.8%	6.1%	7.2%	8.8%	11.5%
- Dutch Caribbean	3.0%	3.9%	5.0%	5.7%	3.4%	4.3%	5.3%	6.0%
Annuities								
- Trinidad & Tobago	5.6%	5.5% - 6.3%	6.5% - 7.1%	7.3% - 9.2%	4.9%	5.0% - 6.0%	6.2% - 6.8%	7.1% - 8.7%
- Jamaica	7.4%	8.0%	8.8%	10.0%	7.1%	8.3%	9.9%	12.6%
- Dutch Caribbean	3.0% - 3.4%	3.9% - 5.0%	5.0% - 6.5%	5.7% - 6.7%	3.4%	4.3%	5.3%	6.0%
Unit linked life and interest sensitive with guarantees								
- Trinidad & Tobago	4.9% - 7.1%	4.8% - 7.2%	5.0% - 7.1%	5.0% - 8.9%	4.6% - 6.8%	4.0% - 6.7%	4.6% - 6.7%	4.8% - 8.4%
- Jamaica	5.7%	6.3%	7.0%	8.2%	5.5%	6.6%	8.3%	11.0%
Property and casualty								
- Trinidad & Tobago	5.6% - 6.3%	6.5% - 7.1%	0.0%	0.0%	4.9% - 6.0%	6.2% - 6.8%	0.0%	0.0%
- Jamaica	7.4%	8.0%	0.0%	0.0%	7.4%	7.8%	0.0%	0.0%
- Dutch Caribbean	2.2% - 3.0%	2.5% - 4.3%	0.0%	0.0%	3.2% - 3.4%	2.9% - 4.7%	0.0%	0.0%

Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts in the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is based on a best estimate deterministic scenario that specifies the amount, timing and probability of cash flows.

Expenses related cash flows are determined at a cohort level and are allocated on a systematic basis similar to the activity based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Acquisition cash flows and expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts initiated for the period, and in force for the period, respectively. Claims settlement related expense are allocated based on the number of claims incurred.

For the long-term insurance contracts without investment components, uncertainty in the estimation of future claims and benefit payments and premium receipts arises primarily from the unpredictability of long-term changes in the mortality rates, the variability in the policyholder behaviour and uncertainties regarding future inflation rates and expenses growth.

Uncertainty of future claims and benefit payments arises primarily from the variability in policyholder behaviour. The interest rate guarantee embedded in insurance contracts was measured using a best estimate deterministic scenario, representing the most likely future interest rate environment.

For the short-term insurance contracts, uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding future inflation rates leading to claims and claims-handling expenses growth.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

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. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

For insurers within the Life, Health, and Pensions Segment, the risk adjustment was calculated on a full contract basis, thereby considering risks that may emerge over the entire life of the insurance contract. Given the long-term nature of the related risks, this approach is appropriate to capture the uncertainty embedded in the underlying contracts, without adding the complexity of performing projections on an annual basis. The risk adjustment is further calculated at a coverage level in accordance with the related risk profile, and then aggregated up to profitability groups, cohorts, and portfolios. To determine the variability of the reserves, the risk margin approach was used.

With the risk margin approach, the risk adjustment is determined by calculating and combining explicit risk margins for non-financial risks as outlined in guidance provided by the Central Bank of Trinidad and Tobago and the Financial Services Commission of Jamaica, with reasonable adjustments applied by long-term insurers in the Dutch Caribbean as may be suitable for their territories. Quantification of the confidence level is done using a quantile technique based on an underlying normal probability distribution assumption for the future cash flows. The Group's weighted average confidence level corresponding to the results of this technique was 77% (2024: 77%). The confidence levels by territory were as follow: Trinidad and Tobago life insurance subsidiaries - 76% - 77% (2024: 75% - 76%), Jamaican life insurance subsidiary - 73% (2024: 76%), Dutch Caribbean life insurance subsidiaries - 79.9% - 80.3% (2024: 81.4%). Consideration of the amount of diversification benefit is done at the entity level reflecting the diversification in contracts sold across portfolios as this reflects the potential for risk reduction when the entity has a diversified portfolio of insurance contracts.

For insurers in the Property and Casualty Segment, the risk adjustment was calculated on a one-year basis given the short-term nature of the contracts in this segment. These calculations are performed at a Line of Business level, which is effectively equivalent to a portfolio, summed for all territories. The risk adjustment is then allocated to the various territories on a basis proportional to the discounted present value of future cash flows. To determine the variability of the reserves for property and casualty contracts, the Group used the Overdispersed- Poisson (ODP) Bootstrap approach. The ODP Bootstrap approach is widely used in the Property & Casualty industry for estimating loss reserve variability. The Group used this approach to replicate the paid and incurred chain-ladder methods. The various portfolios were analysed using aggregated loss triangles up to a particular accident year that combined the various territories for which valuations are carried out. The confidence level range was 70% - 95% (2024: 70% - 95%).

The methods and assumptions used to determine the risk adjustment for non-financial risk were not changed in 2024 and 2025.

(b) Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(b) Business model assessment (continued)

be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. Factors considered by the Group's business units in determining the business model for a group of assets are disclosed in Note 2.9(b).

(c) Fair valuation of financial assets

The fair value of financial assets that are not traded in an active market is determined by using an internally developed bond valuation model. Assumptions used in this model are validated and periodically reviewed internally by qualified personnel. Where applicable, data is calibrated to ensure that outputs reflect actual data and comparative market prices. Changes in assumptions used in valuations could affect reported fair value of financial assets. Key assumptions are based on current market yields. At 31 December 2025, the carrying amount of financial assets that were fair valued using an internally developed bond valuation model was $13.5 billion (2024: $12.0 billion).

The following table shows the effect on the profit or loss and fair value reserve to changes in the market yields.

	Effect on fair value reserve		Effect on consolidated income	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
For the Trinidadian subsidiaries:				
1% increase in market yields	(42,335)	(39,277)	(12,041)	(12,708)
1% decrease in market yields	46,320	42,797	13,349	14,106
For the Jamaican subsidiaries:				
2% increase in market yields	(137,426)	(109,363)	(405,439)	(352,020)
2% decrease in market yields	163,258	123,984	536,470	418,828
For the Dutch Caribbean subsidiaries:				
1% increase in market yields	(210,590)	(106,568)	–	–
1% decrease in market yields	241,771	137,771	–	–

(d) Impairment losses on financial assets

The measurement of ECL allowance for financial assets measured at amortised cost and fair value through other comprehensive income requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's expected credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the expected credit loss models that are considered accounting judgements and estimates include:

- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Use of macroeconomic data for internal credit ratings and outlooks, to derive associated probabilities of default as prescribed by external rating agencies such as Standard & Poor's and Moody's
- Development of forward-looking scenarios probability weighted based on macroeconomic trends and expectations
- Determination of associations between macroeconomic scenarios and, economic inputs and the effect on probabilities of default exposure at default and loss given default

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(d) Impairment losses on financial assets (continued)

The Group regularly reviews its internal models in the context of actual loss experience and adjusts when necessary.

Forward-looking macroeconomic variables

The estimation and application of forward-looking information requires significant judgement. PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio. The estimation of ECL on 12-month ECL and Lifetime ECL is a discounted probability-weighted estimate that considers three future macroeconomic scenarios, with macroeconomic projections varying by territory. The base case scenario assumes that a stable economic environment where current conditions, based on available macroeconomic data, will largely continue. Upside and downside scenarios are set relative to the base case scenario based on reasonably possible alternative macroeconomic conditions, considering both historical conditions and macroeconomic forecasts and trends.

Scenarios are reassessed on at least an annual basis and more frequently if conditions warrant. Scenarios are probability-weighted separately for each territory modelled according to the best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights are updated on an annual basis or more frequently as warranted.

The carrying amounts of expected credit loss allowance on financial assets as at 31 December 2024 and 2025 are disclosed in Note 4.2.3(e).

(e) Taxation

The Group is subject to income taxes in numerous jurisdictions. Estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from approved budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The carrying amount of impairment provisions on non-financial assets as at 31 December 2025 was $149.9 million (2024: $123.0 million).

(g) Determining the lease term of contracts with extension and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The Group considers factors such as penalties to terminate, historical lease durations and the costs and business disruption required to replace leased assets. Extension options in most office space leases have been included in the lease liability.

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(g) Determining the lease term of contracts with extension and termination options – Group as lessee (continued)

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(h) Post-employment benefits

In conducting valuation exercises to measure the effect of all post-employment benefit plans throughout the Group, the Group's external actuaries use judgement and assumptions in determining discount rates, salary increases, pension increases and health care costs. These assumptions are detailed in Note 13 and Note 24.

4. Management of Insurance and Financial Risk

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarises these risks and the way the Group manages them.

4.1 Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

4.1.1 Property and Casualty insurance risks

(a) Exposures to risks and how they arise

Property

For property insurance contracts, climatic changes give rise to more frequent and severe extreme weather events (for example, flooding and hurricanes) and their consequences (for example, subsidence claims). The cost of rebuilding properties, of replacement or indemnity for contents and the time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from storm or flood damage.

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(a) Exposures to risks and how they arise (continued)

Casualty

There are several variables that affect the risk arising from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liability cover) or members of the public (for public liability cover). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

(b) Objectives, policies and processes for managing risks

Property

For certain contracts, the Group has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year. The Group also has the right to re-price the risk on renewal and the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claims payment limits are always included to cap the amount payable on occurrence of the insured event. The Group analyses the property exposures using in-house and external modelling tools and purchases sufficient reinsurance protection to cover its perceived liabilities.

The Group's reinsurance arrangements include proportional quota share and surplus arrangements and non-proportional excess of loss placements on a per claimant and a per occurrence basis.

Property insurance risk concentration by product and geography is included in the tables below with reference to the carrying amount of the net insurance contract liabilities arising from these contracts.

	As at 31 December 2025			As at 31 December 2024		
	Business	Residential	Total	Business	Residential	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Trinidad & Tobago	29,843	29,379	59,222	31,925	31,479	63,404
Jamaica	757,056	98,134	855,190	142,923	18,723	161,646
Dutch Caribbean	83,545	61,029	144,574	70,637	53,629	124,266
Other territories	205,035	367,288	572,323	231,175	286,079	517,254
	1,075,479	555,830	1,631,309	476,660	389,910	866,570

Casualty

Risk exposures for casualty insurance can be affected by several factors. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (subrogation).

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(b) Objectives, policies and processes for managing risks (continued)

Casualty (continued)

The Group's reinsurance arrangements include non-proportional excess of loss placements on a per claimant and a per occurrence basis.

Casualty insurance risk concentration by product and geography is included in the tables below with reference to the carrying amount of the insurance contract liabilities arising from these contracts.

	As at 31 December 2025				As at 31 December 2024			
	Liability cover				Liability cover			
	Employer's	Public	Other	Total	Employer's	Public	Other	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trinidad & Tobago	32,024	6,573	114,860	153,457	37,173	7,630	133,330	178,133
Jamaica	7,650	25,057	127,030	159,737	8,136	27,818	108,231	144,185
Dutch Caribbean	322	12,603	–	12,925	554	21,584	–	22,138
Other territories	62,142	86,623	142,674	291,439	35,301	71,391	294,510	401,202
	102,138	130,856	384,564	617,558	81,164	128,423	536,071	745,658

(c) Methods used to measure risks

Property

Property claims are analysed separately for subsidence and non-subsidence claims. The development of large losses/catastrophes is analysed separately. Non-subsidence claims can be estimated with greater reliability, and the Group's estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allows the Group to achieve a higher degree of certainty about the estimated cost of claims and relatively little claims are expected to have occurred without being reported at year end. The longer time needed to assess the emergence of a subsidence claim makes the estimation process more uncertain.

Casualty

The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and a large element of the claims provision relates to claims incurred but not reported.

The estimated cost of claims includes direct expenses to be incurred in settling claims. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a liability for incurred claims, consisting of probability weighted discounted cash flows and a risk adjustment, and a liability for remaining coverage, consisting of the unearned premiums received less acquisition costs.

In calculating the liability, the Group's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(c) Methods used to measure risks (continued)

Casualty (continued)

The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation.

In estimating the liability for incurred claims, the Group considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio. The portion of the liability for incurred claims that have not yet been reported is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. These claims may not be apparent to the insurer until many years after the event that gave rise to the claims has happened.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

Note 15.12 presents the development of the estimate of ultimate claim cost for claims notified in a given year. This gives an indication of the accuracy of the Group's estimation technique for claims payments.

(d) Changes in assumptions

The Group's assumptions in respect of property and casualty insurance contracts have not significantly changed from the prior year.

(e) Sensitivity analysis

The following table presents information on how reasonably possible changes in assumptions made by the group with regard to underwriting risk variables impact profit or loss and equity before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA, and thus, only the LIC component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

	2025				2024			
	Property		Casualty		Property		Casualty	
	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000
Worsening of unpaid claims and expenses - 5% increase								
Net insurance contract liabilities	(51,505)	(36,097)	(22,594)	(16,754)	(20,111)	(15,024)	(29,712)	(23,768)
Net reinsurance contract assets	37,047	24,969	11,840	8,941	13,262	9,532	15,894	13,175

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.2 Short-term group life and health contracts

(a) Exposures to risks and how they arise

Short-duration life insurance contracts are contracts that are typically of a short tenure. These contracts are mainly issued to employers to insure their commitments to their employees. The risk is affected by the nature of the industry in which the employer operates. The risk of death and disability will vary by industry.

(b) Objectives, policies and processes for managing risks

The Group attempts to manage this risk through its underwriting and claims handling. Additionally, there is reinsurance on short-duration life insurance contracts.

Short-duration life insurance risk concentration by geography is included in the tables below with reference to the carrying amount of the net insurance contract liabilities arising from these contracts.

	2025 $'000	2024 $'000
Trinidad & Tobago	32,866	35,034
Jamaica	63,240	72,874
Dutch Caribbean	27,933	29,504
Other territories	(1,164)	26,748
	122,875	164,160

(c) Methods used to measure risks

There is no need to estimate mortality rates or morbidity rates for future years because these contracts have short duration. However, for incurred disability income claims, it is necessary to estimate the rates of recovery from disability for future years. The Group currently does so using conservative assumptions.

(d) Changes in assumptions

The Group's assumptions in respect of short duration life insurance contracts have not significantly changed from the prior year.

(e) Sensitivity analysis

The following table presents information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impact profit or loss and equity before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA, and thus, only the LIC component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

	2025		2024	
	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000
Worsening of unpaid claims and expenses - 5% increase				
- Net insurance contract liabilities	(2,601)	(2,055)	(3,761)	(3,043)
- Net reinsurance contract assets	3,269	2,754	2,511	2,094

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts

(a) Exposures to risks and how they arise

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle, such as in eating, smoking and exercise habits, resulting in earlier or more claims than expected. For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity.

(b) Objectives, policies and processes for managing risks

At present, these risks do not vary significantly in relation to the location of the risk insured by the Group. However, undue concentration could have an impact on the severity of benefit payments on a portfolio basis.

For contracts with fixed and guaranteed terms, there are no mitigating terms and conditions that reduce the insurance risk accepted. For contracts without fixed terms, a significant portion of the insurance risk is shared with the insured party. The Group charges for mortality risk on a monthly basis for most life and critical insurance contracts without fixed terms. It has the right to alter these charges based on its mortality experience and hence minimise its exposure to mortality risk.

The Group manages these risks through its underwriting strategy and reinsurance arrangements. Medical selection is included in the Group's underwriting procedures with premiums varied to reflect the health condition and family medical history of the applicants. The Group uses excess of loss reinsurance contracts with retention limits that vary by product.

The table below presents the concentration of insured benefits across five bands per individual life assured. The benefit insured figures are shown gross and net of the reinsurance contracts described above. These tables do not include annuity contracts, for which a separate analysis is reported further below.

For the Trinidadian life insurance subsidiaries:

	2025 – Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 250 (TT$)	21,196,922	21.2%	20,848,339	25.0%
251 - 500 (TT$)	28,371,765	28.4%	25,858,864	31.1%
501 - 1,000 (TT$)	26,792,851	26.8%	22,295,408	26.8%
1,001 - 3,000 (TT$)	16,777,801	16.8%	12,148,610	14.6%
3,001 and over (TT$)	6,911,244	6.8%	2,122,721	2.5%
Total	100,050,583	100.0%	83,273,942	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

For the Trinidadian life insurance subsidiaries: (continued)

	2024 – Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 250 (TT$)	21,261,999	22.0%	20,866,144	26.3%
251 - 500 (TT$)	27,827,562	28.8%	25,132,740	31.7%
501 - 1,000 (TT$)	25,667,121	26.5%	20,861,683	26.3%
1,001 - 3,000 (TT$)	15,496,474	16.0%	10,688,014	13.5%
3,001 and over (TT$)	6,468,055	6.7%	1,658,757	2.2%
Total	96,721,211	100.0%	79,207,338	100.0%

For the Jamaican life insurance subsidiary:

	2025 – Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
1,000 - 5,000 (J$)	17,396,914	67.5%	17,315,819	69.1%
5,001 - 10,000 (J$)	4,308,764	16.7%	4,161,563	16.6%
10,001 - 15,000 (J$)	1,110,624	4.3%	1,027,382	4.1%
15,001 - 20,000 (J$)	837,748	3.3%	742,933	3.0%
20,001 and over (J$)	2,092,277	8.2%	1,801,405	7.2%
Total	25,746,327	100.0%	25,049,102	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

	2024 – Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
1,000 - 5,000 (J$)	17,045,413	69.6%	16,960,563	71.6%
5,001 - 10,000 (J$)	3,854,386	15.8%	3,697,967	15.6%
10,001 - 15,000 (J$)	965,527	4.0%	876,751	3.7%
15,001 - 20,000 (J$)	754,225	3.1%	658,095	2.8%
20,001 and over (J$)	1,822,817	7.5%	1,501,648	6.3%
Total	24,442,368	100.0%	23,695,024	100.0%

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

For the Dutch Caribbean life insurance subsidiaries:

	2025 – Total benefits insured			
	Before reinsurance		After reinsurance	
	TT$'000	%	TT$'000	%
Benefits assured per life $'000				
0 - 500 (XCG)	8,932,939	84.6%	8,611,119	92.0%
501 - 1,000 (XCG)	1,014,384	9.6%	402,214	4.3%
1,001 - 1,500 (XCG)	348,035	3.3%	219,347	2.3%
1,501 - 2,000 (XCG)	152,256	1.4%	72,633	0.8%
More than 2,000 (XCG)	115,813	1.1%	54,092	0.6%
Total	10,563,427	100.0%	9,359,405	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

	2024 – Total benefits insured			
	Before reinsurance		After reinsurance	
	TT$'000	%	TT$'000	%
Benefits assured per life $'000				
0 - 500 (XCG)	10,707,686	85.9%	10,429,840	91.9%
501 - 1,000 (XCG)	1,072,245	8.6%	535,257	4.7%
1,001 - 1,500 (XCG)	390,079	3.1%	232,951	2.1%
1,501 - 2,000 (XCG)	169,201	1.4%	83,291	0.7%
More than 2,000 (XCG)	130,134	1.0%	72,046	0.6%
Total	12,469,345	100.0%	11,353,385	100.0%

The following tables for annuity insurance contracts illustrate the concentration of risk based on five bands that group these contracts in relation to the amount payable per annum, as if the annuity were in payment at the year end. The Group does not hold any reinsurance contracts against the liabilities carried for these contracts.

Insurance risk for contracts disclosed in this note is also affected by the contract holders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to contract holder behaviour.

For the Trinidadian life insurance subsidiaries:

	Total annuities payable per annum			
	2025		2024	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 5,000 (TT$)	7,205	3.1%	7,228	3.3%
5,001 - 10,000 (TT$)	31,038	13.4%	29,629	13.4%
10,001 - 20,000 (TT$)	55,252	23.8%	52,487	23.8%
More than 20,000 (TT$)	138,749	59.7%	131,590	59.5%
Total	232,244	100.0%	220,934	100.0%

The greatest concentration remains at the highest band, which is consistent with the prior year.

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

For the Jamaican life insurance subsidiary:

	Total annuities payable per annum			
	2025		2024	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 200,000 (J$)	21,233	11.5%	21,419	12.6%
200,001 - 300,000 (J$)	10,919	5.9%	10,842	6.4%
300,001 - 400,000 (J$)	11,561	6.3%	10,949	6.4%
400,001 - 500,000 (J$)	9,451	5.1%	8,473	5.0%
More than 500,000 (J$)	130,838	71.2%	118,381	69.6%
Total	184,002	100.0%	170,064	100.0%

The greatest risk concentration remains at the highest band and lowest band, which is consistent with the prior year.

For the Dutch Caribbean life insurance subsidiaries:

	Total annuities payable per annum			
	2025		2024	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 10,000 (XCG)	42,260	30.9%	41,129	30.9%
10,001 - 20,000 (XCG)	29,972	21.9%	29,466	22.2%
20,001 - 30,000 (XCG)	18,481	13.5%	18,531	13.9%
30,001 - 40,000 (XCG)	10,594	7.7%	10,208	7.7%
40,001 - 50,000 (XCG)	8,832	6.5%	8,463	6.4%
More than 50,000 (XCG)	26,704	19.5%	25,105	18.9%
Total	136,843	100.0%	132,902	100.0%

The risk is spread over all bands, which is consistent with the prior year.

(c) Methods used to measure risks

For long-term insurance contracts, the Group determines assumptions in relation to future deaths and other benefits, voluntary termination, investment returns, administrative expenses and other items that are appropriate to the policies, their location and the local statutory reserving requirements.

The nature and method of determining the significant assumptions made by the Group in the computation of policyholders' liabilities are described in the following paragraphs.

- **Mortality & morbidity**

  An appropriate base table of standard mortality or morbidity is chosen depending on the type of contract. Supplemental information, such as reinsurance rates, is used where standard tables are not available. An investigation into the Group's experience in recent years is performed, and the standard actuarial tables are adjusted where appropriate to reflect the Group's own experience or expectations. For contracts that insure the risk of longevity, appropriate but not excessively prudent allowance is made for expected mortality improvements.

  Assumptions and methods used to derive mortality and morbidity assumptions did not change during the year. The following assumptions were used:

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(c) Methods used to measure risks (continued)

Gender	Smoker Status	Mortality Table	Percentage of table 2025	Percentage of table 2024
For the Trinidadian life insurance subsidiaries:				
Male	Non-smoker	CIA9704	80% - 280%	100% - 141%
Male	Smoker	CIA9704	80% - 280%	100% - 141%
Female	Non-smoker	CIA9704	80% - 280%	100% - 141%
Female	Smoker	CIA9704	80% - 280%	100% - 141%
For the Jamaican life insurance subsidiary:				
Male	Non-smoker	CIA9704	57% - 246%	67% - 267%
Male	Smoker	CIA9704	28% - 172%	33% - 173%
Female	Non-smoker	CIA9704	80% - 248%	84% - 273%
Female	Smoker	CIA9704	27% - 112%	31% - 200%
For the Dutch Caribbean life insurance subsidiaries:				
Male	Non-smoker	NISTT2021/GBM/V0510	1%	1%
Male	Smoker	NISTT2021/GBM/V0510	1%	1%
Female	Non-smoker	NISTT2021/GBM/V0510	1%	1%
Female	Smoker	NISTT2021/GBM/V0510	1%	1%

A possible increase in mortality rates increases estimates of future cash outflows and thus decreases the CSM. For a sensitivity analysis, refer to Note 4.1 (d).

- **Terminations**

  Estimates of the amounts and timings of future benefit and premium payments are based on Group experience over extended periods. Terminations (lapses and surrenders) and variable premium assumptions vary by product type and policy duration.

- **Policy maintenance expense and inflation**

  Amounts are included in policyholders' liabilities to provide for the future costs of administering policies in force. Expenses comprise expenses directly attributable to the groups of contracts including an allocation of fixed and variable overheads. The expense base is determined from a review of current, recent and expected Group expense levels and allowance is made for future expense inflation.

  Inflation rates are sourced from various international and regional economic journals and reports. These inflation rates assumed are summarised in the following table.

	2025	2024
Trinidad and Tobago	2.0%	2.0%
Jamaica	4.0% - 4.5%	4.0% - 4.5%
Dutch Caribbean	1.0%	1.0%

- **Tax**

  It has been assumed that current tax legislation and rates for long-term insurance companies continue unaltered.

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis

The following tables present the sensitivity of the value of insurance liabilities disclosed in this note to movements in the assumptions used in the estimation of insurance liabilities. These analyses are based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

	2025 Impact on profit $'000	2025 Impact on equity $'000	2024 Impact on profit $'000	2024 Impact on equity $'000
Traditional life and interest sensitive without guarantees				
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(6,694)	(5,691)	(5,554)	(4,721)
- Net Reinsurance contract assets/liabilities	2,271	1,930	2,056	1,747
	(4,423)	(3,761)	(3,498)	(2,974)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(19,879)	–	(20,367)
- Net Reinsurance contract assets/liabilities	–	(4,770)	–	(2,512)
	–	(24,649)	–	(22,879)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(551)	(469)	(396)	(337)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(849)	(722)	(765)	(650)
- Net Reinsurance contract assets/liabilities	(1)	(1)	(1)	(1)
	(850)	(723)	(766)	(651)
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(1,959)	(1,469)	(1,996)	(1,497)
- Net Reinsurance contract assets/liabilities	303	227	294	220
	(1,656)	(1,242)	(1,702)	(1,277)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(42,449)	(31,837)	(33,144)	(24,858)
- Net Reinsurance contract assets/liabilities	2,773	2,080	2,986	2,240
	(39,676)	(29,757)	(30,158)	(22,618)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(871)	(653)	(799)	(599)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(1,451)	(1,088)	(823)	(617)

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

	2025 Impact on profit $'000	2025 Impact on equity $'000	2024 Impact on profit $'000	2024 Impact on equity $'000
Traditional life and interest sensitive without guarantees (continued)				
Dutch Caribbean life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(1,555)	(1,374)	(1,085)	(1,073)
+ 10% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	1,468	1,306	(13,724)	(11,954)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(75,833)	–	(96,449)
- Net Reinsurance contract assets/liabilities	–	(11)	–	(53)
	–	(75,844)	–	(96,502)
+ 10% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(915)	(791)	(3,691)	(3,657)
Annuities				
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	75	64	165	141
+ 0.5% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(2,385)	(2,027)	(3,167)	(2,692)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(28,792)	(89,733)	(29,608)	(91,660)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(1,702)	(1,447)	(1,454)	(1,236)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(2,416)	(2,054)	(2,676)	(2,275)
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	2,467	1,850	2,336	1,752
+ 5% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(1,210)	(907)	(1,146)	(860)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(140,608)	(105,456)	(136,225)	(102,168)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(188)	(141)	(186)	(140)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(392)	(294)	(252)	(189)

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

	2025 Impact on profit $'000	2025 Impact on equity $'000	2024 Impact on profit $'000	2024 Impact on equity $'000
Annuities (continued)				
Dutch Caribbean life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	1,657	1,352	5,717	4,512
+ 10% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(2,304)	(1,860)	(21,810)	(17,264)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(975,071)	–	(383,328)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(1,660)	(1,329)	(4,576)	(3,657)
Unit linked life and interest sensitive without guarantees				
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(14,130)	(12,010)	(14,522)	(12,344)
- Net Reinsurance contract assets/liabilities	3,261	2,772	3,513	2,986
	(10,869)	(9,238)	(11,009)	(9,358)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	7,150	6,078	8,250	7,012
- Net Reinsurance contract assets/liabilities	(457)	(389)	(417)	(355)
	6,693	5,689	7,833	6,657
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(2,414)	(2,052)	(2,104)	(1,788)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(3,286)	(2,793)	(3,987)	(3,389)
- Net Reinsurance contract assets/liabilities	(1)	(1)	(1)	(1)
	(3,287)	(2,794)	(3,988)	(3,390)
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(3,321)	(2,491)	(3,098)	(2,323)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(1,890)	(1,418)	(2,348)	(1,761)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(872)	(654)	(693)	(520)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(1,825)	(1,369)	(1,413)	(1,060)

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk

The Group is exposed to financial risk through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular, the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance and investment contracts. The components of this financial risk are interest rate risk, equity price risk, foreign currency risk, liquidity risk and credit risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Risk management is carried out by Executive Investment Committees and Risk Management departments, with direct support from the Actuarial departments, as well as the respective business units. It is conducted in accordance with policies and frameworks approved by the Group's Board of Directors, ensuring alignment with the organisation's risk appetite, governance standards, and strategic objectives. The Group identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

4.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk - currency risk, interest rate risk and other price risk, each of which is considered below.

(a) Currency risk

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency rates on its financial position and cash flows. The Group's main operations are in the Caribbean and in the Netherlands. The main exposure to risks are in respect to the US dollar, Caribbean guilder, Jamaican dollar and the Euro. The Group's strategy for dealing with foreign exchange risk is to offset, as far as possible, foreign currency liabilities with assets denominated in the same currency.

Each subsidiary has an Executive Investment Committee, which has oversight for the management of currency risk. The Trinidad and Tobago insurance subsidiaries' exposure to currency risk is also mitigated by the requirements of the Insurance Act 2018, which does not allow more than 30% of the assets supporting policyholder liabilities to be held in currencies other than the currency of the liability. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated currency risk and exposures.

The tables below summarises the Group's exposure to foreign currency exchange rate risk as at 31 December. The Group's assets and liabilities at carrying amounts are included in the table categorised by currency positions expressed in TT$ equivalents.

	TT TT$'000	US TT$'000	XCG TT$'000	JMD TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
As at 31 December 2025							
Total assets	11,459,607	11,543,737	5,884,791	7,420,322	1,512,590	1,991,627	39,812,674
Total liabilities	15,521,027	2,966,458	7,855,592	5,653,683	492,300	894,722	33,383,782
	(4,061,420)	8,577,279	(1,970,801)	1,766,639	1,020,290	1,096,905	6,428,892
As at 31 December 2024							
Total assets	11,708,471	9,242,270	5,720,638	6,744,067	1,441,051	2,102,026	36,958,523
Total liabilities	15,998,477	1,856,151	7,751,565	5,321,367	449,032	995,089	32,371,681
	(4,290,006)	7,386,119	(2,030,927)	1,422,700	992,019	1,106,937	4,586,842

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(a) Currency risk (continued)

The analysis below is performed for reasonable possible movements in foreign currency exchange rates with all other variables held constant, showing the impact on the statement of income and translation reserve at the reporting date.

Change in variables	US	XCG	JMD	Euro	Other
2025	-0.5%	-0.5%	2.5%	3.5%	-2.9% to 3.4%
2024	0.8%	0.8%	-2.2%	4.3%	0.5% to 3.5%

	US TT$'000	XCG TT$'000	JMD TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
Impact on statement of income						
2025	(15,420)	-	(9,363)	353	(1,220)	(25,650)
2024	38,706	-	10,307	3,507	3,298	55,818
Impact on translation reserve						
2025	(19,281)	(8,873)	61,470	36,174	8,009	77,499
2024	21,331	9,600	(67,169)	31,486	8,373	3,621

The following table presents analysis of how a possible shift in market currency exchange rates might impact the insurance contract liability balances and the respective underlying assets, as well as the net impact on profit or loss and equity. Transactions or balances not within the scope of IFRS 17 are not subject to currency risk.

	US TT$'000	XCG TT$'000	JMD TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
For the year 2025:						
Impact on statement of income						
- Insurance and reinsurance contracts	13,964	–	–	(613)	(1,084)	12,267
- Underlying investment assets	(3,441)	–	–	429	(1,284)	(4,296)
- Net impact	10,523	–	–	(184)	(2,368)	7,971
Impact on net equity						
- Insurance and reinsurance contracts	13,855	39,923	(104,052)	(5,164)	(10,123)	(65,561)
- Underlying investment assets	(15,330)	(47,583)	93,575	5,440	10,290	46,392
- Net impact	(1,475)	(7,660)	(10,477)	276	167	(19,169)
For the year 2024:						
Impact on statement of income						
- Insurance and reinsurance contracts	(6,248)	–	–	(5,166)	965	(10,449)
- Underlying investment assets	3,446	–	–	516	–	3,962
- Net impact	(2,802)	–	–	(4,650)	965	(6,487)
Impact on net equity						
- Insurance and reinsurance contracts	(6,238)	(63,052)	85,330	(4,594)	(7,242)	4,204
- Underlying investment assets	21,035	68,207	(77,676)	4,679	11,199	27,444
- Net impact	14,797	5,155	7,654	85	3,957	31,648

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(a) Currency risk (continued)

Underlying assets are those assets that are either contractually linked to the relevant insurance contracts or they are specifically used to back insurance contracts.

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

(b) Interest rate risk

The Group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The major element of interest rate risk within the Group is the risk that the interest earned on the Group's investments is insufficient to meet the interest rates credited or guaranteed to policyholders. This applies to traditional life insurance policies and the deposit administration plans.

Exposure is managed largely by the use of natural hedges that arise by matching interest-sensitive assets with liabilities of a similar nature. The Group also mitigates the effect of interest rate risk of the investment portfolio through the functioning of subsidiary Executive Investment Committees and the pricing of products by the actuarial function. The investment portfolio return is continually monitored by the Investment Committees. The results of these reviews inform the pricing of products and interest rates to be credited to the respective policies and plans. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated interest rate risk and exposures.

The following table presents analysis of how a possible shift in market interest rates might impact the balances of contracts within the scope of IFRS 17 and investment assets, as well as the net impact on profit or loss and equity. Insurance and reinsurance contracts measured under the GMM are moderately sensitive to changes in market interest rates due to the discounting of the future expected cash flows. Insurance contracts measured under the VFA are highly sensitive to changes in market interest rates due both to the discounting of the future expected cash flows, but also due to the impact on the expected performance of the underlying assets. The Group's other financial assets and liabilities are not significantly sensitive to interest rates. For the sensitivity analysis, a 2% movement in interest rates was used for 2025 for the Jamaican market (2024 - 2%), a 1% movement was used for 2025 for the Trinidadian, Dutch Caribbean and Other markets (2024 - 1%). The following table shows the estimated effect of an increase or decrease in the above rates on the profit or loss and equity.

	2025				2024			
	Profit or loss		Equity		Profit or loss		Equity	
	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
Increase in interest rates								
- Trinidad & Tobago	22,800	(1,251)	103,690	(51,389)	23,870	(2,619)	104,892	(51,304)
- Jamaica	286,493	(405,504)	216,237	(543,927)	265,629	(352,036)	200,740	(461,440)
- Dutch Caribbean	200	–	842,016	–	463	–	396,065	–
- Other	5,009	(1,541)	10,466	(223,921)	5,426	(303)	10,463	(109,410)
	314,502	(408,296)	1,172,409	(819,237)	295,388	(354,958)	712,160	(622,154)

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(b) Interest rate risk (continued)

	2025				2024			
	Profit or loss		Equity		Profit or loss		Equity	
	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
Decrease in interest rates								
- Trinidad & Tobago	(22,831)	1,308	(103,721)	56,223	(23,870)	2,556	(104,892)	56,729
- Jamaica	(396,304)	536,532	(298,746)	700,744	(371,194)	418,843	(279,914)	542,867
- Dutch Caribbean	(200)	–	(1,051,058)	–	(463)	–	(471,973)	–
- Other	(5,168)	1,621	(10,625)	261,310	(5,439)	328	(10,476)	141,373
	(424,503)	539,461	(1,464,150)	1,018,277	(400,966)	421,727	(867,255)	740,969

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

(c) Other price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as fair value through profit or loss. The Group manages its price risk by limiting the amount of its investments in equities and by monitoring movements in equity prices.

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices at the reporting date.

The following table presents analysis of how a possible shift in market equity prices might impact insurance contract balances and financial assets held by the Group, as well as the net impact on profit or loss and equity.

		Profit or loss		Equity	
	Change in Equity prices	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
2025					
Stock exchanges and markets					
Trinidad and Tobago	-2.2%	240	(26,605)	204	(22,794)
Jamaica	10.0%	(1,751)	70,080	(1,313)	55,202
Dutch Caribbean	1.0%	–	2,699	–	2,699
Other	2.2% - 12.0%	–	240,569	–	220,127
		(1,511)	286,743	(1,109)	255,234
2024					
Stock exchanges and markets					
Trinidad and Tobago	-4.0%	79	(48,438)	67	(41,522)
Jamaica	10.0%	(1,168)	86,800	(876)	68,760
Dutch Caribbean	1.0%	–	1,906	–	1,906
Other	1.7% - 10.0%	–	212,872	–	193,394
		(1,089)	253,140	(809)	222,538

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(c) Other price risk (continued)

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

4.2.2 Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due, at a reasonable cost. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

Certain of the Group's contracts have features that allow them to be terminated at short notice creating a potential liquidity exposure. The Group monitors liquidity on a regular basis. For each significant subsidiary an internally constituted Executive Investment Committee sets limits on the minimum proportion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover claims. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated liquidity risk and exposures.

There are no individual contracts or policyholders who have the potential to influence the withdrawal of a significant amount of liabilities.

The following tables analyse the insurance and financial liabilities of the Group into relevant maturity groupings based on the remaining period to the contractual or expected maturity date, alongside the remaining contractual maturities of the Group's financial assets. Financial liabilities are at contractual undiscounted cash flows and investment contracts are at expected undiscounted cash flows. Insurance contract liabilities include both actual and expected contractual undiscounted cash flows as they relate to both the LRC and the LIC.

	Contractual/Expected Undiscounted Cash Flows						
As at 31 December 2025	On demand $'000	1 year $'000	2 years $'000	3 years $'000	4 years $'000	5 years $'000	Over 5 years $'000
Traditional life and interest sensitive without guarantees	3,716,816	(74,667)	(23,080)	(11,393)	19,293	(69)	7,443,389
Annuities	10,483,817	687,498	706,888	711,517	746,039	892,805	35,758,882
Unit linked life and interest sensitive with guarantees	3,056,446	(216,636)	(161,282)	(123,712)	(84,098)	(49,247)	4,601,985
Short-term group life and health contracts	–	195,590	–	–	–	–	–
Reinsurance contract liabilities	–	336,988	19,443	4,623	22,069	5,069	94,275
Property and casualty	–	1,182,384	1,111,089	21,853	105,381	16,247	126,216
Investment contracts	1,938	171,748	124,449	107,496	97,614	103,612	1,398,220
Financial liabilities	–	729,675	659,194	1,397,908	452,592	113,230	648,810
Lease liabilities	–	15,809	11,576	9,244	4,019	1,769	8,125
Third party interests in mutual funds	1,646,482	1,646,482	–	–	–	–	–
Other liabilities	–	1,175,121	2,557	2,561	–	–	–
	18,905,499	5,849,992	2,450,834	2,120,097	1,362,909	1,083,416	50,079,902
Investment securities	–	3,726,742	2,689,866	2,345,603	2,494,004	2,525,792	23,896,998
Loans and receivables	–	1,167,858	214,978	186,597	295,974	123,514	2,319,694
Reinsurance contract assets	–	697,206	750,189	52,380	11,791	9,446	338,295
Insurance contract assets	38	107,064	(13,945)	(12,029)	(9,380)	(6,209)	576,575
Cash and cash equivalents	2,938,564	3,712,548	–	–	–	–	–
	2,938,602	9,411,418	3,641,088	2,572,551	2,792,389	2,652,543	27,131,562

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.2 Liquidity risk (continued)

	Contractual/Expected Undiscounted Cash Flows						
As at 31 December 2024	On demand $'000	1 year $'000	2 years $'000	3 years $'000	4 years $'000	5 years $'000	Over 5 years $'000
Traditional life and interest sensitive without guarantees	3,664,018	58,050	34,650	48,804	80,035	65,968	5,943,081
Annuities	10,264,884	810,037	793,853	927,621	975,401	1,038,303	30,258,612
Unit linked life and interest sensitive with guarantees	2,992,587	(200,895)	(184,097)	(142,097)	(104,712)	(74,980)	4,541,191
Short-term group life and health contracts	–	197,056	–	–	–	–	–
Reinsurance contract liabilities	–	47,820	68,933	20,274	4,311	3,014	78,187
Property and casualty	–	782,081	675,482	143,166	25,207	10,712	11,400
Investment contracts	1,648	164,130	166,639	98,191	102,139	98,716	1,477,960
Financial liabilities	–	1,571,591	508,802	1,049,270	573,619	415,648	83,812
Lease liabilities	–	16,686	11,331	7,747	5,477	2,603	11,288
Third party interests in mutual funds	1,579,685	1,579,685	–	–	–	–	–
Other liabilities	–	853,760	1,832	–	11,636	–	–
	18,502,822	5,880,001	2,077,425	2,152,976	1,673,113	1,559,984	42,405,531
Investment securities	–	3,671,958	2,867,522	2,715,058	2,055,090	2,228,856	22,118,187
Loans and receivables	–	747,910	257,697	190,658	138,399	316,236	1,792,041
Reinsurance contract assets	–	433,793	234,454	67,812	19,952	14,402	150,579
Insurance contract assets	–	(11,857)	(13,793)	(11,675)	(9,259)	(7,253)	392,591
Cash and cash equivalents	3,112,519	4,062,161	–	–	–	–	–
	3,112,519	8,903,965	3,345,880	2,961,853	2,204,182	2,552,241	24,453,398

Property and casualty contracts issued, short-term group life and health contracts issued, and reinsurance contracts held have zero amounts payable on demand.

For insurance contracts issued that are traditional life and interest sensitive without guarantees, as well as annuities, the amount payable on demand represents the policyholders' cash surrender values less applicable surrender fees. For insurance contracts that are unit-linked and interest sensitive with guarantees, the amount payable on demand represents the policyholders' fund balances, plus cash surrender values, if any, less applicable surrender fees.

4.2.3 Credit risk

Credit risk is defined as the potential for loss that can occur as a result of an individual, counterparty or issuer being unable or unwilling to honour its contractual obligations to the Group. Each subsidiary in the various jurisdictions has an Executive Investment Committee (EIC) that sets credit limits and monitors exposure by constraining the magnitude and tenor of the exposure to counterparties and issuers. Some of the credit risk mitigation techniques include, where appropriate, the right to require initial collateral or margin, the right to terminate transactions, and the right to obtain collateral (including guarantees) should unfavourable events occur. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated credit risk and exposures.

Collateral held as security for mortgage loans and other loans includes physical or tangible residential and commercial edifices as well as legal rights to insurance portfolio and other assets of the respective borrowers. The EIC initiates regular portfolio reviews, monitors counterparty creditworthiness and evaluates potential transaction risks with a view towards early problem identification and protection against unacceptable credit-related losses.

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(a) Credit risk management and exposures for insurance and reinsurance assets

The Group has significant credit risk arising from reinsurance contracts held. Credit risk associated with future premium inflows from insurance contracts issued is mitigated by the Group's ability to terminate insurance contract services when policyholders fail to meet their premium payment obligations.

The Group structures the levels of credit risk arising from ceded reinsurance by incorporating limits into its reinsurance treaties on the maximum size of policy and maximum amount of benefits that can be provided per insured life. The Group does not seek to manage its credit risk via other characteristics such as limiting exposure to a single counterparty or groups of counterparties, given the relative size of the Group to its reinsurers.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder.

The Group actively monitors the financial status of its reinsurers both by reference to publicly available information and the Financial Strength Ratings of A.M. Best. All of the Group's reinsurers are rated superior by A.M. Best. A rating of superior is assigned to reinsurance companies that have, in the opinion of A.M. Best, a superior ability to meet their ongoing obligations to the primary insurer.

(b) Assets bearing credit risk

Below is an analysis of assets bearing credit risk.

	Gross exposure		Net carrying amount	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Investment securities measured at fair value through profit or loss (excluding equity instruments)	8,512,761	8,139,672	8,512,761	8,139,672
Investment securities measured at fair value through other comprehensive income	6,945,714	5,525,536	6,945,714	5,525,536
Investment securities measured at amortised cost	7,781,930	7,586,898	7,714,207	7,558,061
Loans and receivables	3,040,725	2,533,075	2,820,928	2,350,057
Cash and cash equivalents	3,709,461	4,058,449	3,696,795	4,046,938
Reinsurance contract assets	1,563,743	795,121	1,563,743	795,121
	31,554,334	28,638,751	31,254,148	28,415,385

(c) Credit quality of reinsurance and financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings, if available, or to a rating assigned by the investment manager using an approach consistent with that used by Standard and Poor's.

AAA

An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA

An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment is very strong.

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

A

An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Below BBB

Obligations rated 'Below BBB' are regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

Not Rated

This indicates that there is insufficient information on which to base a rating. These balances are current and are monitored regularly for impairment. This classification mainly includes obligations due from individuals and short-term securities.

The following tables set out the credit quality analysis for financial assets measured at amortised cost and fair value through other comprehensive income.

		Lifetime ECL			
	12-month ECL $'000	Not credit impaired $'000	Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income					
As at 31 December 2025					
AAA	52,439	–	–	–	52,439
AA	410,435	–	–	–	410,435
A	1,277,142	–	–	–	1,277,142
BBB	2,932,568	24,665	–	–	2,957,233
Below BBB	1,985,348	91,044	1,067	170,883	2,248,342
Not rated	123	–	–	–	123
Carrying value	6,658,055	115,709	1,067	170,883	6,945,714
As at 31 December 2024					
AAA	117,231	–	–	–	117,231
AA	572,074	–	–	–	572,074
A	1,030,868	–	–	–	1,030,868
BBB	1,947,827	1,673	–	–	1,949,500
Below BBB	1,476,673	176,867	1,037	188,242	1,842,819
Not rated	10,560	2,371	113	–	13,044
Carrying value	5,155,233	180,911	1,150	188,242	5,525,536

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

	12-month ECL $'000	Lifetime ECL: Not credit impaired $'000	Lifetime ECL: Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at amortised cost					
As at 31 December 2025					
AAA	57,004	–	–	–	57,004
AA	183,727	–	–	–	183,727
A	86,333	–	–	–	86,333
BBB	6,342,985	–	–	–	6,342,985
Below BBB	796,669	181,651	93,235	24,557	1,096,112
Not rated	13,452	–	2,317	–	15,769
Gross carrying amount	7,480,170	181,651	95,552	24,557	7,781,930
Loss allowance	(14,595)	(3,883)	(49,245)	–	(67,723)
Net carrying amount	7,465,575	177,768	46,307	24,557	7,714,207
As at 31 December 2024					
AAA	36,967	–	–	–	36,967
AA	71,269	–	–	–	71,269
A	71,083	–	–	–	71,083
BBB	6,240,412	–	–	–	6,240,412
Below BBB	810,175	266,297	50,922	27,002	1,154,396
Not rated	10,459	–	2,312	–	12,771
Gross carrying amount	7,240,365	266,297	53,234	27,002	7,586,898
Loss allowance	(11,628)	(5,298)	(11,911)	–	(28,837)
Net carrying amount	7,228,737	260,999	41,323	27,002	7,558,061
Loans and receivables					
As at 31 December 2025					
A	–	228,431	–	–	228,431
BBB	27,278	5,314	–	–	32,592
Below BBB	661,362	69,956	2,476	–	733,794
Not rated	1,150,505	756,751	138,652	–	2,045,908
Gross carrying amount	1,839,145	1,060,452	141,128	–	3,040,725
Loss allowance	(30,235)	(133,051)	(56,511)	–	(219,797)
Net carrying amount	1,808,910	927,401	84,617	–	2,820,928
As at 31 December 2024					
A	9,220	140,350	–	–	149,570
BBB	27,619	229	–	–	27,848
Below BBB	668,062	72,720	2,603	–	743,385
Not rated	962,507	533,708	116,057	–	1,612,272
Gross carrying amount	1,667,408	747,007	118,660	–	2,533,075
Loss allowance	(33,811)	(109,337)	(39,870)	–	(183,018)
Net carrying amount	1,633,597	637,670	78,790	–	2,350,057

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

		Lifetime ECL		
	12-month ECL $'000	Not credit impaired $'000	Credit impaired $'000	Total $'000
Cash and cash equivalents				
As at 31 December 2025				
AAA	19,836	–	–	19,836
AA	10,271	–	–	10,271
A	307,756	–	–	307,756
BBB	1,006,956	–	–	1,006,956
Below BBB	2,180,280	–	–	2,180,280
Not rated	184,362	–	–	184,362
Gross carrying amount	3,709,461	–	–	3,709,461
Loss allowance	(12,666)	–	–	(12,666)
Net carrying amount	3,696,795	–	–	3,696,795
As at 31 December 2024				
AAA	65,980	–	–	65,980
AA	5,519	–	–	5,519
A	449,449	–	–	449,449
BBB	1,397,520	–	–	1,397,520
Below BBB	1,984,793	–	–	1,984,793
Not rated	155,188	–	–	155,188
Gross carrying amount	4,058,449	–	–	4,058,449
Loss allowance	(11,511)	–	–	(11,511)
Net carrying amount	4,046,938	–	–	4,046,938

The following table sets out the credit quality analysis for reinsurance contract assets and financial assets (excluding equity instruments) measured at fair value through profit or loss.

	AA $'000	A $'000	BBB $'000	Below BBB $'000	Not rated $'000	Total $'000
As at 31 December 2025						
Investment securities at fair value through profit or loss (excluding equities)	219,675	61,622	4,336,119	3,878,886	16,459	8,512,761
Reinsurance contract assets	–	1,563,432	–	–	311	1,563,743
	219,675	1,625,054	4,336,119	3,878,886	16,770	10,076,504
As at 31 December 2024						
Investment securities at fair value through profit or loss (excluding equities)	141,313	156,912	3,992,606	3,832,735	16,106	8,139,672
Reinsurance contract assets	–	794,631	–	–	490	795,121
	141,313	951,543	3,992,606	3,832,735	16,596	8,934,793

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(d) Credit-impaired financial assets and collateral held

Assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below.

	Gross exposure $'000	Net carrying amount $'000	Fair value of collateral held $'000
As at 31 December 2025			
Investment securities measured at fair value through other comprehensive income	171,950	170,883	–
Investment securities measured at amortised cost	120,614	70,864	73,282
Loans and receivables	141,128	84,617	111,299
	433,692	326,364	184,581
As at 31 December 2024			
Investment securities measured at fair value through other comprehensive income	189,392	188,355	–
Investment securities measured at amortised cost	81,893	68,325	47,553
Loans and receivables	118,660	78,790	89,983
	389,945	335,470	137,536

(e) Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial asset. Reconciling items include the following:

- New assets originated or purchased, which reflect the allowance related to assets newly recognised during the period.
- Assets derecognised, which reflect the allowance related to assets derecognised during the period without a credit loss being incurred, including those assets that were derecognised following a modification of terms.
- Net transfer to/(from) 12-month ECL and lifetime ECL, which are presumed to occur before any corresponding remeasurement of the allowance.
- Remeasurements, which comprise the impact of changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions; changes in the measurement following a transfer between 12-month ECL and lifetime ECL; unwinding of the time value discount due to the passage of time; and changes in probabilities of default and losses given default. For the year ended 31 December 2025, the Group made further refinements of its recently updated ECL model, including the introduction of the Vasicek formula along with a modification in the approach to incorporating forward-looking assumptions, the use of new data tables from Moody's, and expanded use of interpolation. The impact of this change is also included in this line.

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income					
Year ended 31 December 2025					
Balance at beginning of year	7,544	3,996	1,034	–	12,574
New assets originated or purchased	1,034	–	–	–	1,034
Transfer to lifetime ECL - not credit impaired	(263)	263	–	–	–
Remeasurements	4,228	265	26	–	4,519
Balance at end of year	12,543	4,524	1,060	–	18,127
Year ended 31 December 2024					
Balance at beginning of year	8,940	4,032	3,033	–	16,005
New assets originated or purchased	1,492	–	–	–	1,492
Assets derecognised (excluding write-offs)	–	–	(1,687)	–	(1,687)
Transfer to lifetime ECL - not credit impaired	(96)	96	–	–	–
Remeasurements	(2,792)	(132)	(312)	–	(3,236)
Balance at end of year	7,544	3,996	1,034	–	12,574
Investment securities measured at amortised cost					
Year ended 31 December 2025					
Balance at beginning of year	11,628	5,298	11,911	–	28,837
New assets originated or purchased	10,557	–	–	–	10,557
Assets derecognised (excluding write-offs)	(957)	(75)	(920)	–	(1,952)
Transfer to 12-month ECL	210	(210)	–	–	–
Transfer to lifetime ECL - not credit impaired	(164)	164	–	–	–
Transfer to lifetime ECL - credit impaired	(2,239)	(109)	2,348	–	–
Remeasurements	(6,879)	(736)	35,901	–	28,286
Amounts recovered	698	–	–	–	698
Exchange rate adjustments	1,741	(449)	5	–	1,297
Balance at end of year	14,595	3,883	49,245	–	67,723

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL	Lifetime ECL		Purchased credit impaired	Total
		Not credit impaired	Credit impaired		
	$'000	$'000	$'000	$'000	$'000
Investment securities measured at amortised cost (continued)					
Year ended 31 December 2024					
Balance at beginning of year	21,204	5,566	5,746	–	32,516
New assets originated or purchased	2,303	–	–	–	2,303
Assets derecognised (excluding write-offs)	(2,158)	(1,669)	–	–	(3,827)
Transfer to lifetime ECL - not credit impaired	(2,907)	2,907	–	–	–
Transfer to lifetime ECL - credit impaired	(1,733)	(466)	2,199	–	–
Remeasurements	(10,397)	(1,089)	3,965	–	(7,521)
Amounts written-off	(4)	–	–	–	(4)
Amounts recovered	1,884	–	–	–	1,884
Exchange rate adjustments	3,436	49	1	–	3,486
Balance at end of year	11,628	5,298	11,911	–	28,837
Loans and other receivables					
Year ended 31 December 2025					
Balance at beginning of year	33,811	109,337	39,870	–	183,018
New assets originated or purchased	1,198	–	–	–	1,198
Assets derecognised (excluding write-offs)	(16)	(6)	–	–	(22)
Transfer to 12-month ECL	5,362	(5,362)	–	–	–
Transfer to lifetime ECL - not credit impaired	(525)	525	–	–	–
Transfer to lifetime ECL - credit impaired	–	(8)	8	–	–
Remeasurements	(10,193)	30,638	9,039	–	29,484
Amounts written-off	(297)	(4,578)	(151)	–	(5,026)
Amounts recovered	802	7,467	–	–	8,269
Exchange rate adjustments	93	(4,962)	7,745	–	2,876
Balance at end of year	30,235	133,051	56,511	–	219,797

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL	Lifetime ECL Not credit impaired	Lifetime ECL Credit impaired	Purchased credit impaired	Total
	$'000	$'000	$'000	$'000	$'000
Loans and other receivables (continued)					
Year ended 31 December 2024					
Balance at beginning of year	30,336	70,552	34,378	–	135,266
New assets originated or purchased	6,198	176	–	–	6,374
Assets derecognised (excluding write-offs)	(60)	(5)	–	–	(65)
Transfer to 12-month ECL	420	(360)	(60)	–	–
Transfer to lifetime ECL - not credit impaired	(1,671)	1,464	207	–	–
Transfer to lifetime ECL - credit impaired	–	(1,601)	1,601	–	–
Remeasurements	1,354	38,622	8,176	–	48,152
Amounts written-off	(3,152)	(1,599)	(2,419)	–	(7,170)
Amounts recovered	241	3,548	–	–	3,789
Transfer to assets held for sale	–	(211)	–	–	(211)
Exchange rate adjustments	145	(1,249)	(2,013)	–	(3,117)
Balance at end of year	33,811	109,337	39,870	–	183,018

Cash and cash equivalents

Impairment on cash and cash equivalents measured at amortised cost has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group uses a similar approach for the assessment of expected credit losses for cash and cash equivalents to those used for debt securities.

The impairment allowance on cash and cash equivalents as at 31 December 2025 is $12,666,000 (2024: $11,511,000). The Group recognised a net impairment gain of $8,056,000 for the year ended 31 December 2025 (2024: $663,000 impairment gain).

Credit Risk – Economic Variable Assumptions

The most significant period-end assumptions used for the ECL estimate as at 31 December 2025 and 2024 are set out below.

The PDs and LGDs are impacted by long-term changes in the various data sets gathered from external rating agencies such as Moody's. In 2025, the Group made refinements to its ECL model, including the introduction of the Vasicek formula and its associated Economic Cycle Factors (or Z-scores). The Z-score is a measure of the state of economy and considers macroeconomic variables used in the Group's ECL models such as real gross domestic product growth, debt to GDP ratios, and unemployment for the various territories. A Z-score of -1.0 indicates an economy in recession, a Z-score of +1.0 indicates a strong economy, and a Z-score of 0 indicates a neutral economy.

To calculate an appropriate Z-score for each territory, three economic scenarios were developed. Refer to Note 3(d) for descriptions of the scenarios. Refer to the table below for the probabilities applied to each scenario and the resulting Z-score achieved (except for 2024 when Z-scores were not yet in use).

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	2025 Assumptions				2024 Assumptions			
Scenario	Best Case	Worst Case	Base Case	Resulting Z-Score	Best Case	Worst Case	Base Case	Resulting Z-Score
Trinidad & Tobago	0%	10%	90%	-0.137	15%	20%	65%	N/A
Jamaica	20%	10%	70%	0.488	35%	10%	55%	N/A
Dutch Caribbean	30%	10%	60%	0.224	10%	25%	65%	N/A
United States	0%	5%	95%	-0.235	10%	15%	75%	N/A
Other Caribbean	20%	0%	80%	0.203	10%	15%	75%	N/A

Credit Risk - Sensitivity analysis

Set out below are the changes in ECL allowance at the reporting date that would result from a reasonably possible change in the PDs or the underlying Z-scores used by the Group.

	Actual PDs applied 2025	Actual PDs applied 2024	Change in PD	Impact on ECL 2025 $'000	Impact on ECL 2024 $'000
Investment securities measured at fair value through other comprehensive income	0.00% - 5.01%	0.01% - 4.43%	+/- 20%	8,960	1,749
Investment securities measured at amortised cost	0.00% - 8.16%	0.09% - 13.23%	+/- 20%	14,529	4,355
Loans and receivables	0.17% - 12.24%	0.04% - 33.65%	+/- 20%	9,265	4,911
Cash and cash equivalents	0.01% - 5.01%	0.04% - 6.93%	+/- 20%	3,027	2,519
				35,781	13,534

	Impact on ECL 2025 +0.2 Change in Z-Score $'000	2025 -0.2 Change in Z-Score $'000
Trinidad & Tobago	2,257	(2,520)
Dutch Caribbean	1,013	(1,096)
Jamaica	531	(577)
Other	1,466	(1,537)
	3,010	(3,210)

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(f) Financial assets subject to ECL

The following tables show an analysis of changes in the gross carrying amount of investment securities and loans subject to ECL.

		Lifetime ECL			
	12-month ECL $'000	Not credit impaired $'000	Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income					
Year ended 31 December 2025					
Balance at beginning of year	5,155,233	180,911	1,150	188,242	5,525,536
New assets originated or purchased	8,104,161	–	–	–	8,104,161
Assets derecognised (excluding write-offs)	(6,740,429)	(88,358)	–	(2,948)	(6,831,735)
Transfer to 12-month ECL	57,084	(57,084)	–	–	–
Transfer to lifetime ECL - not credit impaired	(86,385)	86,385	–	–	–
Other movements	178,814	(6,250)	(87)	(14,859)	157,618
Exchange rate adjustments	(10,423)	105	4	448	(9,866)
Balance at end of year	6,658,055	115,709	1,067	170,883	6,945,714
Year ended 31 December 2024					
Balance at beginning of year	5,345,163	105,723	2,021	191,774	5,644,681
New assets originated or purchased	4,132,777	–	–	456	4,133,233
Assets derecognised (excluding write-offs)	(4,274,439)	(25,035)	(294)	(2,838)	(4,302,606)
Transfer to 12-month ECL	6,847	(6,847)	–	–	–
Transfer to lifetime ECL - not credit impaired	(123,188)	123,188	–	–	–
Other movements	58,661	(16,189)	(585)	(2,229)	39,658
Exchange rate adjustments	9,412	71	8	1,079	10,570
Balance at end of year	5,155,233	180,911	1,150	188,242	5,525,536
Investment securities measured at amortised cost					
Year ended 31 December 2025					
Balance at beginning of year	7,240,365	266,297	53,234	27,002	7,586,898
New assets originated or purchased	1,803,937	–	–	–	1,803,937
Assets derecognised (excluding write-offs)	(1,637,224)	(38,863)	(13,953)	–	(1,690,040)
Transfer to 12-month ECL	9,564	(9,564)	–	–	–
Transfer to lifetime ECL - not credit impaired	(20,745)	20,745	–	–	–
Transfer to lifetime ECL - credit impaired	(3,606)	(48,843)	52,449	–	–
Amounts recovered	698	–	–	–	698
Other movements	18,623	(2,027)	(3,345)	–	13,251
Exchange rate adjustments	68,558	(6,094)	7,167	(2,445)	67,186
Balance at end of year	7,480,170	181,651	95,552	24,557	7,781,930

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(f) Financial assets subject to ECL (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at amortised cost (continued)					
Year ended 31 December 2024					
Balance at beginning of year	7,655,482	44,818	25,500	27,195	7,752,995
New assets originated or purchased	875,715	–	–	–	875,715
Assets derecognised (excluding write-offs)	(1,053,820)	(7,241)	(149)	–	(1,061,210)
Transfer to 12-month ECL	216	(216)	–	–	–
Transfer to lifetime ECL - not credit impaired	(224,514)	224,514	–	–	–
Transfer to lifetime ECL - credit impaired	(26,606)	(4,625)	31,231	–	–
Amounts written-off	(4)	–	–	–	(4)
Amounts recovered	1,884	–	–	–	1,884
Other movements	6,109	2,789	829	–	9,727
Exchange rate adjustments	5,903	6,258	(4,177)	(193)	7,791
Balance at end of year	7,240,365	266,297	53,234	27,002	7,586,898

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Total $'000
Loans and other receivables				
Year ended 31 December 2025				
Balance at beginning of year	1,667,408	747,007	118,660	2,533,075
New assets originated or purchased	572,871	224,433	–	797,304
Assets derecognised (excluding write-offs)	(365,389)	(35,379)	(8,108)	(408,876)
Transfer to 12-month ECL	30,855	(29,293)	(1,562)	–
Transfer to lifetime ECL - not credit impaired	(67,391)	69,243	(1,852)	–
Transfer to lifetime ECL - credit impaired	(5,112)	(6,860)	11,972	–
Amounts written-off	(297)	(4,578)	(151)	(5,026)
Amounts recovered	802	7,467	–	8,269
Other movements	(685)	85,635	1,791	86,741
Exchange rate adjustments	6,083	2,777	20,378	29,238
Balance at end of year	1,839,145	1,060,452	141,128	3,040,725
Year ended 31 December 2024				
Balance at beginning of year	1,262,936	783,420	57,640	2,103,996
New assets originated or purchased	714,926	46,263	–	761,189
Assets derecognised (excluding write-offs)	(310,172)	(133,894)	(2,556)	(446,622)
Transfer to 12-month ECL	35,624	(33,451)	(2,173)	–
Transfer to lifetime ECL - not credit impaired	(39,636)	47,986	(8,350)	–
Transfer to lifetime ECL - credit impaired	(1,597)	(78,941)	80,538	–
Amounts written-off	(3,152)	(1,599)	(2,419)	(7,170)
Amounts recovered	241	3,548	–	3,789
Transfer to assets held for sale	–	(1,930)	–	(1,930)
Other movements	2,459	114,406	1,660	118,525
Exchange rate adjustments	5,779	1,199	(5,680)	1,298
Balance at end of year	1,667,408	747,007	118,660	2,533,075

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(g) Concentrations of risks of reinsurance and financial assets with credit risk exposure

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The following table breaks down the Group's main credit risk exposure as categorised by the industry sectors of its counterparties.

	2025 $'000	2024 $'000
Financial services	7,440,534	6,713,090
Manufacturing	782,128	461,715
Real estate	1,042,524	483,937
Wholesale and retail trade	321,088	213,733
Public sector	16,134,811	15,798,156
Insurance and reinsurance	2,128,175	1,063,544
Consumers/individuals	1,308,899	1,086,412
Transportation storage	451,435	490,670
Utilities	618,596	573,412
Other industries	1,025,958	1,530,716
	31,254,148	28,415,385

4.2.4 Capital management

The Group's principal capital resources include share capital, reserves, retained earnings and borrowings.

The Group's objectives when managing capital are:

- To comply with the capital requirements required by the regulators of the markets where the Group operates;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

In each country in which the Group operates, the local insurance regulator indicates the required minimum amount and type of capital that must be held by each of the subsidiaries in addition to their insurance liabilities. The Group is also subject to insurance solvency regulations in all the territories in which it issues insurance and investment contracts. The minimum required capital must be maintained at all times throughout the year. The Group monitors these requirements throughout the year to ensure compliance.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2025.

The table below summarises the minimum required capital across the main territories in the Group. The Group has complied with these minimum capital requirements. These figures are an aggregate number, being the sum of the statutory capital and surplus for each insurance subsidiary in each country subject to local regulatory requirements (current or prospective), which may differ from jurisdiction to jurisdiction.

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.4 Capital management (continued)

	Minimum regulatory capital 2025 $'000	2024 $'000
Guardian Re (SAC) Limited	66,973	65,517
Guardian General Insurance (OECS) Limited	12,469	12,444
Guardian Life (OECS) Limited	2,993	2,800
Guardian General Insurance Limited	182,378	171,625
Guardian General Insurance Jamaica Limited	181,175	169,340
Guardian Life Limited	933,941	848,085
Guardian Life of the Caribbean Limited	741,190	795,554
Bancassurance Caribbean Limited	31,342	34,314
Fatum General Insurance Aruba N.V.	24,521	20,355
Fatum General Insurance N.V.	130,768	125,652
Fatum Health N.V.	13,847	14,558
Fatum Life Aruba N.V.	304,273	280,650
Fatum Life N.V.	172,499	164,572
Guardian Group Nederland N.V.	84,320	76,570

The Trinidadian trust services subsidiary holds a license under the Financial Institutions Act 2008 and is registered under the Securities Industry Act 2012. Under the Financial Institutions Act, the subsidiary is required to have a minimum paid up share capital of $15 million and to transfer a minimum of 10% of its profit after tax to a Statutory Reserve Fund until the balance in the Fund is not less than the paid up capital of the subsidiary as well as the subsidiary's regulatory capital shall be no less than 10% of its risk weighted assets. Under the Securities Industry Act 2012, the subsidiary is required to have minimum capital of $6 million, of which at least $3 million shall be regulatory capital. The subsidiary has complied with these requirements.

The Trinidadian asset management subsidiary is registered under the Securities Industry Act 2012, and as such, the subsidiary is required to have a minimum capital of $6 million, of which at least $3 million shall be regulatory capital. The subsidiary has complied with this requirement.

5. Property, plant and equipment

	Freehold and leasehold properties $'000	Office furniture, plant and equipment $'000	Motor vehicles $'000	Capital work in progress $'000	Total $'000
Year ended 31 December 2025					
Balance at beginning of year	516,328	59,191	15,403	46,812	637,734
Revaluation surplus	76,630	–	–	–	76,630
Additions	17,904	9,621	4,279	8,735	40,539
Disposals and adjustments	(1,049)	(476)	(1,442)	(2,592)	(5,559)
Transfers	5,288	2,941	2,002	(10,231)	–
Re-classification from investment properties (Note 7)	13,761	64	–	–	13,825
Re-classification to intangible assets (Note 8)	–	–	–	(770)	(770)
Depreciation charge	(16,741)	(16,191)	(5,245)	–	(38,177)
Other movements	–	(93)	–	(4,865)	(4,958)
Exchange rate adjustments	(2,184)	961	(150)	(173)	(1,546)
Balance at end of year	609,937	56,018	14,847	36,916	717,718

5. Property, plant and equipment (continued)

	Freehold and leasehold properties $'000	Office furniture, plant and equipment $'000	Motor vehicles $'000	Capital work in progress $'000	Total $'000
At 31 December 2025					
Cost or valuation	688,920	528,520	35,934	36,916	1,290,290
Accumulated depreciation	(78,983)	(472,502)	(21,087)	–	(572,572)
Balance at end of year	609,937	56,018	14,847	36,916	717,718
Year ended 31 December 2024					
Balance at beginning of year	515,633	94,833	17,148	80,236	707,850
Revaluation surplus	7,205	–	–	–	7,205
Additions	2,702	7,587	4,698	16,792	31,779
Disposals and adjustments	627	(33,316)	(634)	2,548	(30,775)
Transfers	1,458	15,207	67	(16,732)	–
Re-classification (to)/from intangible assets (Note 8)	–	51	–	(35,382)	(35,331)
Depreciation charge	(13,162)	(22,511)	(5,597)	–	(41,270)
Other movements	–	(2,292)	(319)	(670)	(3,281)
Exchange rate adjustments	1,865	(368)	40	20	1,557
Balance at end of year	516,328	59,191	15,403	46,812	637,734
At 31 December 2024					
Cost or valuation	630,238	526,142	35,796	46,812	1,238,988
Accumulated depreciation	(113,910)	(466,951)	(20,393)	–	(601,254)
Balance at end of year	516,328	59,191	15,403	46,812	637,734
At 31 December 2023					
Cost or valuation	623,536	591,992	37,386	80,236	1,333,150
Accumulated depreciation	(107,903)	(497,159)	(20,238)	–	(625,300)
Balance at end of year	515,633	94,833	17,148	80,236	707,850

The following are the dates of the last valuation of properties in the Group:

Guardian Life of the Caribbean Limited	-	September 2025
Bancassurance Caribbean Limited	-	August 2025
Guardian Life Limited	-	September 2025
Guardian General Insurance Limited	-	September 2025
Guardian Shared Services Limited	-	September 2025
Fatum Life N.V.	-	September 2025

Valuations were made on the basis of open market value by external independent appraisers, who are accredited in the territory that they serve. Valuations are based on active market prices, adjusted for any difference in the nature, location or condition of the specific property.

If freehold and leasehold properties were stated on a historical cost basis, the amounts would be as follows:

	2025 $'000	2024 $'000
Cost	460,567	452,254
Accumulated depreciation	(225,192)	(236,629)
Net book value	235,375	215,625

6. Leases

The following tables provide information for leases where the Group is a lessee.

(a) Right-of-use assets

	Leasehold properties $'000	Office equipment $'000	Motor vehicles $'000	Total $'000
Year ended 31 December 2025				
Balance at beginning of year	36,217	59	7,356	43,632
Additions	7,875	–	1,371	9,246
Disposals and adjustments	(2,074)	–	(81)	(2,155)
Modification of lease terms	(135)	–	80	(55)
Depreciation charge	(11,169)	(25)	(2,691)	(13,885)
Other movements	5,995	–	–	5,995
Exchange rate adjustments	2,589	3	–	2,592
Balance at end of year	39,298	37	6,035	45,370
At 31 December 2025				
Cost	117,942	490	11,581	130,013
Accumulated depreciation	(78,644)	(453)	(5,546)	(84,643)
Balance at end of year	39,298	37	6,035	45,370
Year ended 31 December 2024				
Balance at beginning of year	48,809	24	11,167	60,000
Additions	8,418	64	3,266	11,748
Disposals and adjustments	(143)	–	(756)	(899)
Transfers to assets held for sale	(8,052)	–	(2,250)	(10,302)
Depreciation charge	(12,157)	(32)	(4,084)	(16,273)
Exchange rate adjustments	(658)	3	13	(642)
Balance at end of year	36,217	59	7,356	43,632
At 31 December 2024				
Cost	106,681	490	13,394	120,565
Accumulated depreciation	(70,464)	(431)	(6,038)	(76,933)
Balance at end of year	36,217	59	7,356	43,632

(b) Lease liabilities

	2025 $'000	2024 $'000
Balance at beginning of year	49,951	68,012
Additions	9,243	11,747
Interest expense	2,863	3,641
Lease payments	(18,781)	(20,007)
Effect of modification to lease terms	(2,471)	(1,432)
Transfer to liabilities directly associated with assets held for sale (Note 17)	–	(11,376)
Exchange rate adjustments	2,824	(634)
Balance at end of year	43,629	49,951
Current	12,751	14,413
Non-current	30,878	35,538
	43,629	49,951

6. Leases (continued)

(c) Amounts recognised in the consolidated statement of income

	2025 $'000	2024 $'000
Interest expense on lease liabilities	2,863	3,641
Depreciation charge of right-of-use assets	13,885	16,273
Expense relating to short-term leases	7,915	6,918
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	1,706	1,931
	26,369	28,763

(d) Amounts recognised in the consolidated statement of cash flows

The Group had total cash outflows for leases of $28,402,000 in 2025 (2024: $28,856,000).

7. Investment properties

	2025 $'000	2024 $'000
Investment properties (excluding Pointe Simon)	1,156,193	1,166,086
Pointe Simon	479,725	393,456
	1,635,918	1,559,542
Investment properties (excluding Pointe Simon)		
Balance at beginning of year	1,166,086	1,141,735
Additions	22,961	2,777
Fair value adjustments (Note 28)	17,072	30,882
Disposals	(32,126)	(8,520)
Re-classification to property, plant and equipment (Note 5)	(13,825)	–
Other movements	–	(415)
Exchange rate adjustments	(3,975)	(373)
Balance at end of year	1,156,193	1,166,086
Residential properties	279,842	286,103
Commercial properties	876,351	879,983
	1,156,193	1,166,086
Rental income	65,179	61,037
Expenses incurred in respect of investment properties that generated rental income during the year	35,336	6,917
Expenses incurred in respect of investment properties that did not generate rental income during the year	3,514	4,427
Pointe Simon		
Pointe Simon is a mixed-use commercial and residential urban re-development project in Fort de France, Martinique.		
Investment property	479,725	393,456
Properties for development and sale (Note 12)	95,941	78,729
	575,666	472,185
Balance at beginning of year	472,185	497,742
Additions	286	1,859
Fair value adjustment (Note 28)	–	1,890
Exchange rate adjustments	103,195	(29,306)
Balance at end of year	575,666	472,185

7. Investment properties (continued)

The Group has both commercial and residential investment properties in the following territories: Jamaica, Barbados, Trinidad and Tobago, Grenada and Martinique.

Valuations are conducted annually by external valuators. All valuators are accredited in the territory that they serve, specialising in the valuation of commercial, residential and mixed use properties.

Residential properties are mainly revalued using the comparable sales approach, which estimates the fair value based on sale prices of properties of similar nature or in similar locations with price adjustments being made for any notable differences between the sample and subject properties such as location, size, and quality of improvements.

Commercial properties are primarily valued using the income and sales comparison approach, the direct capitalisation of income approach, or the profit tests or accounts approach. The income and sales comparison approach involves determining the value of the properties by applying an appropriate valuation model to convert the expected future cash flows into present values. Both the direct capitalisation of income and profit tests or accounts approach apply a valuation model that converts monthly rental income and expenses into market values through the use of a capitalisation rate. Refer to Note 38 for further information on these key unobservable inputs.

For some properties, various approaches were considered, including the income approach, the comparison approach, and the cost approach. No one approach was selected to determine the final valuation, instead a reasonable conclusion was drawn from the range of valuations determined.

No investment property in the Group is subject to any liens or mortgages and the Group has no restrictions with regard to the transfer, resale or other use of its investment properties. The Group is not under any contractual obligation with regard to significant development, enhancement, repair or maintenance of any investment properties.

Future minimum lease payments receivable on leases of investment properties are as follows:

	2025 $'000	2024 $'000
Within one year	35,967	29,929
Between one and two years	23,807	21,548
Between two and three years	22,205	19,140
Between three and four years	3,662	16,956
Between four and five years	1,817	3,648
After five years	4,020	3,898
	91,478	95,119

8. Intangible assets

	Goodwill $'000	Customer-related intangibles $'000	Other $'000	Total $'000
Year ended 31 December 2025				
Balance at beginning of year	411,450	14,967	184,216	610,633
Acquisition of insurance brokerage portfolios	–	5,084	–	5,084
Acquisition of pension fund management portfolio (see Note (a) below)	–	157,716	–	157,716
Additions	–	–	46,513	46,513
Re-classification from/(to) property, plant and equipment (Note 5)	–	1,090	(320)	770
Impairment	(941)	–	(24,900)	(25,841)
Amortisation	–	(4,343)	(29,950)	(34,293)
Other movements	–	–	(589)	(589)
Exchange rate adjustments	(22)	789	(674)	93
Balance at end of year	410,487	175,303	174,296	760,086

8. Intangible assets (continued)

	Goodwill $'000	Customer-related intangibles $'000	Other $'000	Total $'000
At 31 December 2025				
Cost	412,567	223,407	312,035	948,009
Accumulated impairment and amortisation	(2,080)	(48,104)	(137,739)	(187,923)
Balance at end of year	410,487	175,303	174,296	760,086

(a) In September 2025, the Group completed the acquisition of the pension fund management portfolio of NCB Insurance Agency & Fund Management Limited, a related party, for a total consideration of $157,716,000. This amount was recognised as an intangible asset in the consolidated statement of financial position. It will be amortised on a straight-line basis over 50 years.

	Goodwill $'000	Customer-related intangibles $'000	Other $'000	Total $'000
Year ended 31 December 2024				
Balance at beginning of year	552,973	16,852	116,560	686,385
Additions	–	–	57,109	57,109
Re-classification from property, plant and equipment (Note 5)	–	–	35,331	35,331
Transfers	(25,637)	25,637	–	–
Amortisation	–	(8,700)	(24,988)	(33,688)
Transfer to assets held for sale (Note 17)	(113,473)	(17,140)	–	(130,613)
Exchange rate adjustments	(2,413)	(1,682)	204	(3,891)
Balance at end of year	411,450	14,967	184,216	610,633
At 31 December 2024				
Cost	412,581	63,624	308,759	784,964
Accumulated impairment and amortisation	(1,131)	(48,657)	(124,543)	(174,331)
Balance at end of year	411,450	14,967	184,216	610,633

Other intangible assets represent brand costs, computer software costs and website development costs.

Goodwill

Goodwill is assigned to the Group's cash-generating units on acquisition. In accordance with IFRS 3 Business Combinations, all assets that gave rise to goodwill were reviewed for impairment at year end using the higher of the value-in-use method and the fair value method. In each case, the cash flow projections were based on financial budgets for a three-year period, approved by senior management, with a growth assumption applied for later years.

A summary of the goodwill for each cash-generating unit is presented below:

	2025 $'000	2024 $'000
Guardian General Insurance Limited	97,459	97,459
Guardian Insurance Limited	153,977	153,977
Guardian General Insurance Jamaica Limited	6,244	6,584
Vanguard Risk Solutions Limited	68,755	68,722
Royal & Sun Alliance Insurance (Antilles) N.V.	26,809	26,718
Fatum Brokers Holding B.V.	57,243	57,990
	410,487	411,450

8. Intangible assets (continued)

Goodwill (continued)

The key assumptions used for value-in-use calculations are as follows:

	Discount Rate		Growth Rate	
Cash generating unit	2025	2024	2025	2024
Guardian General Insurance Limited	9.9%	8.0%	2.9%	6.9%
Guardian Insurance Limited (Trinidad and Tobago based subsidiaries)	10.1%	8.0%	5.6%	4.5%
Guardian Insurance Limited (Jamaica based subsidiary)	10.2%	12.9%	7.7%	4.9%
Guardian General Insurance Jamaica Limited	9.9%	12.7%	3.8%	5.0%
Vanguard Risk Solutions Limited	9.9%	8.0%	8.9%	8.6%
Royal & Sun Alliance Insurance (Antilles) N.V.	11.2%	11.5%	2.0%	2.0%
Fatum Brokers Holding B.V.	11.9% - 12.2%	12.1% - 12.6%	2.0%	2.0%

The recoverable amount for Guardian General Insurance Limited and Guardian General Insurance Jamaica Limited exceeds their carrying value by $21,704,000 (2024: $19,447,000) and $31,644,000 (2024: breakeven) respectively. A 1.1% increase in the discount rate or a 2% decrease in the growth rate would result in the recoverable amount being equal to their carrying amounts. For all other cash generating units, a reasonably possible change in key assumptions would not result in the carrying amount exceeding the recoverable amount.

Discount rates: Discount rates represent the current market assessment of the risks specific to each cash-generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates: Rates are based on published industry research and management's expected performance of each cash-generating unit.

Based on the results of the above review, no impairment expense was required for goodwill.

9. Investment in associated companies

	2025 $'000	2024 $'000
Balance at beginning of year	326,204	308,775
Share of after tax profits	40,534	30,872
Share of other comprehensive income	–	167
Dividends received	(10,008)	(14,193)
Other movements	(162)	–
Exchange rate adjustments	587	583
Balance at end of year	357,155	326,204

The summarised financial information below, for the Group's principal associated companies (see Note 42), represents amounts shown in the respective associate's financial statements prepared in accordance with IFRS Accounting Standards (adjusted by the Group for equity accounting purposes).

9. Investment in associated companies (continued)

	RoyalStar Holdings Limited		RGM Limited		EIKM Holdings Limited	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Total assets	1,195,749	998,671	831,393	843,305	514	514
Total liabilities	(565,786)	(473,268)	(248,088)	(277,976)	(454)	(454)
Equity	629,963	525,403	583,305	565,329	60	60
Group share of net assets	162,720	137,761	194,435	188,443	15	15
Goodwill on acquisition	–	–	–	–	8,626	8,626
Impairment of associated company	–	–	–	–	(8,641)	(8,641)
Carrying amount of investment	162,720	137,761	194,435	188,443	–	–
Revenue	1,154,199	1,053,211	176,575	184,867	–	–
Profit for the year	114,073	79,745	32,145	29,888	–	–
Other comprehensive income	–	–	–	501	–	–
Total comprehensive income	114,073	79,745	32,145	30,389	–	–
Dividends received during the year	5,285	4,382	4,723	9,811	–	–

The associated companies had no significant contingent liabilities or capital commitments as at 31 December 2025 or 2024.

10. Investment securities

	2025		2024	
	Carrying value $'000	Fair value $'000	Carrying value $'000	Fair value $'000
Investment securities	25,644,449	25,651,477	23,803,157	23,805,719
Investment securities of mutual fund unit holders	1,558,404	1,600,043	1,642,669	1,646,672
Total – non-derivative financial instruments	27,202,853	27,251,520	25,445,826	25,452,391
Derivative financial instrument	82,677	82,677	66,362	66,362
Total investment securities	27,285,530	27,334,197	25,512,188	25,518,753
Non-derivative financial instruments				
Investment securities mandatorily measured at fair value through profit or loss (FVPL)	12,542,932	12,542,932	12,362,229	12,362,229
Investment securities measured at fair value through other comprehensive income (FVOCI)	6,945,714	6,945,714	5,525,536	5,525,536
Investment securities measured at amortised cost (AC)	7,714,207	7,762,874	7,558,061	7,564,626
	27,202,853	27,251,520	25,445,826	25,452,391

10. Investment securities (continued)

Non-derivative financial instruments (continued)

	Carrying value			Fair value
	FVPL 2025 $'000	FVOCI 2025 $'000	AC 2025 $'000	AC 2025 $'000
Equity securities:				
- Listed	3,617,964	–	–	–
- Unlisted	417,855	–	–	–
	4,035,819	–	–	–
Debt securities:				
- Government securities	7,271,542	2,846,573	5,632,915	5,612,960
- Debentures and corporate bonds	992,911	3,946,800	826,081	822,657
	8,264,453	6,793,373	6,458,996	6,435,617
Deposits (more than 90 days)	53,045	69,764	1,184,978	1,189,301
Other	77,029	–	–	–
	130,074	69,764	1,184,978	1,189,301
	12,430,346	6,863,137	7,643,974	7,624,918
Interest receivable	112,586	82,577	137,956	137,956
Loss allowance	–	–	(67,723)	–
	12,542,932	6,945,714	7,714,207	7,762,874
Current	585,452	600,587	1,735,892	
Non-current	11,957,480	6,345,127	5,978,315	
	12,542,932	6,945,714	7,714,207	

The loss allowance on investment securities measured at fair value through other comprehensive income is recognised against other comprehensive income and accumulated in the fair value reserve. The total loss allowance accumulated in fair value reserve is $18,127,000 (2024: $12,574,000).

The carrying amount of investment securities that were pledged as collateral for liabilities was $221,255,000 (2024: $270,642,000).

Investment securities are pledged as collateral primarily as part of sales and repurchases and securities borrowing transactions under terms that are usual and customary for such activities. In addition, as part of these transactions, the Group has received collateral that it is permitted to resell or repledge in the absence of default.

As at 31 December 2025, the fair value of investment securities accepted as collateral that the Group is permitted to sell or repledge in the absence of default was $120,477,000 (2024: $59,561,000). No securities were sold or repledged during the year.

10. Investment securities (continued)

Non-derivative financial instruments (continued)

	Carrying value			Fair value
	FVPL 2024 $'000	FVOCI 2024 $'000	AC 2024 $'000	AC 2024 $'000
Equity securities:				
- Listed	3,797,657	–	–	–
- Unlisted	419,323	–	–	–
	4,216,980	–	–	–
Debt securities:				
- Government securities	6,909,649	2,619,355	5,361,391	5,334,833
- Debentures and corporate bonds	968,594	2,712,074	818,022	813,448
	7,878,243	5,331,429	6,179,413	6,148,281
Deposits (more than 90 days)	89,234	129,508	1,269,495	1,278,355
Other	71,939	–	–	–
	161,173	129,508	1,269,495	1,278,355
	12,256,396	5,460,937	7,448,908	7,426,636
Interest receivable	105,833	64,599	137,990	137,990
Loss allowance	–	–	(28,837)	–
	12,362,229	5,525,536	7,558,061	7,564,626
Current	570,556	1,275,158	1,116,606	
Non-current	11,791,673	4,250,378	6,441,455	
	12,362,229	5,525,536	7,558,061	

10. Investment securities (continued)

Non-derivative financial instruments (continued)

For insurance contracts measured using the VFA, the fair value of the underlying financial assets by product line is as follows:

	Annuities 2025 $'000	Unit linked life and interest sensitive with guarantees 2025 $'000	Annuities 2024 $'000	Unit linked life and interest sensitive with guarantees 2024 $'000
Equity securities:				
- Listed	1,592,961	588,922	1,739,094	627,208
- Unlisted	69,483	12,734	77,376	13,906
	1,662,444	601,656	1,816,470	641,114
Debt securities:				
- Government securities	3,268,202	1,923,252	3,076,300	1,787,507
- Debentures and corporate bonds	315,467	202,386	324,391	189,375
	3,583,669	2,125,638	3,400,691	1,976,882
Deposits (more than 90 days)	–	9,866	–	11,806
Other	–	552	–	553
	–	10,418	–	12,359
	5,246,113	2,737,712	5,217,161	2,630,355
Interest receivable	44,590	26,206	41,602	24,840
	5,290,703	2,763,918	5,258,763	2,655,195
Current	–	24,093	–	4,605
Non-current	5,290,703	2,739,825	5,258,763	2,650,590
	5,290,703	2,763,918	5,258,763	2,655,195

Derivative financial instrument

The table below shows the fair value of the derivative financial instrument, which is recorded as an asset, together with its notional amount. The notional amount, recorded gross, is the quantity of the derivative contract's underlying instrument (being an equity index). The notional amounts indicate the volume of transactions outstanding at the year end and are not indicative of the market risk.

	2025		2024	
	Carrying Value $'000	Notional Amount $'000	Carrying Value $'000	Notional Amount $'000
Derivative held for trading - equity option	82,677	66,589	66,362	63,201

Options are contractual agreements that convey the right, but not the obligation, for the purchaser either to buy or sell a specified amount of a financial instrument at a fixed price, either at a fixed future date or at any time within a specified period.

The Group purchased an option in an over–the–counter transaction. The option provides the Group with the opportunity to purchase (call option) the underlying asset at an agreed value at the expiration of the option. The Group is exposed to credit risk on the purchased option only to the extent of its carrying amount, which is its fair value.

11. Loans and receivables

	2025 $'000	2024 $'000
Mortgage loans	1,015,298	894,606
Commercial and other loans	1,046,649	959,527
Fronting contracts and insurance brokerage receivables	556,471	302,896
Interest receivable	8,150	10,210
Other receivables	414,157	365,836
Loss allowance	(219,797)	(183,018)
	2,820,928	2,350,057
Current	911,409	621,920
Non-current	1,909,519	1,728,137
	2,820,928	2,350,057

The carrying amounts of loans and receivables are reasonable approximations of their fair values. There were no loans and receivables pledged as collateral for liabilities at year end (2024: nil).

12. Properties for development and sale

	2025 $'000	2024 $'000
Pointe Simon (Note 7)	95,941	78,729
The Cambridge and The Camden	21,281	70,812
	117,222	149,541
Properties carried at net realisable value	95,941	78,729
Properties carried at cost	21,281	70,812
	117,222	149,541

Properties for development and sale comprise the Group's investment in one component of the Pointe Simon urban re-development project in Fort de France, Martinique and two properties in Jamaica, namely the Cambridge and the Camden.

During 2014, the Group sold the hotel component of the development to a Martinique incorporated company known as Compagnie Hoteliere de la Pointe Simon SAS (CHPS). As part of the sale negotiation, the Group acquired a 24% interest in CHPS for nominal consideration. The Group financed the sale to CHPS and at 31 December 2025 the outstanding balance, included in loans and other receivables, was €8.6 million (2024: €9.3 million). In 2024, the terms of the loan were modified to the following: €9.3 million repayable over 2 years, with a bullet at maturity (December 2026) based on the amount outstanding. The interest was based on EURIBOR 12 Months + 10% margin floored at 1.5% and capped at 3.5%. In 2025, the terms of the loan were further modified to revise the monthly instalment amounts and the amount of the final bullet repayment at maturity. Additionally, the interest rate was increased to EURIBOR 12 months + 18%. All other terms, including the maturity date and the interest rate ceiling and floor, remained unchanged.

13. Pension plan assets/liabilities

The following information explains the quantification of the assets and liabilities recognised in the consolidated statement of financial position and the net income for the year in accordance with the provisions of IAS 19.

	Pension plan asset		Pension plan liability		Net pension plan asset/(liability)	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Fair value of pension plan assets	521,715	511,159	465,570	461,836	987,285	972,995
Less: Present value of funded obligations	(435,683)	(430,322)	(494,548)	(491,330)	(930,231)	(921,652)
	86,032	80,837	(28,978)	(29,494)	57,054	51,343
Less: Present value of unfunded obligations	(498)	(526)	–	–	(498)	(526)
	85,534	80,311	(28,978)	(29,494)	56,556	50,817

	2025 $'000	2024 $'000
The amount in the consolidated statement of income is made up as follows:		
Net interest income	2,714	3,566
Current service cost	(22,731)	(22,238)
Administration expenses	(1,605)	(1,553)
Total pension cost (Note 32)	(21,622)	(20,225)
The remeasurement of pension plan obligation in other comprehensive income is made up as follows:		
Actuarial gains and losses arising during the period from:		
- changes in financial assumptions	13,753	13,621
- experience adjustment	(31,116)	(48,697)
	(17,363)	(35,076)
The movement in the fair value of pension plan assets of the year is as follows:		
Balance at beginning of year	972,995	994,161
Administration expenses	(1,605)	(1,553)
Benefit payments	(60,623)	(51,983)
Company contributions	44,489	29,940
Contributions by plan participants	2,128	2,042
Settlements	–	2,900
Remeasurement arising from experience adjustment	(35,107)	(64,648)
Interest income	63,697	59,304
Exchange rate adjustments	1,311	2,832
Balance at end of year	987,285	972,995
The movement in the obligation to plan members over the year is as follows:		
Balance at beginning of year	922,178	918,600
Current service cost	22,731	22,238
Interest cost	60,983	55,738
Contributions by plan participants	2,128	2,042
Remeasurement arising from changes in financial assumptions	(13,753)	(13,621)
Remeasurement arising from experience adjustment	(3,991)	(15,951)
Settlements	–	2,900
Benefits paid	(60,622)	(51,984)
Exchange rate adjustments	1,075	2,216
Balance at end of year	930,729	922,178

13. Pension plan assets/liabilities (continued)

The principal actuarial assumptions used for accounting purposes were:

	2025	2024
Discount rates	5.6% - 7.6%	5.6% - 7.4%
Future salary increases	0.0% - 5.5%	0.0% - 5.3%
Post-retirement mortality	GAM94/NIS2012	GAM94/NIS2012
Pre-retirement mortality	GAM94/NIS2012	GAM94/NIS2012
Withdrawal from service	Ignored/Yes	Ignored/Yes
Future pension increases	Ignored / 3.5%	Ignored / 3.5%
Proportion of employees opting for early retirement	Ignored	Ignored
Life expectancy of pensioners at the age of 65 - male	17.5 to 18.3 years	17.4 to 18.3 years
Life expectancy of pensioners at the age of 65 - female	21.8 to 23.2 years	21.8 to 23.2 years

The actual return on plan assets was a return of $28,665,000 (2024: negative return of $2,471,000).

	2025		2024	
	$'000	%	$'000	%
Pension plan assets are comprised as follows:				
Quoted investments				
Equity securities				
- Trinidad and Tobago	101,894	10.3%	125,240	12.9%
- Non-Caribbean	93,561	9.5%	64,940	6.7%
Government securities				
- Trinidad and Tobago	173,269	17.6%	167,764	17.1%
- Non-Caribbean	30,770	3.1%	30,876	3.2%
Corporate bonds				
- Trinidad and Tobago	52,535	5.3%	54,450	5.6%
- Non-Caribbean	178,137	18.0%	158,744	16.3%
Unquoted investments				
Government securities				
- Other Caribbean	32,086	3.2%	80,705	8.3%
Cash and cash equivalents	12,247	1.2%	14,935	1.5%
Property	41,500	4.2%	41,500	4.3%
Other	271,286	27.6%	233,841	24.1%
	987,285	100.0%	972,995	100.0%

The defined benefit plan assets as at 31 December 2025 include investments in the Group's managed mutual funds of $8,754,000 (2024: $4,395,000). Included in the plan's assets is a property with a fair value of $41,500,000 (2024: $41,500,000), which is not occupied by the Group.

Contributions from the defined contribution plan are invested in a deposit administration contract. The deposit administration contract is part of a general fund, which is managed by a Group subsidiary.

The Group's expected total contributions to its defined benefit pension plans for the year ending 31 December 2026 is $36,349,000.

The duration of the defined benefit plans obligation at the end of the reporting period is 9.6 to 20.8 years (2024: 9.5 to 21.8 years).

13. Pension plan assets/liabilities (continued)

A quantitative sensitivity analysis for significant assumptions as at 31 December 2025 is shown below:

	Impact on the net defined benefit obligation	
	Increase	Decrease
	$'000	$'000
1% increase/decrease in discount rate	(80,511)	97,725
1% increase/decrease in future salary increases	16,302	(14,406)
1% increase/decrease in future pension increases	41,496	(35,662)
Life expectancy increase/decrease by 1 year – male	7,281	(7,506)
Life expectancy increase/decrease by 1 year – female	12,641	(12,965)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

14. Deferred taxation

The following amounts are shown in the consolidated statement of financial position:

	2025	2024
	$'000	$'000
Deferred tax assets:		
- To be recovered after more than 12 months	110,558	145,167
- To be recovered within 12 months	25,291	19,120
	135,849	164,287
Deferred tax liabilities:		
- Crystallising after more than 12 months	(312,533)	(330,525)
- Crystallising within 12 months	(19,407)	(14,929)
	(331,940)	(345,454)
Net deferred tax liability	(196,091)	(181,167)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The movement on the net deferred tax account is as follows:

	2025	2024
	$'000	$'000
Balance at beginning of year	(181,167)	(128,084)
Charged to:		
- statement of income	(7,010)	(45,769)
- other comprehensive income	(8,248)	(8,009)
Other movements	–	1,172
Exchange rate adjustments	334	(477)
Balance at end of year	(196,091)	(181,167)

14. Deferred taxation (continued)

The movement in the net deferred tax assets and liabilities during the year is attributable to the following items:

		Credited/(charged) to				
	Balance at beginning of year $'000	Statement of income $'000	Other comprehensive income $'000	Other movements $'000	Exchange rate adjustments $'000	Balance at end of year $'000
Year ended 31 December 2025						
Accelerated tax depreciation	(24,014)	4,357	–	–	(60)	(19,717)
Tax losses carried forward	20,810	(8,914)	–	–	(15)	11,881
Unused tax credits	81,679	(9,948)	–	–	(1,597)	70,134
Investments at fair value through profit or loss	(139,507)	34,800	–	–	1,113	(103,594)
Investments at fair value through other comprehensive income	13,728	–	(16,296)	–	(340)	(2,908)
Allowance for expected credit losses	7,540	(3,489)	472	–	(5)	4,518
Intangibles	(2,838)	1,088	–	–	(5)	(1,755)
Revaluation of properties	(41,463)	(54)	(11,721)	–	586	(52,652)
Insurance and reinsurance contracts	(53,089)	(18,113)	21,362	–	272	(49,568)
Investment in associated companies	(39,809)	(7,313)	–	–	(170)	(47,292)
Other	(4,204)	576	(2,065)	–	555	(5,138)
	(181,167)	(7,010)	(8,248)	–	334	(196,091)
Year ended 31 December 2024						
Accelerated tax depreciation	(23,658)	(234)	–	–	(122)	(24,014)
Tax losses carried forward	25,889	(5,130)	–	–	51	20,810
Unused tax credits	91,996	(10,138)	–	–	(179)	81,679
Investments at fair value through profit or loss	(127,590)	(11,884)	–	–	(33)	(139,507)
Investments at fair value through other comprehensive income	16,549	–	(2,760)	–	(61)	13,728
Allowance for expected credit losses	10,598	(2,997)	(90)	(4)	33	7,540
Intangibles	(5,459)	1,119	–	1,444	58	(2,838)
Revaluation of properties	(40,879)	6	(533)	–	(57)	(41,463)
Insurance and reinsurance contracts	(39,162)	(8,470)	(5,417)	–	(40)	(53,089)
Investment in associated companies	(34,684)	(4,958)	–	–	(167)	(39,809)
Other	(1,684)	(3,083)	791	(268)	40	(4,204)
	(128,084)	(45,769)	(8,009)	1,172	(477)	(181,167)

There are tax losses relating to subsidiaries that are available for set-off against future chargeable profits of $468,212,000 (2024: $646,106,000). These tax losses expire over varying periods. No deferred tax asset has been recognised on tax losses carried forward of $431,724,000 (2024: $596,142,000), due to the uncertain timing of their recovery. Some of these losses have not yet been agreed with the respective tax authorities.

Deferred tax assets have not been recognised within subsidiaries that have suffered tax losses either in the current or previous tax periods, as it is not probable that sufficient future taxable profits will be available against which those losses can be utilised. In the prior year, deferred tax assets of $1,907,000 were recognised in respect of such tax losses.

14. Deferred taxation (continued)

Pillar Two

Pillar Two is a set of rules developed by the Organisation for Economic Co-operation and Development (OECD) which impose a top-up tax on large, multinational groups of companies such that the group's effective tax rate is at least 15% in every country in which it operates. The Group is impacted by Pillar Two to the extent that it operates in both low-tax jurisdictions and jurisdictions that have incorporated the Pillar Two rules into domestic tax law.

In December 2023, Bermuda passed corporation income tax legislation that is not considered Pillar Two legislation. This legislation, which introduced a tax rate of 15%, became effective 1 January 2025. Also in December 2023, the Netherlands introduced tax measures that qualify as Pillar Two legislation, with some aspects of the legislation effective since 1 January 2024, and others which became effective on 1 January 2025.

The Group has applied the mandatory exception as per IAS 12 and therefore has not recognised or disclosed information about deferred tax assets and liabilities relating to the Netherlands Pillar Two income taxes.

15. Insurance contracts

15.1 Composition of the consolidated statement of financial position

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
As at 31 December 2025						
Net Insurance contract liabilities						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre-recognition cash flows	3,565,333	15,829,283	1,883,032	122,875	2,248,867	23,649,390
As represented by:						
- Insurance contract liability	3,613,044	15,829,283	1,889,361	239,190	2,358,877	23,929,755
- Insurance contract asset	(47,711)	–	(6,329)	(116,315)	(110,010)	(280,365)
	3,565,333	15,829,283	1,883,032	122,875	2,248,867	23,649,390
As at 31 December 2024						
Net Insurance contract liabilities						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre-recognition cash flows	3,489,477	15,897,180	1,756,625	164,160	1,612,228	22,919,670
As represented by:						
- Insurance contract liability	3,569,322	15,897,196	1,764,300	230,080	1,613,527	23,074,425
- Insurance contract asset	(79,845)	(16)	(7,675)	(65,920)	(1,299)	(154,755)
	3,489,477	15,897,180	1,756,625	164,160	1,612,228	22,919,670

15. Insurance contracts (continued)

15.1 Composition of the consolidated statement of financial position (continued)

	2025 $'000	2024 $'000
Insurance contract liability		
Current portion	1,755,536	1,425,511
Non-current portion	22,174,219	21,648,914
	23,929,755	23,074,425
Insurance contract asset		
Current portion	231,003	67,045
Non-current portion	49,362	87,710
	280,365	154,755

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
As at 31 December 2025						
Net Reinsurance contract assets						
- Reinsurance contract assets excluding other pre-recognition cash flows	68,156	–	–	66,712	1,006,402	1,141,270
As represented by:						
- Reinsurance contract liability	(18,430)	–	–	(4,605)	(399,438)	(422,473)
- Reinsurance contract asset	86,586	–	–	71,317	1,405,840	1,563,743
	68,156	–	–	66,712	1,006,402	1,141,270
As at 31 December 2024						
Net Reinsurance contract assets						
- Reinsurance contract assets excluding other pre-recognition cash flows	38,509	–	–	58,060	558,255	654,824
As represented by:						
- Reinsurance contract liability	(17,706)	–	–	(1,967)	(120,624)	(140,297)
- Reinsurance contract asset	56,215	–	–	60,027	678,879	795,121
	38,509	–	–	58,060	558,255	654,824

	2025 $'000	2024 $'000
Reinsurance contract liability		
Current portion	262,110	66,263
Non-current portion	160,363	74,034
	422,473	140,297
Reinsurance contract asset		
Current portion	743,275	381,268
Non-current portion	820,468	413,853
	1,563,743	795,121

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses

15.2.1 Insurance revenue and insurance service result

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2025						
Insurance revenue						
Amounts relating to the charges in the LRC:						
- Expected incurred claims and other directly attributable expenses	284,813	627,915	234,615	–	–	1,147,343
- Change in the risk adjustment for non-financial risk for the risk expired	40,049	14,667	46,165	–	–	100,881
- CSM recognised for the services provided	130,590	102,687	126,204	–	–	359,481
- Insurance acquisition cash flows recovery	77,304	18,442	64,887	–	–	160,633
Insurance revenue from contracts not measured under the PAA	532,756	763,711	471,871	–	–	1,768,338
Insurance revenue from contracts measured under the PAA	–	–	–	1,240,382	3,147,728	4,388,110
Total insurance revenue	532,756	763,711	471,871	1,240,382	3,147,728	6,156,448
Insurance service expenses						
Incurred claims and other directly attributable expenses	(256,307)	(526,280)	(261,700)	(960,293)	(1,778,527)	(3,783,107)
Changes that relate to past service – changes in the FCF relating to the LIC	41,482	–	–	40,125	(10,408)	71,199
Losses on onerous contracts and reversal of those losses	10,483	101,398	13,714	(10,146)	–	115,449
Insurance acquisition cash flows amortisation	(77,304)	(18,442)	(64,887)	(107,984)	(561,770)	(830,387)
Total insurance service expenses	(281,646)	(443,324)	(312,873)	(1,038,298)	(2,350,705)	(4,426,846)
Net income/(expenses) from reinsurance contracts held						
Amounts relating to the changes in the remaining coverage:						
- Expected incurred claims and other directly attributable expenses recovery	(55,515)	–	–	–	–	(55,515)
- Change in the risk adjustment for non-financial risk for the risk expired	(4,398)	–	–	–	–	(4,398)
- CSM recognised for the services received	(12,208)	–	–	–	–	(12,208)
Reinsurance expenses - contracts not measured under the PAA	(72,121)	–	–	–	–	(72,121)
Reinsurance expenses - contracts measured under the PAA	–	–	–	(113,789)	(1,547,713)	(1,661,502)

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2025 (continued)						
Net income/(expenses) from reinsurance contracts held (continued)						
Amounts relating to the changes in the remaining coverage: (continued)						
Other incurred directly attributable expenses	(1,628)	–	–	(1,318)	(7,035)	(9,981)
Incurred claims recovery	45,082	–	–	62,633	1,084,051	1,191,766
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	–	(1,237)	18,799	17,562
Total net expenses from reinsurance contracts held	(28,667)	–	–	(53,711)	(451,898)	(534,276)
Total insurance service result	222,443	320,387	158,998	148,373	345,125	1,195,326
Year ended 31 December 2024						
Insurance revenue						
Amounts relating to the charges in the LRC:						
- Expected incurred claims and other directly attributable expenses	256,549	619,391	151,711	–	–	1,027,651
- Change in the risk adjustment for non-financial risk for the risk expired	34,112	11,809	44,210	–	–	90,131
- CSM recognised for the services provided	121,311	152,344	189,078	–	–	462,733
- Insurance acquisition cash flows recovery	66,777	13,848	49,015	–	–	129,640
Insurance revenue from contracts not measured under the PAA	478,749	797,392	434,014	–	–	1,710,155
Insurance revenue from contracts measured under the PAA	–	–	–	1,225,113	2,943,116	4,168,229
Total insurance revenue	478,749	797,392	434,014	1,225,113	2,943,116	5,878,384
Insurance service expenses						
Incurred claims and other directly attributable expenses	(240,399)	(682,081)	(253,652)	(961,505)	(901,339)	(3,038,976)
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	41,246	85,483	126,729
Losses on onerous contracts and reversal of those losses	(44,130)	(77,034)	16,277	–	–	(104,887)
Insurance acquisition cash flows amortisation	(66,777)	(13,848)	(49,015)	(70,979)	(468,498)	(669,117)
Total insurance service expenses	(351,306)	(772,963)	(286,390)	(991,238)	(1,284,354)	(3,686,251)

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2024 (continued)						
Net income/(expenses) from reinsurance contracts held						
Amounts relating to the changes in the remaining coverage:						
- Expected incurred claims and other directly attributable expenses recovery	(53,908)	–	–	–	–	(53,908)
- Change in the risk adjustment for non-financial risk for the risk expired	(4,225)	–	–	–	–	(4,225)
- CSM recognised for the services received	(7,996)	–	–	–	–	(7,996)
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	(57)	–	–	–	–	(57)
Reinsurance expenses - contracts not measured under the PAA	(66,186)	–	–	–	–	(66,186)
Reinsurance expenses - contracts measured under the PAA	–	–	–	(102,388)	(1,555,879)	(1,658,267)
Other incurred directly attributable expenses	7,045	–	–	(1,370)	(6,897)	(1,222)
Incurred claims recovery	38,298	–	–	77,418	341,515	457,231
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	–	(3,497)	(33,939)	(37,436)
Income on initial recognition of onerous underlying contracts	477	–	–	–	–	477
Reinsurance contracts held under the GMM:						
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(887)	–	–	–	–	(887)
Total net expenses from reinsurance contracts held	(21,253)	–	–	(29,837)	(1,255,200)	(1,306,290)
Total insurance service result	106,190	24,429	147,624	204,038	403,562	885,843

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.2 Amounts determined on transition to IFRS 17

For insurance contracts measured under the GMM and/or the VFA, an analysis of insurance revenue for insurance contracts issued and the CSM by transition method is included in the following tables. Insurance contracts measured under the PAA are not included in these tables because the Group applied the full retrospective approach to such contracts.

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total $'000
2025				
Insurance contracts issued				
Insurance revenue				
- New contracts and contracts measured under the full retrospective approach at transition	296,114	140,301	191,125	627,540
- Contracts measured under the fair value approach at transition	236,642	623,410	280,746	1,140,798
	532,756	763,711	471,871	1,768,338
CSM as at 31 December				
- New contracts and contracts measured under the full retrospective approach at transition	644,586	499,532	528,668	1,672,786
- Contracts measured under the fair value approach at transition	558,777	1,416,043	362,977	2,337,797
	1,203,363	1,915,575	891,645	4,010,583

	Long-term business $'000
Reinsurance contracts held	
CSM as at 31 December	
- New contracts and contracts measured under the full retrospective approach at transition	7,027
- Contracts measured under the fair value approach at transition	91,791
	98,818

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.2 Amounts determined on transition to IFRS 17 (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total $'000
2024				
Insurance contracts issued				
Insurance revenue				
- New contracts and contracts measured under the full retrospective approach at transition	222,826	96,366	148,128	467,320
- Contracts measured under the fair value approach at transition	255,923	701,026	285,886	1,242,835
	478,749	797,392	434,014	1,710,155
CSM as at 31 December				
- New contracts and contracts measured under the full retrospective approach at transition	439,732	169,110	441,782	1,050,624
- Contracts measured under the fair value approach at transition	478,984	1,506,235	490,911	2,476,130
	918,716	1,675,345	932,693	3,526,754

	Long-term business $'000
Reinsurance contracts held	
CSM as at 31 December	
- New contracts and contracts measured under the full retrospective approach at transition	3,960
- Contracts measured under the fair value approach at transition	68,994
	72,954

On transition to IFRS 17, insurance contracts where the OCI option is applied, the Group determined the cumulative insurance finance income and expenses recognised in OCI at 1 January 2022 using the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of contracts was as follows:

	2025 $'000	2024 $'000
Balance at beginning of year	(207,269)	(218,974)
Net gains	86,054	10,809
Related income tax	(5,286)	896
Balance at end of year	(126,501)	(207,269)

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.3 Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

	Insurance contracts issued			
	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total CSM for insurance contracts issued $'000
Number of years until expected to be recognised				
As at 31 December 2025				
Up to 1 year	138,857	146,906	112,756	398,519
1 to 3 years	223,889	264,702	185,512	674,103
3 to 5 years	171,058	230,338	145,051	546,447
5 to 10 years	282,765	441,537	232,816	957,118
More than 10 years	386,794	832,092	215,510	1,434,396
Total	1,203,363	1,915,575	891,645	4,010,583
As at 31 December 2024				
Up to 1 year	116,205	130,190	114,368	360,763
1 to 3 years	190,459	219,751	191,538	601,748
3 to 5 years	151,474	193,153	152,040	496,667
5 to 10 years	256,305	425,921	249,482	931,708
More than 10 years	204,273	706,330	225,265	1,135,868
Total	918,716	1,675,345	932,693	3,526,754

	Long-term business – Reinsurance contracts held	
	2025 $'000	2024 $'000
Number of years until expected to be recognised		
Up to 1 year	(12,225)	(8,273)
1 to 3 years	(19,545)	(13,837)
3 to 5 years	(14,678)	(11,055)
5 to 10 years	(22,508)	(19,083)
More than 10 years	(29,862)	(20,706)
Total	(98,818)	(72,954)

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued

15.3.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2025				
Opening insurance contract liabilities	2,580,735	131,889	856,698	3,569,322
Opening insurance contract assets	(133,412)	5,160	48,407	(79,845)
Net balance at 1 January	2,447,323	137,049	905,105	3,489,477
Insurance revenue	(532,756)	–	–	(532,756)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	39,687	216,620	256,307
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	(41,482)	(41,482)
Losses on onerous contracts and reversal of those losses	–	(10,483)	–	(10,483)
Insurance acquisition cash flows amortisation	77,304	–	–	77,304
Insurance service expenses	77,304	29,204	175,138	281,646
Insurance service result	(455,452)	29,204	175,138	(251,110)
Finance expenses from insurance contracts issued	260,356	6,565	–	266,921
Total amounts recognised in comprehensive income	(195,096)	35,769	175,138	15,811
Investment components	(357,618)	–	357,618	–
Cash flows				
Premiums received	744,311	–	–	744,311
Claims and other directly attributable expenses paid	–	–	(496,102)	(496,102)
Insurance acquisition cash flows	(167,737)	–	–	(167,737)
Total cash flows	576,574	–	(496,102)	80,472
Exchange rate adjustments	(20,215)	103	(315)	(20,427)
Net balance as at 31 December	2,450,968	172,921	941,444	3,565,333
Closing insurance contract liabilities	2,553,895	166,591	892,558	3,613,044
Closing insurance contract assets	(102,927)	6,330	48,886	(47,711)
Net balance as at 31 December	2,450,968	172,921	941,444	3,565,333

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	2,656,834	62,442	923,680	3,642,956
Opening insurance contract assets	(104,426)	4,654	38,432	(61,340)
Net balance at 1 January	2,552,408	67,096	962,112	3,581,616
Insurance revenue	(478,749)	–	–	(478,749)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	23,163	217,236	240,399
Losses on onerous contracts and reversal of those losses	–	44,130	–	44,130
Insurance acquisition cash flows amortisation	66,777	–	–	66,777
Insurance service expenses	66,777	67,293	217,236	351,306
Insurance service result	(411,972)	67,293	217,236	(127,443)
Finance expenses from insurance contracts issued	49,064	2,174	–	51,238
Total amounts recognised in comprehensive income	(362,908)	69,467	217,236	(76,205)
Investment components	(289,484)	–	289,484	–
Cash flows				
Premiums received	727,297	–	–	727,297
Claims and other directly attributable expenses paid	–	–	(564,282)	(564,282)
Insurance acquisition cash flows	(184,106)	–	–	(184,106)
Total cash flows	543,191	–	(564,282)	(21,091)
Exchange rate adjustments	4,116	486	555	5,157
Net balance as at 31 December	2,447,323	137,049	905,105	3,489,477
Closing insurance contract liabilities	2,580,735	131,889	856,698	3,569,322
Closing insurance contract assets	(133,412)	5,160	48,407	(79,845)
Net balance as at 31 December	2,447,323	137,049	905,105	3,489,477

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025				
Opening insurance contract liabilities	2,768,200	174,462	626,660	3,569,322
Opening insurance contract assets	(436,717)	64,816	292,056	(79,845)
Net balance at 1 January	2,331,483	239,278	918,716	3,489,477
Changes that relate to current service				
CSM recognised for the services provided	–	–	(130,590)	(130,590)
Change in the risk adjustment for non-financial risk for the risk expired	–	(40,049)	–	(40,049)
Experience adjustments – relating to insurance service expenses	(28,506)	–	–	(28,506)
	(28,506)	(40,049)	(130,590)	(199,145)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(242,460)	29,305	212,786	(369)
Changes in estimates that result in onerous contract losses or reversal of losses	(14,458)	(1,169)	–	(15,627)
Contracts initially recognised in the period	(184,922)	32,712	157,723	5,513
	(441,840)	60,848	370,509	(10,483)
Changes that relate to past service				
Changes that relate to past service – changes in the FCF relating to the LIC	(41,482)	–	–	(41,482)
Insurance service result	(511,828)	20,799	239,919	(251,110)
Finance expenses/(income) from insurance contracts issued	215,925	(346)	51,342	266,921
Total amounts recognised in comprehensive income	(295,903)	20,453	291,261	15,811
Cash flows				
Premiums received	744,311	–	–	744,311
Claims and other directly attributable expenses paid	(496,102)	–	–	(496,102)
Insurance acquisition cash flows	(167,737)	–	–	(167,737)
Total cash flows	80,472	–	–	80,472
Exchange rate adjustments	(11,802)	(2,011)	(6,614)	(20,427)
Net balance as at 31 December	2,104,250	257,720	1,203,363	3,565,333
Closing insurance contract liabilities	2,589,265	186,056	837,723	3,613,044
Closing insurance contract assets	(485,015)	71,664	365,640	(47,711)
Net balance as at 31 December	2,104,250	257,720	1,203,363	3,565,333

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	2,905,062	152,015	585,879	3,642,956
Opening insurance contract assets	(261,579)	53,456	146,783	(61,340)
Net balance at 1 January	2,643,483	205,471	732,662	3,581,616
Changes that relate to current service				
CSM recognised for the services provided	–	–	(121,311)	(121,311)
Change in the risk adjustment for non-financial risk for the risk expired	–	(34,112)	–	(34,112)
Experience adjustments – relating to insurance service expenses	(16,150)	–	–	(16,150)
	(16,150)	(34,112)	(121,311)	(171,573)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(90,340)	14,844	73,391	(2,105)
Changes in estimates that result in onerous contract losses or reversal of losses	45,092	(617)	–	44,475
Contracts initially recognised in the period	(241,803)	35,259	208,304	1,760
	(287,051)	49,486	281,695	44,130
Insurance service result	(303,201)	15,374	160,384	(127,443)
Finance expenses from insurance contracts issued	6,970	12,338	31,930	51,238
Total amounts recognised in comprehensive income	(296,231)	27,712	192,314	(76,205)
Cash flows				
Premiums received	727,297	–	–	727,297
Claims and other directly attributable expenses paid	(564,282)	–	–	(564,282)
Insurance acquisition cash flows	(184,106)	–	–	(184,106)
Total cash flows	(21,091)	–	–	(21,091)
Exchange rate adjustments	5,322	6,095	(6,260)	5,157
Net balance as at 31 December	2,331,483	239,278	918,716	3,489,477
Closing insurance contract liabilities	2,768,200	174,462	626,660	3,569,322
Closing insurance contract assets	(436,717)	64,816	292,056	(79,845)
Net balance as at 31 December	2,331,483	239,278	918,716	3,489,477

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2025			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	70,816	2,433	73,249
- Claims and other directly attributable expenses	233,044	11,573	244,617
Estimates of the present value of future cash outflows	303,860	14,006	317,866
Estimates of the present value of future cash inflows	(493,774)	(9,014)	(502,788)
Risk adjustment for non-financial risk	32,191	521	32,712
CSM	157,723	–	157,723
Increase in insurance contract liabilities from contracts recognised in the period	–	5,513	5,513
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	61,607	767	62,374
- Claims and other directly attributable expenses	325,116	8,518	333,634
Estimates of the present value of future cash outflows	386,723	9,285	396,008
Estimates of the present value of future cash inflows	(630,061)	(7,750)	(637,811)
Risk adjustment for non-financial risk	35,034	225	35,259
CSM	208,304	–	208,304
Increase in insurance contract liabilities from contracts recognised in the period	–	1,760	1,760

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2025			
Insurance revenue	296,114	236,642	532,756
CSM as at 1 January	439,732	478,984	918,716
Changes that relate to current service			
CSM recognised for the services provided	(75,662)	(54,928)	(130,590)
Changes that relate to future service			
Changes in estimates that adjust the CSM	97,655	115,131	212,786
Contracts initially recognised in the period	157,723	–	157,723
	179,716	60,203	239,919
Finance expenses from insurance contracts issued	26,496	24,846	51,342
Total amounts recognised in comprehensive income	206,212	85,049	291,261
Exchange rate adjustments	(1,358)	(5,256)	(6,614)
CSM as at 31 December	644,586	558,777	1,203,363
31 December 2024			
Insurance revenue	222,826	255,923	478,749
CSM as at 1 January	251,210	481,452	732,662
Changes that relate to current service			
CSM recognised for the services provided	(57,508)	(63,803)	(121,311)
Changes that relate to future service			
Changes in estimates that adjust the CSM	23,213	50,178	73,391
Contracts initially recognised in the period	208,304	–	208,304
	174,009	(13,625)	160,384
Finance expenses from insurance contracts issued	14,000	17,930	31,930
Total amounts recognised in comprehensive income	188,009	4,305	192,314
Exchange rate adjustments	513	(6,773)	(6,260)
CSM as at 31 December	439,732	478,984	918,716

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held

15.4.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage			
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Incurred claims $'000	Total $'000
2025				
Opening reinsurance contract assets	(3,750)	(98)	60,063	56,215
Opening reinsurance contract liabilities	(23,967)	(1)	6,262	(17,706)
Net balance as at 1 January	(27,717)	(99)	66,325	38,509
Net income/(expenses) from reinsurance contracts held				
- Reinsurance expenses	(72,121)	–	–	(72,121)
- Other incurred directly attributable expenses	–	–	(1,628)	(1,628)
- Incurred claims recovery	–	–	45,082	45,082
Net income/(expenses) from reinsurance contracts held	(72,121)	–	43,454	(28,667)
Finance income from reinsurance contracts held	6,323	–	–	6,323
Total amounts recognised in comprehensive income	(65,798)	–	43,454	(22,344)
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	89,923	–	13,365	103,288
Recoveries from reinsurance	–	–	(51,564)	(51,564)
Total cash flows	89,923	–	(38,199)	51,724
Exchange rate adjustments	(92)	(49)	408	267
Net balance as at 31 December	(3,684)	(148)	71,988	68,156
Closing reinsurance contract assets	17,424	(147)	69,309	86,586
Closing reinsurance contract liabilities	(21,108)	(1)	2,679	(18,430)
Net balance as at 31 December	(3,684)	(148)	71,988	68,156

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage			
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Incurred claims $'000	Total $'000
2024				
Opening reinsurance contract assets	(16,424)	10	66,756	50,342
Opening reinsurance contract liabilities	(34,466)	392	10,591	(23,483)
Net balance as at 1 January	(50,890)	402	77,347	26,859
Net income/(expenses) from reinsurance contracts held				
- Reinsurance expenses	(66,129)	–	–	(66,129)
- Other incurred directly attributable expenses	–	–	7,045	7,045
- Incurred claims recovery	–	27	38,271	38,298
- Income on initial recognition of onerous underlying contracts	–	477	–	477
- Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held	–	(57)	–	(57)
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	–	(887)	–	(887)
Net income/(expenses) from reinsurance contracts held	(66,129)	(440)	45,316	(21,253)
Finance expenses from reinsurance contracts held	(260)	–	–	(260)
Total amounts recognised in comprehensive income	(66,389)	(440)	45,316	(21,513)
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	89,623	–	1,737	91,360
Recoveries from reinsurance	–	–	(58,104)	(58,104)
Total cash flows	89,623	–	(56,367)	33,256
Exchange rate adjustments	(61)	(61)	29	(93)
Net balance as at 31 December	(27,717)	(99)	66,325	38,509
Closing reinsurance contract assets	(3,750)	(98)	60,063	56,215
Closing reinsurance contract liabilities	(23,967)	(1)	6,262	(17,706)
Net balance as at 31 December	(27,717)	(99)	66,325	38,509

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.2 Reconciliation of the measurement components of reinsurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025				
Opening reinsurance contract assets	(32,283)	25,493	63,005	56,215
Opening reinsurance contract liabilities	(28,751)	1,096	9,949	(17,706)
Net balance as at 1 January	(61,034)	26,589	72,954	38,509
Changes that relate to current service				
- CSM recognised for the services received	–	–	(12,208)	(12,208)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(4,398)	–	(4,398)
- Experience adjustments – relating to incurred claims and other directly attributable expenses recovery	(12,061)	–	–	(12,061)
	(12,061)	(4,398)	(12,208)	(28,667)
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(40,355)	6,720	33,635	–
- Contracts initially recognised in the period	(3,449)	317	3,132	–
	(43,804)	7,037	36,767	–
Net income/(expenses) from reinsurance contracts held	(55,865)	2,639	24,559	(28,667)
Finance income from reinsurance contracts held	1,206	579	4,538	6,323
Total amounts recognised in comprehensive income	(54,659)	3,218	29,097	(22,344)
Cash flows				
- Premiums paid net of ceding commissions and other directly attributable expenses paid	103,288	–	–	103,288
- Recoveries from reinsurance	(51,564)	–	–	(51,564)
Total cash flows	51,724	–	–	51,724
Exchange rate adjustments	3,545	(45)	(3,233)	267
Net balance as at 31 December	(60,424)	29,762	98,818	68,156
Closing reinsurance contract assets	(31,696)	26,565	91,717	86,586
Closing reinsurance contract liabilities	(28,728)	3,197	7,101	(18,430)
Net balance as at 31 December	(60,424)	29,762	98,818	68,156

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.2 Reconciliation of the measurement components of reinsurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening reinsurance contract assets	(25,094)	27,936	47,500	50,342
Opening reinsurance contract liabilities	(24,854)	762	609	(23,483)
Net balance as at 1 January	(49,948)	28,698	48,109	26,859
Changes that relate to current service				
- CSM recognised for the services received	–	–	(7,996)	(7,996)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(4,225)	–	(4,225)
- Experience adjustments – relating to incurred claims and other directly attributable expenses recovery	(8,565)	–	–	(8,565)
	(8,565)	(4,225)	(7,996)	(20,786)
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(32,702)	522	32,180	–
- Contracts initially recognised in the period	1,097	(197)	(900)	–
- CSM adjustment for income on initial recognition of onerous underlying contracts	–	–	477	477
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(884)	(3)	–	(887)
- Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	–	(57)	(57)
	(32,489)	322	31,700	(467)
Net income/(expenses) from reinsurance contracts held	(41,054)	(3,903)	23,704	(21,253)
Finance income/(expenses) from reinsurance contracts held	(3,611)	883	2,468	(260)
Total amounts recognised in comprehensive income	(44,665)	(3,020)	26,172	(21,513)
Cash flows				
- Premiums paid net of ceding commissions and other directly attributable expenses paid	91,360	–	–	91,360
- Recoveries from reinsurance	(58,104)	–	–	(58,104)
Total cash flows	33,256	–	–	33,256
Exchange rate adjustments	323	911	(1,327)	(93)
Net balance as at 31 December	(61,034)	26,589	72,954	38,509
Closing reinsurance contract assets	(32,283)	25,493	63,005	56,215
Closing reinsurance contract liabilities	(28,751)	1,096	9,949	(17,706)
Net balance as at 31 December	(61,034)	26,589	72,954	38,509

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.3 Impact of contracts recognised in the year

	Contracts originated not in a net gain $'000	Contracts originated in a net gain $'000	Total $'000
31 December 2025			
Estimates of the present value of future cash outflows	–	(5,692)	(5,692)
Estimates of the present value of future cash inflows	–	2,243	2,243
Risk adjustment for non-financial risk	–	317	317
CSM	–	3,132	3,132
Increase in reinsurance contract assets from contracts recognised in the period	–	–	–
31 December 2024			
Estimates of the present value of future cash outflows	(78)	–	(78)
Estimates of the present value of future cash inflows	1,175	–	1,175
Risk adjustment for non-financial risk	(197)	–	(197)
CSM	(900)	–	(900)
Increase in reinsurance contract assets from contracts recognised in the period	–	–	–

15.4.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2025			
CSM as at 1 January	3,958	68,996	72,954
Changes that relate to current service			
- CSM recognised for the services received	(253)	(11,955)	(12,208)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	134	33,501	33,635
- Contracts initially recognised in the period	3,132	–	3,132
	3,013	21,546	24,559
Finance income from reinsurance contracts held	83	4,455	4,538
Total amounts recognised in comprehensive income	3,096	26,001	29,097
Exchange rate adjustments	(27)	(3,206)	(3,233)
CSM as at 31 December	7,027	91,791	98,818

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.4 Amounts determined on transition to IFRS 17 (continued)

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2024			
CSM as at 1 January	1,707	46,402	48,109
Changes that relate to current service			
– CSM recognised for the services received	(174)	(7,822)	(7,996)
Changes that relate to future service			
– Changes in estimates that adjust the CSM	2,784	29,396	32,180
– Contracts initially recognised in the period	(900)	–	(900)
– Adjustment for income on initial recognition of onerous underlying contracts	477	–	477
– Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	(57)	(57)
	2,187	21,517	23,704
Finance income from reinsurance contracts held	43	2,425	2,468
Total amounts recognised in comprehensive income	2,230	23,942	26,172
Exchange rate adjustments	21	(1,348)	(1,327)
CSM as at 31 December	3,958	68,996	72,954

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in note 3(a).

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued

15.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2025				
Opening insurance contract liabilities	1,504,560	19,239	240,501	1,764,300
Opening insurance contract assets	(8,591)	–	916	(7,675)
Net balance as at 1 January	1,495,969	19,239	241,417	1,756,625
Insurance revenue	(471,871)	–	–	(471,871)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(44)	261,744	261,700
Losses on onerous contracts and reversal of those losses	–	(13,714)	–	(13,714)
Insurance acquisition cash flows amortisation	64,887	–	–	64,887
Insurance service expenses	64,887	(13,758)	261,744	312,873
Insurance service result	(406,984)	(13,758)	261,744	(158,998)
Finance expenses from insurance contracts issued	57,134	–	–	57,134
Total amounts recognised in comprehensive income	(349,850)	(13,758)	261,744	(101,864)
Investment components	(336,744)	–	336,744	–
Cash flows				
Premiums received	976,974	–	–	976,974
Claims and other directly attributable expenses paid	–	–	(575,029)	(575,029)
Insurance acquisition cash flows	(170,521)	–	–	(170,521)
Total cash flows	806,453	–	(575,029)	231,424
Exchange rate adjustments	(1,617)	(495)	(1,041)	(3,153)
Net balance as at 31 December	1,614,211	4,986	263,835	1,883,032
Closing insurance contract liabilities	1,621,228	4,986	263,147	1,889,361
Closing insurance contract assets	(7,017)	–	688	(6,329)
Net balance as at 31 December	1,614,211	4,986	263,835	1,883,032

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	1,268,664	35,387	241,721	1,545,772
Opening insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 1 January	1,257,411	35,387	241,721	1,534,519
Insurance revenue	(434,014)	–	–	(434,014)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	185	253,467	253,652
Losses on onerous contracts and reversal of those losses	–	(16,277)	–	(16,277)
Insurance acquisition cash flows amortisation	49,015	–	–	49,015
Insurance service expenses	49,015	(16,092)	253,467	286,390
Insurance service result	(384,999)	(16,092)	253,467	(147,624)
Finance expenses from insurance contracts issued	94,206	–	–	94,206
Total amounts recognised in comprehensive income	(290,793)	(16,092)	253,467	(53,418)
Investment components	(322,502)	–	322,502	–
Cash flows				
Premiums received	1,018,569	–	–	1,018,569
Claims and other directly attributable expenses paid	–	–	(576,404)	(576,404)
Insurance acquisition cash flows	(167,410)	–	–	(167,410)
Total cash flows	851,159	–	(576,404)	274,755
Exchange rate adjustments	694	(56)	131	769
Net balance as at 31 December	1,495,969	19,239	241,417	1,756,625
Closing insurance contract liabilities	1,504,560	19,239	240,501	1,764,300
Closing insurance contract assets	(8,591)	–	916	(7,675)
Net balance as at 31 December	1,495,969	19,239	241,417	1,756,625

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025				
Opening insurance contract liabilities	649,829	237,230	877,241	1,764,300
Opening insurance contract assets	(75,315)	12,188	55,452	(7,675)
Net balance as at 1 January	574,514	249,418	932,693	1,756,625
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(126,204)	(126,204)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(46,165)	–	(46,165)
- Experience adjustments – relating to insurance service expenses	27,085	–	–	27,085
	27,085	(46,165)	(126,204)	(145,284)
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(7,273)	20,604	(13,331)	–
- Changes in estimates that result in onerous contract losses or reversal of losses	(15,713)	1,993	–	(13,720)
- Contracts initially recognised in the period	(126,095)	31,154	94,947	6
	(149,081)	53,751	81,616	(13,714)
Insurance service result	(121,996)	7,586	(44,588)	(158,998)
Finance expenses from insurance contracts issued	57,134	–	–	57,134
Total amounts recognised in comprehensive income	(64,862)	7,586	(44,588)	(101,864)
Cash flows				
Premiums received	976,974	–	–	976,974
Claims and other directly attributable expenses paid	(575,029)	–	–	(575,029)
Insurance acquisition cash flows	(170,521)	–	–	(170,521)
Total cash flows	231,424	–	–	231,424
Exchange rate adjustments	(5,815)	(878)	3,540	(3,153)
Net balance as at 31 December	735,261	256,126	891,645	1,883,032
Closing insurance contract liabilities	819,038	243,044	827,279	1,889,361
Closing insurance contract assets	(83,777)	13,082	64,366	(6,329)
Net balance as at 31 December	735,261	256,126	891,645	1,883,032

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	489,603	252,404	803,765	1,545,772
Opening insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 1 January	478,350	252,404	803,765	1,534,519
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(189,078)	(189,078)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(44,210)	–	(44,210)
- Experience adjustments – relating to insurance service expenses	101,941	–	–	101,941
	101,941	(44,210)	(189,078)	(131,347)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	(272,770)	14,674	258,096	–
- Changes in estimates that result in onerous contract losses or reversal of losses	(15,915)	(362)	–	(16,277)
- Contracts initially recognised in the period	(121,968)	34,325	87,643	–
	(410,653)	48,637	345,739	(16,277)
Insurance service result	(308,712)	4,427	156,661	(147,624)
Finance expenses from insurance contracts issued	94,206	–	–	94,206
Total amounts recognised in comprehensive income	(214,506)	4,427	156,661	(53,418)
Cash flows				
Premiums received	1,018,569	–	–	1,018,569
Claims and other directly attributable expenses paid	(576,404)	–	–	(576,404)
Insurance acquisition cash flows	(167,410)	–	–	(167,410)
Total cash flows	274,755	–	–	274,755
Exchange rate adjustments	35,915	(7,413)	(27,733)	769
Net balance as at 31 December	574,514	249,418	932,693	1,756,625
Closing insurance contract liabilities	649,829	237,230	877,241	1,764,300
Closing insurance contract assets	(75,315)	12,188	55,452	(7,675)
Net balance as at 31 December	574,514	249,418	932,693	1,756,625

(a) Adjustment to the CSM in 2024 within the unit linked and interest sensitive with guarantees category was primarily driven by model refinements and assumption changes within the period.

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2025			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	130,411	614	131,025
- Claims and other directly attributable expenses	302,205	981	303,186
Estimates of the present value of future cash outflows	432,616	1,595	434,211
Estimates of the present value of future cash inflows	(558,616)	(1,690)	(560,306)
Risk adjustment for non-financial risk	31,053	101	31,154
CSM	94,947	–	94,947
Increase in insurance contract liabilities from contracts recognised in the period	–	6	6
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	155,966	–	155,966
- Claims and other directly attributable expenses	397,647	5	397,652
Estimates of the present value of future cash outflows	553,613	5	553,618
Estimates of the present value of future cash inflows	(675,581)	(5)	(675,586)
Risk adjustment for non-financial risk	34,325	–	34,325
CSM	87,643	–	87,643
Increase in insurance contract liabilities from contracts recognised in the period	–	–	–

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2025			
Insurance revenue	191,125	280,746	471,871
CSM as at 1 January	441,782	490,911	932,693
Changes that relate to current service			
CSM recognised for the services provided	(55,579)	(70,625)	(126,204)
Changes that relate to future service			
Changes in estimates that adjust the CSM	51,050	(64,381)	(13,331)
Contracts initially recognised in the period	94,947	–	94,947
Total amounts recognised in comprehensive income	90,418	(135,006)	(44,588)
Exchange rate adjustments	(3,532)	7,072	3,540
CSM as at 31 December	528,668	362,977	891,645
31 December 2024			
Insurance revenue	148,128	285,886	434,014
CSM as at 1 January	192,309	611,456	803,765
Changes that relate to current service			
CSM recognised for the services provided	(42,857)	(146,221)	(189,078)
Changes that relate to future service			
Changes in estimates that adjust the CSM	204,194	53,902	258,096
Contracts initially recognised in the period	87,643	–	87,643
Total amounts recognised in comprehensive income	248,980	(92,319)	156,661
Exchange rate adjustments	493	(28,226)	(27,733)
CSM as at 31 December	441,782	490,911	932,693

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued

15.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2025				
Opening insurance contract liabilities	15,268,733	311,395	317,068	15,897,196
Opening insurance contract assets	–	–	(16)	(16)
Net balance as at 1 January	15,268,733	311,395	317,052	15,897,180
Insurance revenue	(763,711)	–	–	(763,711)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(8,380)	534,660	526,280
Losses on onerous contracts and reversal of those losses	–	(101,398)	–	(101,398)
Insurance acquisition cash flows amortisation	18,442	–	–	18,442
Insurance service expenses	18,442	(109,778)	534,660	443,324
Insurance service result	(745,269)	(109,778)	534,660	(320,387)
Finance expenses from insurance contracts issued	168,837	3,133	–	171,970
Total amounts recognised in comprehensive income	(576,432)	(106,645)	534,660	(148,417)
Investment components	(958,965)	–	958,965	–
Cash flows				
Premiums received	1,692,824	–	–	1,692,824
Claims and other directly attributable expenses paid	–	–	(1,564,748)	(1,564,748)
Insurance acquisition cash flows	(42,783)	–	–	(42,783)
Total cash flows	1,650,041	–	(1,564,748)	85,293
Exchange rate adjustments	(5,005)	(865)	1,097	(4,773)
Net balance as at 31 December	15,378,372	203,885	247,026	15,829,283
Closing insurance contract liabilities	15,378,372	203,885	247,026	15,829,283
Closing insurance contract assets	–	–	–	–
Net balance as at 31 December	15,378,372	203,885	247,026	15,829,283

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	14,791,430	234,226	325,326	15,350,982
Opening insurance contract assets	–	–	–	–
Net balance as at 1 January	14,791,430	234,226	325,326	15,350,982
Insurance revenue	(797,392)	–	–	(797,392)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(2,808)	684,889	682,081
Losses on onerous contracts and reversal of those losses	–	77,034	–	77,034
Insurance acquisition cash flows amortisation	13,848	–	–	13,848
Insurance service expenses	13,848	74,226	684,889	772,963
Insurance service result	(783,544)	74,226	684,889	(24,429)
Finance expenses from insurance contracts issued	478,334	2,058	–	480,392
Total amounts recognised in comprehensive income	(305,210)	76,284	684,889	455,963
Investment components	(678,059)	–	678,059	–
Cash flows				
Premiums received	1,481,593	–	–	1,481,593
Claims and other directly attributable expenses paid	–	–	(1,371,603)	(1,371,603)
Insurance acquisition cash flows	(51,368)	–	–	(51,368)
Total cash flows	1,430,225	–	(1,371,603)	58,622
Exchange rate adjustments	30,347	885	381	31,613
Net balance as at 31 December	15,268,733	311,395	317,052	15,897,180
Closing insurance contract liabilities	15,268,733	311,395	317,068	15,897,196
Closing insurance contract assets	–	–	(16)	(16)
Net balance as at 31 December	15,268,733	311,395	317,052	15,897,180

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025				
Opening insurance contract liabilities	14,056,994	164,857	1,675,345	15,897,196
Opening insurance contract assets	(16)	–	–	(16)
Net balance as at 1 January	14,056,978	164,857	1,675,345	15,897,180
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(102,687)	(102,687)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(14,667)	–	(14,667)
- Experience adjustments – relating to insurance service expenses	(101,635)	–	–	(101,635)
	(101,635)	(14,667)	(102,687)	(218,989)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	(280,549)	64,392	216,517	360
- Changes in estimates that result in onerous contract losses or reversal of losses	(106,519)	2,570	–	(103,949)
- Contracts initially recognised in the period	(71,730)	5,658	68,263	2,191
	(458,798)	72,620	284,780	(101,398)
Insurance service result	(560,433)	57,953	182,093	(320,387)
Finance expenses from insurance contracts issued	91,456	24,542	55,972	171,970
Total amounts recognised in comprehensive income	(468,977)	82,495	238,065	(148,417)
Cash flows				
Premiums received	1,692,824	–	–	1,692,824
Claims and other directly attributable expenses paid	(1,564,748)	–	–	(1,564,748)
Insurance acquisition cash flows	(42,783)	–	–	(42,783)
Total cash flows	85,293	–	–	85,293
Exchange rate adjustments	(6,395)	(543)	2,165	(4,773)
Net balance as at 31 December	13,666,899	246,809	1,915,575	15,829,283
Closing insurance contract liabilities	13,666,899	246,809	1,915,575	15,829,283
Closing insurance contract assets	–	–	–	–
Net balance as at 31 December	13,666,899	246,809	1,915,575	15,829,283

(a) Adjustment to the CSM in 2025 within the annuities category primarily arose from:

(i) The implementation of a new actuarial system in the Dutch Caribbean, with expanded functionality that allowed for certain reconsiderations of actuarial assumptions.

(ii) A project-based reassessment of expected and actual cash flows in Trinidad and Tobago, that resulted in the adjustment of future expected profits on certain annuity portfolios.

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	13,225,820	181,816	1,943,346	15,350,982
Opening insurance contract assets	–	–	–	–
Net balance as at 1 January	13,225,820	181,816	1,943,346	15,350,982
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(152,344)	(152,344)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(11,809)	–	(11,809)
- Experience adjustments – relating to insurance service expenses	62,690	–	–	62,690
	62,690	(11,809)	(152,344)	(101,463)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	237,428	(17,983)	(219,441)	4
- Changes in estimates that result in onerous contract losses or reversal of losses	68,452	(2,910)	–	65,542
- Contracts initially recognised in the period	(76,721)	7,308	80,901	11,488
	229,159	(13,585)	(138,540)	77,034
Insurance service result	291,849	(25,394)	(290,884)	(24,429)
Finance expenses from insurance contracts issued	437,948	4,262	38,182	480,392
Total amounts recognised in comprehensive income	729,797	(21,132)	(252,702)	455,963
Cash flows				
Premiums received	1,481,593	–	–	1,481,593
Claims and other directly attributable expenses paid	(1,371,603)	–	–	(1,371,603)
Insurance acquisition cash flows	(51,368)	–	–	(51,368)
Total cash flows	58,622	–	–	58,622
Exchange rate adjustments	42,739	4,173	(15,299)	31,613
Net balance as at 31 December	14,056,978	164,857	1,675,345	15,897,180
Closing insurance contract liabilities	14,056,994	164,857	1,675,345	15,897,196
Closing insurance contract assets	(16)	–	–	(16)
Net balance as at 31 December	14,056,978	164,857	1,675,345	15,897,180

(a) Adjustment to the CSM in 2024 within the annuities category was primarily driven by model refinements and assumption changes within the period.

15. Insurance contracts (continued)

15.6 Annuities - Insurance contracts issued (continued)

15.6.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2025			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	16,506	2,654	19,160
- Claims and other directly attributable expenses	482,294	13,856	496,150
Estimates of the present value of future cash outflows	498,800	16,510	515,310
Estimates of the present value of future cash inflows	(572,313)	(14,727)	(587,040)
Risk adjustment for non-financial risk	5,250	408	5,658
CSM	68,263	–	68,263
Increase in insurance contract liabilities from contracts recognised in the period	–	2,191	2,191
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	18,817	4,859	23,676
- Claims and other directly attributable expenses	439,909	32,828	472,737
Estimates of the present value of future cash outflows	458,726	37,687	496,413
Estimates of the present value of future cash inflows	(545,569)	(27,565)	(573,134)
Risk adjustment for non-financial risk	5,942	1,366	7,308
CSM	80,901	–	80,901
Increase in insurance contract liabilities from contracts recognised in the period	–	11,488	11,488

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2025			
Insurance revenue	140,301	623,410	763,711
CSM as at 1 January	169,110	1,506,235	1,675,345
Changes that relate to current service			
- CSM recognised for the services provided	(20,755)	(81,932)	(102,687)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	271,146	(54,629)	216,517
- Contracts initially recognised in the period	68,263	–	68,263
	318,654	(136,561)	182,093
Finance expenses from insurance contracts issued	10,618	45,354	55,972
Total amounts recognised in comprehensive income	329,272	(91,207)	238,065
Exchange rate adjustments	1,150	1,015	2,165
CSM as at 31 December	499,532	1,416,043	1,915,575
31 December 2024			
Insurance revenue	96,366	701,026	797,392
CSM as at 1 January	163,891	1,779,455	1,943,346
Changes that relate to current service			
- CSM recognised for the services provided	(10,801)	(141,543)	(152,344)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	(71,213)	(148,228)	(219,441)
- Contracts initially recognised in the period	80,901	–	80,901
	(1,113)	(289,771)	(290,884)
Finance expenses from insurance contracts issued	6,067	32,115	38,182
Total amounts recognised in comprehensive income	4,954	(257,656)	(252,702)
Exchange rate adjustments	265	(15,564)	(15,299)
CSM as at 31 December	169,110	1,506,235	1,675,345

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

15. Insurance contracts (continued)

15.7 Short-term group life and health – Insurance contracts issued

15.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2025					
Opening insurance contract liabilities	124,432	–	97,105	8,543	230,080
Opening insurance contract assets	(183,168)	–	111,684	5,564	(65,920)
Net balance as at 1 January	(58,736)	–	208,789	14,107	164,160
Insurance revenue	(1,240,382)	–	–	–	(1,240,382)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	912,982	47,311	960,293
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	(40,125)	(40,125)
Losses on onerous contracts and reversal of those losses	–	10,146	–	–	10,146
Insurance acquisition cash flows amortisation	107,984	–	–	–	107,984
Insurance service expenses	107,984	10,146	912,982	7,186	1,038,298
Insurance service result	(1,132,398)	10,146	912,982	7,186	(202,084)
Finance expenses from insurance contracts issued	–	–	787	–	787
Total amounts recognised in comprehensive income	(1,132,398)	10,146	913,769	7,186	(201,297)
Cash flows					
Premiums received	1,202,566	–	–	–	1,202,566
Claims and other directly attributable expenses paid	–	–	(937,547)	–	(937,547)
Insurance acquisition cash flows	(103,927)	–	–	–	(103,927)
Total cash flows	1,098,639	–	(937,547)	–	161,092
Exchange rate adjustments	(170)	–	(898)	(12)	(1,080)
Net balance as at 31 December	(92,665)	10,146	184,113	21,281	122,875
Closing insurance contract liabilities	88,280	10,146	122,431	18,333	239,190
Closing insurance contract assets	(180,945)	–	61,682	2,948	(116,315)
Net balance as at 31 December	(92,665)	10,146	184,113	21,281	122,875

15. Insurance contracts (continued)

15.7 Short-term group life and health – Insurance contracts issued (continued)

15.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening insurance contract liabilities	(43,232)	–	183,067	13,969	153,804
Opening insurance contract assets	(29,206)	–	17,666	855	(10,685)
Net balance as at 1 January	(72,438)	–	200,733	14,824	143,119
Insurance revenue	(1,225,113)	–	–	–	(1,225,113)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	921,035	40,470	961,505
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	(41,246)	(41,246)
Insurance acquisition cash flows amortisation	70,979	–	–	–	70,979
Insurance service expenses	70,979	–	921,035	(776)	991,238
Insurance service result	(1,154,134)	–	921,035	(776)	(233,875)
Total amounts recognised in comprehensive income	(1,154,134)	–	921,035	(776)	(233,875)
Cash flows					
Premiums received	1,237,750	–	–	–	1,237,750
Claims and other directly attributable expenses paid	–	–	(913,860)	–	(913,860)
Insurance acquisition cash flows	(69,664)	–	–	–	(69,664)
Total cash flows	1,168,086	–	(913,860)	–	254,226
Exchange rate adjustments	(250)	–	881	59	690
Net balance as at 31 December	(58,736)	–	208,789	14,107	164,160
Closing insurance contract liabilities	124,432	–	97,105	8,543	230,080
Closing insurance contract assets	(183,168)	–	111,684	5,564	(65,920)
Net balance as at 31 December	(58,736)	–	208,789	14,107	164,160

15. Insurance contracts (continued)

15.8 Short-term group life and health – Reinsurance contracts held

15.8.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2025					
Opening reinsurance contract assets	8,796	–	48,992	2,239	60,027
Opening reinsurance contract liabilities	(6,665)	–	4,649	49	(1,967)
Net balance as at 1 January	2,131	–	53,641	2,288	58,060
Net income (expenses) from reinsurance contracts held					
- Reinsurance expenses	(113,789)	–	–	–	(113,789)
- Other incurred directly attributable expenses	–	–	(1,318)	–	(1,318)
- Incurred claims recovery	–	–	61,458	1,175	62,633
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(10)	(1,227)	(1,237)
Net income/(expenses) from reinsurance contracts held	(113,789)	–	60,130	(52)	(53,711)
Finance income from reinsurance contracts held	–	–	380	–	380
Total amounts recognised in comprehensive income	(113,789)	–	60,510	(52)	(53,331)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	107,775	–	915	–	108,690
Recoveries from reinsurance	–	–	(46,851)	–	(46,851)
Total cash flows	107,775	–	(45,936)	–	61,839
Exchange rate adjustments	80	–	61	3	144
Net balance as at 31 December	(3,803)	–	68,276	2,239	66,712
Closing reinsurance contract assets	4,523	–	63,989	2,805	71,317
Closing reinsurance contract liabilities	(8,326)	–	4,287	(566)	(4,605)
Net balance as at 31 December	(3,803)	–	68,276	2,239	66,712

15. Insurance contracts (continued)

15.8 Short-term group life and health – Reinsurance contracts held (continued)

15.8.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening reinsurance contract assets	10,574	–	61,483	5,027	77,084
Opening reinsurance contract liabilities	(5,326)	–	2,623	(54)	(2,757)
Net balance as at 1 January	5,248	–	64,106	4,973	74,327
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(102,388)	–	–	–	(102,388)
- Other incurred directly attributable expenses	–	–	(1,370)	–	(1,370)
- Incurred claims recovery	–	–	76,659	759	77,418
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(35)	(3,462)	(3,497)
Net income/(expenses) from reinsurance contracts held	(102,388)	–	75,254	(2,703)	(29,837)
Total amounts recognised in comprehensive income	(102,388)	–	75,254	(2,703)	(29,837)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	99,264	–	957	–	100,221
Recoveries from reinsurance	–	–	(86,948)	–	(86,948)
Total cash flows	99,264	–	(85,991)	–	13,273
Exchange rate adjustments	7	–	272	18	297
Net balance as at 31 December	2,131	–	53,641	2,288	58,060
Closing reinsurance contract assets	8,796	–	48,992	2,239	60,027
Closing reinsurance contract liabilities	(6,665)	–	4,649	49	(1,967)
Net balance as at 31 December	2,131	–	53,641	2,288	58,060

15. Insurance contracts (continued)

15.9 Property and casualty – Insurance contracts issued

15.9.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2025					
Opening insurance contract liabilities	678,539	–	870,297	64,691	1,613,527
Opening insurance contract assets	(818)	–	(487)	6	(1,299)
Net balance as at 1 January	677,721	–	869,810	64,697	1,612,228
Insurance revenue	(3,147,728)	–	–	–	(3,147,728)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	1,622,697	155,830	1,778,527
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	41,372	(30,964)	10,408
Insurance acquisition cash flows amortisation	561,770	–	–	–	561,770
Insurance service expenses	561,770	–	1,664,069	124,866	2,350,705
Insurance service result	(2,585,958)	–	1,664,069	124,866	(797,023)
Finance expenses from insurance contracts issued	–	–	37,819	–	37,819
Total amounts recognised in comprehensive income	(2,585,958)	–	1,701,888	124,866	(759,204)
Cash flows					
Premiums received	3,130,678	–	–	–	3,130,678
Claims and other directly attributable expenses paid	–	–	(1,138,191)	–	(1,138,191)
Payment on commutation of contracts (see Note (a) below)	–	–	(130,566)	–	(130,566)
Insurance acquisition cash flows	(532,866)	–	–	–	(532,866)
Total cash flows	2,597,812	–	(1,268,757)	–	1,329,055
Other movements	(11,018)	–	8,478	–	(2,540)
Exchange rate adjustments	4,020	–	60,031	5,277	69,328
Net balance as at 31 December	682,577	–	1,371,450	194,840	2,248,867
Closing insurance contract liabilities	791,749	–	1,372,343	194,785	2,358,877
Closing insurance contract assets	(109,172)	–	(893)	55	(110,010)
Net balance as at 31 December	682,577	–	1,371,450	194,840	2,248,867

(a) During 2025, the Group's reinsurance subsidiary entered into a commutation and release agreement with a cedant in respect of Property and Motor Quota Share Retrocession contracts that were originally entered into during 2004 to 2009. Under the terms of the commutation and release agreement, both parties are mutually released from all past, present, and future payment obligations arising from the retrocession agreement. The commutation was completed on 30 September 2025, at which date all liabilities and obligations under the agreement were fully settled.

15. Insurance contracts (continued)

15.9 Property and casualty – Insurance contracts issued (continued)

15.9.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening insurance contract liabilities	658,145	–	849,479	77,881	1,585,505
Opening insurance contract assets	(6,212)	–	(8,912)	(4,601)	(19,725)
Net balance as at 1 January	651,933	–	840,567	73,280	1,565,780
Insurance revenue	(2,943,116)	–	–	–	(2,943,116)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	870,286	31,053	901,339
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	(46,536)	(38,947)	(85,483)
Insurance acquisition cash flows amortisation	468,498	–	–	–	468,498
Insurance service expenses	468,498	–	823,750	(7,894)	1,284,354
Insurance service result	(2,474,618)	–	823,750	(7,894)	(1,658,762)
Finance expenses from insurance contracts issued	–	–	24,528	–	24,528
Total amounts recognised in comprehensive income	(2,474,618)	–	848,278	(7,894)	(1,634,234)
Cash flows					
Premiums received	2,789,091	–	–	–	2,789,091
Claims and other directly attributable expenses paid	–	–	(835,991)	–	(835,991)
Insurance acquisition cash flows	(291,120)	–	–	–	(291,120)
Total cash flows	2,497,971	–	(835,991)	–	1,661,980
Exchange rate adjustments	2,435	–	16,956	(689)	18,702
Net balance as at 31 December	677,721	–	869,810	64,697	1,612,228
Closing insurance contract liabilities	678,539	–	870,297	64,691	1,613,527
Closing insurance contract assets	(818)	–	(487)	6	(1,299)
Net balance as at 31 December	677,721	–	869,810	64,697	1,612,228

15. Insurance contracts (continued)

15.10 Property and casualty – Reinsurance contracts held

15.10.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2025					
Opening reinsurance contract assets	66,922	–	574,954	37,003	678,879
Opening reinsurance contract liabilities	(123,603)	–	2,938	41	(120,624)
Net balance as at 1 January	(56,681)	–	577,892	37,044	558,255
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(1,547,713)	–	–	–	(1,547,713)
- Other incurred directly attributable expenses	–	–	(7,035)	–	(7,035)
- Incurred claims recovery	–	–	947,733	136,318	1,084,051
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	39,835	(21,036)	18,799
Net income/(expenses) from reinsurance contracts held	(1,547,713)	–	980,533	115,282	(451,898)
Finance income from reinsurance contracts held	–	–	17,198	–	17,198
Total amounts recognised in comprehensive income	(1,547,713)	–	997,731	115,282	(434,700)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,495,079	–	1,782	–	1,496,861
Payment on commutation of contracts	–	–	(117,500)	–	(117,500)
Recoveries from reinsurance	–	–	(550,079)	–	(550,079)
Total cash flows	1,495,079	–	(665,797)	–	829,282
Exchange rate adjustments	(75)	–	49,626	4,014	53,565
Net balance as at 31 December	(109,390)	–	959,452	156,340	1,006,402
Closing reinsurance contract assets	54,254	–	1,195,716	155,870	1,405,840
Closing reinsurance contract liabilities	(163,644)	–	(236,264)	470	(399,438)
Net balance as at 31 December	(109,390)	–	959,452	156,340	1,006,402



15. Insurance contracts (continued)

15.10 Property and casualty – Reinsurance contracts held (continued)

15.10.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening reinsurance contract assets	(1,897)	–	550,840	41,994	590,937
Opening reinsurance contract liabilities	(104,092)	–	(45)	–	(104,137)
Net balance as at 1 January	(105,989)	–	550,795	41,994	486,800
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(1,555,879)	–	–	–	(1,555,879)
- Other incurred directly attributable expenses	–	–	(6,897)	–	(6,897)
- Incurred claims recovery	–	–	325,332	16,183	341,515
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(13,449)	(20,490)	(33,939)
Net income/(expenses) from reinsurance contracts held	(1,555,879)	–	304,986	(4,307)	(1,255,200)
Finance income from reinsurance contracts held	–	–	411	–	411
Total amounts recognised in comprehensive income	(1,555,879)	–	305,397	(4,307)	(1,254,789)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,613,347	–	1,982	–	1,615,329
Recoveries from reinsurance	–	–	(280,138)	–	(280,138)
Total cash flows	1,613,347	–	(278,156)	–	1,335,191
Exchange rate adjustments	(8,160)	–	(144)	(643)	(8,947)
Net balance as at 31 December	(56,681)	–	577,892	37,044	558,255
Closing reinsurance contract assets	66,922	–	574,954	37,003	678,879
Closing reinsurance contract liabilities	(123,603)	–	2,938	41	(120,624)
Net balance as at 31 December	(56,681)	–	577,892	37,044	558,255

15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2025							
Net investment income/(expenses) – underlying assets							
- Investment income	351,100	686,392	143,917	461	–	–	1,181,870
- Net realised gains on financial assets	69,933	137,683	9,973	45	–	–	217,634
- Net impairment losses on financial assets	(5,983)	(12,026)	–	(43)	–	–	(18,052)
- Net realised gains/(losses) on other assets	394	(502)	(635)	(2)	–	–	(745)
- Net fair value gains/(losses)	(17,655)	(71,838)	(56,924)	31	–	–	(146,386)
- Other income	14,938	45,756	1,060	206	–	–	61,960
	412,727	785,465	97,391	698	–	–	1,296,281
Net investment income/(expenses) – other investments							
- Investment income	–	–	–	4,457	78,188	219,448	302,093
- Net realised gains on financial assets	–	–	–	–	609	22,437	23,046
- Net impairment gains/(losses) on financial assets	–	–	–	29	2,753	(46,199)	(43,417)
- Net realised gains on other assets	–	–	–	–	–	9,139	9,139
- Net fair value gains/(losses)	–	–	–	78	22,526	(2,241)	20,363
- Other income/(loss)	–	–	–	66	(4,184)	9,890	5,772
	–	–	–	4,630	99,892	212,474	316,996
Net investment income/(expenses) – other							
- Fee income	26,725	2,925	11	4,857	24,389	46,526	105,433
- Other income	448	23	–	171	23,918	121,310	145,870
- Net loss on third party interests in mutual funds	–	–	–	–	–	(15,292)	(15,292)
- Investment contract benefits	–	–	–	–	–	(64,868)	(64,868)
- Net fair value adjustments to properties	–	–	–	–	75	14,738	14,813
	27,173	2,948	11	5,028	48,382	102,414	185,956
Total net investment income	439,900	788,413	97,402	10,356	148,274	314,888	1,799,233

Underlying assets are those assets that are either contractually linked to the relevant insurance contracts or they are specifically used to back insurance contracts.

Finance income/(expenses) from insurance contracts issued							
- Changes in fair value of underlying assets of contracts measured under the VFA	–	(109,731)	(57,134)	–	–	–	(166,865)
- Interest accreted	(127,605)	(457,102)	–	(787)	(37,548)	–	(623,042)
- Effect of changes in interest rates and other financial assumptions	(141,623)	395,894	–	–	(271)	–	254,000
- Effect of changes in FCF at current rates from when CSM is unlocked at locked-in rates	2,330	(1,031)	–	–	–	–	1,299
- Foreign exchange differences	(23)	–	–	–	–	–	(23)
	(266,921)	(171,970)	(57,134)	(787)	(37,819)	–	(534,631)
Finance income/(expenses) from reinsurance contracts held							
- Interest accreted	(923)	–	–	380	16,978	–	16,435
- Effect of changes in interest rates and other financial assumptions	7,398	–	–	–	220	–	7,618
- Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	(152)	–	–	–	–	–	(152)
	6,323	–	–	380	17,198	–	23,901
Net insurance finance expenses	(260,598)	(171,970)	(57,134)	(407)	(20,621)	–	(510,730)

15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2025 (continued)							
Summary of the amounts recognised in profit or loss							
- Net investment income - underlying assets	341,706	755,538	97,391	698	–	–	1,195,333
- Net investment income - other investments	–	–	–	4,552	77,340	214,985	296,877
- Net investment income - other	27,173	2,948	11	5,028	48,382	102,414	185,956
- Finance expenses from insurance contracts issued	(137,287)	(575,717)	(57,134)	(787)	(37,819)	–	(808,744)
- Finance income from reinsurance contracts held	7,370	–	–	380	17,198	–	24,948
	238,962	182,769	40,268	9,871	105,101	317,399	894,370
Summary of the amounts recognised in OCI							
- Net investment income - underlying assets	71,021	29,927	–	–	–	–	100,948
- Net investment income/(loss) - other investments	–	–	–	78	22,552	(2,511)	20,119
- Finance income/(expenses) from insurance contracts issued	(129,634)	403,747	–	–	–	–	274,113
- Finance expenses from reinsurance contracts held	(1,047)	–	–	–	–	–	(1,047)
	(59,660)	433,674	–	78	22,552	(2,511)	394,133
Summary of the amounts recognised							
- Insurance service result	222,443	320,387	158,998	148,373	345,125	–	1,195,326
- Net investment income	439,900	788,413	97,402	10,356	148,274	314,888	1,799,233
- Finance expenses from insurance contracts issued	(266,921)	(171,970)	(57,134)	(787)	(37,819)	–	(534,631)
- Finance income from reinsurance contracts held	6,323	–	–	380	17,198	–	23,901
Net insurance and investment result	401,745	936,830	199,266	158,322	472,778	314,888	2,483,829
For the year ended 31 December 2024							
Net investment income/(expenses) - underlying assets							
- Investment income	316,524	670,210	141,860	1,643	–	–	1,130,237
- Net realised gains on financial assets	14,904	13,603	210	28	–	–	28,745
- Net impairment losses on financial assets	(12,755)	(26,358)	–	(316)	–	–	(39,429)
- Net realised gains/(losses) on other assets	1,765	(558)	–	(9)	–	–	1,198
- Net fair value gains/(losses)	114,550	210,994	(2,525)	694	–	–	323,713
- Other income	29,687	31,894	1,105	241	–	–	62,927
	464,675	899,785	140,650	2,281	–	–	1,507,391
Net investment income/(expenses) - other investments							
- Investment income	–	–	–	8,280	72,242	218,318	298,840
- Net realised gains on financial assets	–	–	–	–	40	14,578	14,618
- Net impairment gains/(losses) on financial assets	–	–	–	1,470	(2,405)	(8,282)	(9,217)
- Net realised gains on other assets	–	–	–	–	–	6,487	6,487
- Net fair value gains	–	–	–	245	4,482	38,823	43,550
- Other income	–	–	–	217	3,070	5,696	8,983
	–	–	–	10,212	77,429	275,620	363,261

15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2024 (continued)							
Net investment income/(expenses) – other							
- Fee income	24,497	2,346	61	3,691	27,025	25,486	83,106
- Other income	210	15	–	414	6,072	127,617	134,328
- Net loss on third party interests in mutual funds	–	–	–	–	–	(24,190)	(24,190)
- Investment contract benefits	–	–	–	–	–	(71,412)	(71,412)
- Net fair value adjustments to properties	–	–	–	–	629	31,687	32,316
	24,707	2,361	61	4,105	33,726	89,188	154,148
Total net investment income	489,382	902,146	140,711	16,598	111,155	364,808	2,024,800
Finance income/(expenses) from insurance contracts issued							
- Changes in fair value of underlying assets of contracts measured under the VFA	–	(239,084)	(94,206)	–	–	–	(333,290)
- Interest accreted	(104,345)	(384,649)	–	–	(24,588)	–	(513,582)
- Effect of changes in interest rates and other financial assumptions	49,733	141,435	–	–	60	–	191,228
- Effect of changes in FCF at current rates from when CSM is unlocked at locked-in rates	3,374	1,906	–	–	–	–	5,280
	(51,238)	(480,392)	(94,206)	–	(24,528)	–	(650,364)
Finance income/(expenses) from reinsurance contracts held							
- Interest accreted	(2,690)	–	–	–	587	–	(2,103)
- Effect of changes in interest rates and other financial assumptions	2,430	–	–	–	(176)	–	2,254
	(260)	–	–	–	411	–	151
Net insurance finance expenses	(51,498)	(480,392)	(94,206)	–	(24,117)	–	(650,213)
Summary of the amounts recognised in profit or loss							
- Net investment income - underlying assets	446,822	904,221	140,650	2,281	–	–	1,493,974
- Net investment income - other investments	–	–	–	9,967	73,415	265,888	349,270
- Net investment income - other	24,707	2,361	61	4,105	33,726	89,188	154,148
- Finance expenses from insurance contracts issued	(89,739)	(637,622)	(94,206)	–	(24,528)	–	(846,095)
- Finance income/(expenses) from reinsurance contracts held	(358)	–	–	–	411	–	53
	381,432	268,960	46,505	16,353	83,024	355,076	1,151,350
Summary of the amounts recognised in OCI							
- Net investment income/(loss) - underlying assets	17,853	(4,436)	–	–	–	–	13,417
- Net investment income - other investments	–	–	–	245	4,014	9,732	13,991
- Finance income from insurance contracts issued	38,501	157,230	–	–	–	–	195,731
- Finance income from reinsurance contracts held	98	–	–	–	–	–	98
	56,452	152,794	–	245	4,014	9,732	223,237
Summary of the amounts recognised							
- Insurance service result	106,190	24,429	147,624	204,038	403,562	–	885,843
- Net investment income	489,382	902,146	140,711	16,598	111,155	364,808	2,024,800
- Finance expenses from insurance contracts issued	(51,238)	(480,392)	(94,206)	–	(24,528)	–	(650,364)
- Finance income/(expenses) from reinsurance contracts held	(260)	–	–	–	411	–	151
Net insurance and investment result	544,074	446,183	194,129	220,636	490,600	364,808	2,260,430

15. Insurance contracts (continued)

15.12 Claims development tables – short-term insurance contracts (non-life)

The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. Claims development tables are disclosed on an accident year basis (where the reference is to the actual date of the event that caused the claim), with the exception of international property and casualty claims, which are disclosed by underwriting year account.

	Total $'000
Insurance claims - gross	
- By accident year	1,657,266
- By underwriting year	40,624
Total liability	1,697,890
Insurance claims - net	
- By accident year	472,844
- By underwriting year	40,705
Total liability	513,549

The Group provides information on the gross and net claims development for the current reporting period and seven years prior to it. The Group considers that there is no significant uncertainty with regard to claims that were incurred more than eight years before the reporting period.

The top half of each table below illustrates how the Group's estimate of total claims outstanding for each accident year/underwriting year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount appearing on the consolidated statement of financial position as per summary below.



15. Insurance contracts (continued)

15.12 Claims development tables – short-term insurance contracts (non-life) (continued)

Insurance claims – gross Accident year	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	2025 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of accident year	1,243,133	1,975,036	1,245,882	1,340,154	1,416,426	1,678,956	1,688,033	2,747,677	
- one year later	1,097,907	1,726,686	1,181,394	1,207,190	1,385,491	1,547,520	1,480,013		
- two years later	1,094,679	1,739,240	1,169,941	1,218,681	1,381,358	1,488,016			
- three years later	1,098,826	1,743,853	1,166,622	1,223,938	1,341,422				
- four years later	1,088,598	1,735,230	1,164,085	1,211,639					
- five years later	1,088,066	1,725,947	1,152,274						
- six years later	1,097,355	1,710,995							
- seven years later	1,087,313								
Cumulative gross claims	1,087,313	1,710,995	1,152,274	1,211,639	1,341,422	1,488,016	1,480,013	2,747,677	12,219,349
Cumulative payments to date	(1,082,007)	(1,701,911)	(1,143,099)	(1,194,649)	(1,317,649)	(1,442,232)	(1,424,586)	(1,362,439)	(10,668,572)
Gross cumulative claims liabilities – 2018 to 2025	5,306	9,084	9,175	16,990	23,773	45,784	55,427	1,385,238	1,550,777
Liability in respect of prior years									40,260
Effect of discounting									(142,341)
Effect of the risk adjustment margin for non-financial risk									208,570
Gross LIC for contracts originated									1,657,266

Insurance claims – gross Underwriting year	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	2025 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of underwriting year	20,542	10,860	22,525	119,586	–	–	–	–	
- one year later	23,250	16,838	29,709	140,196	–	–	–		
- two years later	21,814	15,565	26,005	141,868	–	–			
- three years later	21,462	14,394	24,089	138,557	–				
- four years later	21,395	13,162	27,955	138,070					
- five years later	21,307	13,209	27,129						
- six years later	21,131	13,128							
- seven years later	21,063								
Cumulative gross claims	21,063	13,128	27,129	138,070	–	–	–	–	199,390
Cumulative payments to date	(21,063)	(13,155)	(27,210)	(107,653)	–	–	–	–	(169,081)
Gross cumulative claims liabilities – 2018 to 2025	–	(27)	(81)	30,417	–	–	–	–	30,309
Liability in respect of prior years									6,195
Effect of discounting									(1,033)
Effect of the risk adjustment margin for non-financial risk									5,153
Gross LIC for contracts originated									40,624

15. Insurance contracts (continued)

15.12 Claims development tables – short-term insurance contracts (non-life) (continued)

Insurance claims – net Accident year	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	2025 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of accident year	949,527	1,188,212	869,082	894,556	1,093,345	1,195,543	1,141,366	1,468,668	
- one year later	873,723	1,228,126	842,837	855,386	1,016,929	1,145,382	1,127,468		
- two years later	867,771	1,224,164	834,854	864,485	1,015,852	1,132,807			
- three years later	864,433	1,212,749	834,300	857,954	1,010,905				
- four years later	859,349	1,205,108	836,737	859,185					
- five years later	856,248	1,202,031	835,326						
- six years later	864,442	1,201,759							
- seven years later	859,236								
Cumulative gross claims	859,236	1,201,759	835,326	859,185	1,010,905	1,132,807	1,127,468	1,468,668	8,495,354
Cumulative payments to date	(854,935)	(1,196,835)	(829,275)	(849,647)	(993,900)	(1,106,550)	(1,094,145)	(1,081,869)	(8,007,156)
Gross cumulative claims liabilities – 2018 to 2025	4,301	4,924	6,051	9,538	17,005	26,257	33,323	386,799	488,198
Liability in respect of prior years									27,787
Effect of discounting									(93,207)
Effect of the risk adjustment margin for non-financial risk									50,066
Gross LIC for contracts originated									472,844

Insurance claims – net Underwriting year	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	2025 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of underwriting year	20,542	10,860	22,525	123,987	–	–	–	–	
- one year later	23,250	16,838	29,709	145,355	–	–	–		
- two years later	21,814	15,565	26,005	147,088	–	–			
- three years later	21,462	14,394	24,089	143,655	–				
- four years later	21,395	13,162	27,955	142,999					
- five years later	21,307	13,209	27,129						
- six years later	21,131	13,128							
- seven years later	21,063								
Cumulative gross claims	21,063	13,128	27,129	142,999	–	–	–	–	204,319
Cumulative payments to date	(21,063)	(13,155)	(27,210)	(112,606)	–	–	–	–	(174,034)
Gross cumulative claims liabilities – 2018 to 2025	–	(27)	(81)	30,393	–	–	–	–	30,285
Liability in respect of prior years									6,195
Effect of discounting									(948)
Effect of the risk adjustment margin for non-financial risk									5,173
Gross LIC for contracts originated									40,705

16. Cash and cash equivalents

	2025 $'000	2024 $'000
Cash and cash equivalents	3,542,105	3,805,190
Cash and cash equivalents of mutual fund unit holders	154,690	241,748
	3,696,795	4,046,938
Cash at bank and in hand	2,615,050	2,613,741
Short-term deposits (90 days or less)	1,094,411	1,444,708
Cash and cash equivalents	3,709,461	4,058,449
Loss allowance	(12,666)	(11,511)
Net cash and cash equivalents	3,696,795	4,046,938
At beginning of year	4,046,938	2,955,965
Net impairment gain	8,056	663
Transfer to assets held for sale (Note 17)	–	(116,986)
Other movements	14,602	–
Exchange rate adjustments	(12,356)	7,904
	4,057,240	2,847,546
At end of year	3,696,795	4,046,938
Net (decrease)/increase in cash used in cash flow	(360,445)	1,199,392

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Cash and cash equivalents include deposits pledged with regulatory authorities in countries in which the Group is authorised to conduct business, as security for its policyholders. These deposits are subject to regulatory restrictions and are therefore not available for general use by the Group.

Cash and cash equivalents pledged as at 31 December 2025 was $34,358,000 (2024: $31,512,000).

No cash and cash equivalents are pledged as collateral for financial liabilities.

17. Disposal group held for sale

During 2024, the Group, through its subsidiary Fatum Holding N.V., commenced a closed process to sell Thoma Exploitatie B.V. and its subsidiary companies (collectively, the Thoma Group), which forms a part of the Group's Insurance Brokerage Business segment. On 19 November 2024, the Group signed a Share Purchase Agreement that divests 100% of the shares of the Thoma Group. In accordance with the requirements of IFRS 5, the Group classified the Thoma Group as "Held for Sale".

On 24 January 2025, the Group successfully closed the sale of the Thoma Group. The Group recognised a gain on sale of $651 million in the consolidated statement of income, within Profit from discontinued operations after taxation.

17. Disposal group held for sale (continued)

The net results of the Thoma Group have been consolidated into one line in the consolidated statement of income as Profit from discontinued operations after taxation. The results are presented below:

	2025 $'000	2024 $'000
Sales proceeds	888,007	–
Net assets disposed of	(212,242)	–
Cumulative translation and other reserves realised on disposal of discontinued operations	(25,215)	–
Gain on sale of discontinued operations	650,550	–
Revenue from the ordinary activities of the disposal group	–	106,105
Expenses from the ordinary activities of the disposal group	–	(86,400)
Profit from discontinued operations before taxation	650,550	19,705
Taxation expense on the ordinary activities of the disposal group	–	(11,325)
Profit from discontinued operations after taxation – attributable to owners of the company	650,550	8,380
The net cash flows attributable to the disposal group are as follows:		
Cash inflows from operating activities	–	9,634
Cash inflows/(outflows) from investing activities	888,007	(1,296)
Cash outflows from financing activities	–	(2,618)
	888,007	5,720
The major classes of assets and liabilities classified as held for sale are as follows:		
Assets held for sale		
Property, plant and equipment	–	3,026
Intangible assets (Note 8)	–	130,613
Cash and cash equivalents (Note 16)	–	116,986
Loans and receivables	–	1,719
Other assets	–	9,661
	–	262,005
Liabilities directly associated with assets held for sale		
Lease liabilities (Note 6)	–	11,376
Other liabilities	–	35,848
	–	47,224
Net assets directly associated with disposal group held for sale	–	214,781

18. Share capital

	2025 $'000	2024 $'000
Authorised		
An unlimited number of ordinary shares of no par value		
An unlimited number of preferred shares of no par value		
Issued and fully paid		
232,024,923 ordinary shares of no par value (2024: 232,024,923 ordinary shares)	1,969,633	1,970,090

18. Share capital (continued)

	Number of shares (thousands)	Share capital $'000	Total $'000
Balance at 1 January 2025	232,023	1,970,090	1,970,090
Movement in treasury shares	(31)	(457)	(457)
Balance at 31 December 2025	231,992	1,969,633	1,969,633
Balance at 1 January 2024	232,021	1,970,043	1,970,043
Movement in treasury shares	2	47	47
Balance at 31 December 2024	232,023	1,970,090	1,970,090

The number of shares in the table above is net of treasury shares, which are units acquired by the Group's Employee Share Ownership Plan that are held in trust for future distribution to employees.

19. Reserves

	Fair value reserve $'000	Property revaluation reserve $'000	Statutory reserve $'000	Translation reserve $'000	Insurance finance reserve $'000	Total $'000
Balance at 1 January 2025	(220,237)	264,132	25,448	(1,262,633)	830,436	(362,854)
Other comprehensive income	105,243	64,909	–	117,886	294,428	582,466
Transfer to/from retained earnings (see Note (a) below)	–	(415)	1,266	351,389	–	352,240
Disposal of discontinued operations	–	–	57	25,158	–	25,215
Balance at 31 December 2025	(114,994)	328,626	26,771	(768,200)	1,124,864	597,067
Balance at 1 January 2024	(244,795)	257,460	24,984	(1,197,551)	640,024	(519,878)
Other comprehensive income	24,558	6,672	–	(55,264)	190,412	166,378
Transfer to/from retained earnings	–	–	464	(9,818)	–	(9,354)
Balance at 31 December 2024	(220,237)	264,132	25,448	(1,262,633)	830,436	(362,854)

(a) During the year, the Group reassessed the functional currency of its subsidiaries in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates. Based on this reassessment, the Group concluded that the functional currencies of the following subsidiaries should be changed to currencies that more faithfully reflect the economic effects of the entities' underlying transactions, events, and conditions: Guardian Resorts Jamaica Limited, Guardian Resorts International Inc, Guardian International Inc, Guardian Group St Lucia Holdings Limited. As a consequence of this change, an amount of $344,053,000 was transferred from the translation reserve to retained earnings.

20. Non-controlling interest in subsidiary

	2025 $'000	2024 $'000
Non-controlling interest in subsidiary	19,273	13,238

At the end of the year, the non-controlling interest balance represents a 32.3% shareholding in Vanguard Risk Solutions Limited.

21. Financial liabilities

	2025 $'000	2024 $'000
Non-current portion of financial liabilities		
Medium-term borrowings	2,931,460	3,347,979
Repurchase agreements	26,405	14,750
Total non-current portion of borrowings and repurchase agreements (Note 21.1)	2,957,865	3,362,729
Current portion of financial liabilities		
Medium-term borrowings	274,999	67,263
Repurchase agreements	170,043	221,106
Total current portion of borrowings and repurchase agreements (Note 21.1)	445,042	288,369
Interest payable	24,853	10,152
	469,895	298,521
Total	3,427,760	3,661,250

The fair value of medium-term borrowings amounted to $3,314,111,000 (2024: $3,506,828,000). The fair value of medium-term borrowings is determined by applying a discounted cash flow model for the remaining term to maturity using a current yield curve for a similar debt instrument. For short-term debt, the carrying amounts approximate their fair value.

The repurchase agreements represent the normal activities of the asset management operations. The carrying amount of the repurchase agreements approximate their fair value.

The Group has not made any defaults of principal, interest or other breaches with respect to their borrowings during the year (2024 - Nil).

21.1 Borrowings and repurchase agreements

	2025 $'000	2024 $'000
Company	2,953,507	3,163,038
Subsidiaries	449,400	488,060
	3,402,907	3,651,098
Current	445,042	288,369
Non-current	2,957,865	3,362,729
	3,402,907	3,651,098
The movements in borrowings and repurchase agreements are summarised below:		
Balance at beginning of year	3,651,098	3,261,342
Proceeds from borrowings and repurchase agreements	1,346,904	552,231
Repayment of borrowings and repurchase agreements	(1,594,521)	(164,215)
Transaction costs on new borrowings capitalised	(2,662)	(2,515)
Amortisation of transaction costs, premium and discounts during the year	(288)	3,895
Other movements	9,732	–
Exchange rate adjustments	(7,356)	360
Balance at end of year	3,402,907	3,651,098

Details of major borrowings outstanding as at 31 December 2025 are as follows:

Company

Facility 1 – $880 million
This is a secured fixed rate 6-year bond ending in December 2027. Interest is charged at 5% per annum and is paid semi-annually. The principal is payable at maturity.

21. Financial liabilities (continued)

21.1 Borrowings and repurchase agreements (continued)

Company (continued)

Facility 2 – $680.5 million
This is a secured fixed rate 6-year loan ending in December 2028. The loan was drawn in tranches with $583,675,906 drawn in December 2022 and the remaining $96,824,094 drawn in January 2023. Interest is charged at 4.83% per annum and is paid semi-annually. Principal and interest was repaid via first payment on 21 June 2023 of TT$47,027,285, then 10 semi-annual payments of $47,500,000 commencing December 2023, with a balloon payment of $301,481,685 paid at maturity.

Facility 3 – $400.163 million
This is a secured fixed rate 5-year loan ending in June 2029. The loan was drawn in two Tranches, Tranche A of $382,000,000 and Tranche B of $18,163,000. Tranche A interest is charged at 5.35% and Tranche B interest is charged at 5.20% per annum and is paid semi-annually. The principal is payable at maturity.

Facility 4 – $1.05 billion
This is a secured fixed rate multi-tranche bond comprising of three tranches. Interest is payable semi-annually, and principal is payable at maturity. Tranche A of $479,061,000 ending in 2028, bears interest of 5.19% per annum. Drawdowns under Tranche A consisted of $449,061,000 drawn in 2025, $25,760,000 drawn in January 2026 and $4,240,000 drawn in February 2026. Tranche B of $367,564,000 ending in 2031, bears interest of 6.49% per annum. Tranche C of $203,375,000 ending in 2035, bears interest of 7.04% per annum.

Facility 5 – J$13.4 billion
This is an unsecured fixed rate bond comprising of five series where interest is payable quarterly and principal is payable at maturity. Series A interest is charged at 5.75% and was repaid in September 2022, Series B interest is charged at 6.50% and was repaid in September 2025, Series C interest is charged at 6.75% ending in September 2026, Series D interest is charged at 7.0% ending in September 2027 and Series E interest is charged at 8.75% ending in September 2030.

Facilities 1, 2, 3 and 4 are secured by a debenture creating a charge over the fixed and floating assets of Guardian Holdings Limited.

Subsidiary

Loan 1 – US$40 million
This is an unsecured fixed rate 5-year loan ending in June 2026. Interest is charged at 3.75% and is payable semi-annually. The principal is payable at maturity. Several of the Group's subsidiaries are guarantors on this loan.

22. Investment contract liabilities

	2025 $'000	2024 $'000
The movements in the liabilities arising from investment contracts are summarised below:		
Balance at beginning of year	2,107,775	2,023,612
Contributions received	174,535	200,716
Benefits paid	(324,906)	(183,940)
Investment return from underlying assets	64,868	71,412
Asset management fees charged	(4,170)	(4,673)
Other movements	1,426	(470)
Exchange rate adjustments	(16,389)	1,118
Balance at end of year	2,003,139	2,107,775

Investment contract liabilities carry floating rates of interest and therefore the carrying amounts approximate their fair values.

23. Third party interests in mutual funds

	2025 $'000	2024 $'000
Balance at beginning of year	1,579,685	1,686,258
Share of net income	15,292	24,190
Unrealised gains/(losses)	10,973	(35,044)
Net change in mutual fund holder balances	91,007	(69,620)
Distributions	(28,681)	(26,099)
Other movements	(21,794)	–
Balance at end of year	1,646,482	1,579,685

24. Post-retirement medical benefit obligations

	2025 $'000	2024 $'000
The amounts recognised in the consolidated statement of financial position are as follows:		
Present value of obligations	129,828	124,582
The amount in the consolidated statement of income is made up as follows:		
Interest cost	7,846	7,271
Current service cost	3,869	2,541
Cost for the year (Note 32)	11,715	9,812
The movement in the liability is as follows:		
Balance at beginning of year	124,582	122,876
Remeasurement of obligation (actuarial gains)	(595)	(2,607)
Employer contributions	(6,110)	(5,828)
Expense as per above	11,715	9,812
Exchange rate adjustments	236	329
Balance at end of year	129,828	124,582

	2025	2024
The principal actuarial assumptions used were as follows:		
Discount rate	5.6% - 10.0%	5.6% - 8.5%
Healthcare cost escalation	3.9% - 7.0%	3.9% - 8.5%
Retiree premium escalation:		
Existing retirees	0.0% - 8.0%	0.0% - 10.0%
Future retirees	0.0% - 8.0%	0.0% - 10.0%
Pre-retirement mortality	NISTT2012	NISTT2012
Post-retirement mortality	GAM94	GAM94

A quantitative sensitivity analysis for significant assumptions is shown below:

	Impact on the obligation			
	2025		2024	
	Increase $'000	Decrease $'000	Increase $'000	Decrease $'000
1% increase/decrease in discount rate	(15,415)	19,190	(15,021)	18,776
1% increase/decrease in medical cost trend rate	19,276	(15,737)	18,849	(15,327)

24. Post-retirement medical benefit obligations (continued)

Total expected contributions to post-employment benefit plans for the year ending 31 December 2026 is $6,642,000.

The duration of the post-retirement medical benefit obligation plans at the end of the reporting period is 12 to 28 years (2024: 12 to 15 years).

25. Other liabilities

	2025 $'000	2024 $'000
Fronting contracts and insurance brokerage related payables	524,647	262,724
Accrued expenses	318,262	270,443
Deposits and premiums received in advance	7,209	6,280
Accounts payable	421,082	424,437
	1,271,200	963,884
Current	1,264,389	950,411
Non-current	6,811	13,473
	1,271,200	963,884

The carrying amounts of other liabilities approximate their fair value.

26. Investment income

	2025 $'000	2024 $'000
Interest income from:		
- Fair value through other comprehensive income investment securities	381,611	299,926
- Amortised cost investment securities	388,699	391,327
- Loans and receivables	110,556	94,842
- Cash and cash equivalents	36,114	44,940
	916,980	831,035
Interest income from fair value through profit or loss debt securities	533,029	533,316
Dividend income from fair value through profit or loss equity securities	118,913	100,524
Investment expenses	(84,959)	(35,798)
	566,983	598,042
Total investment income	1,483,963	1,429,077

27. Net realised gains

	2025 $'000	2024 $'000
Investment securities measured at fair value through profit or loss	214,545	26,406
Investment securities measured at fair value through other comprehensive income	26,135	17,611
Gain on disposal of properties	8,394	7,685
	249,074	51,702

28. Net fair value (losses)/gains

	2025 $'000	2024 $'000
Net fair value (losses)/gains on:		
- Investment securities measured at fair value through profit or loss	(260,111)	314,570
- Derivative financial instrument	16,315	22,431
Net loss on third party interests in mutual funds	(15,292)	(24,190)
Fair value adjustment on investment properties, other than Pointe Simon (Note 7)	17,072	30,882
Fair value adjustment on Pointe Simon (Note 7)	–	1,890
	(242,016)	345,583

29. Fee income

	2025 $'000	2024 $'000
Policy administration and asset management services:		
- Investment contracts without a discretionary participation feature	20,633	35,588
Managed funds	39,363	10,621
Fronting contracts fee income	24,389	27,025
Other	21,048	9,872
	105,433	83,106

30. Other income

	2025 $'000	2024 $'000
Rental income	105,142	95,659
Foreign exchange gains	48,125	5,017
Other income	60,335	105,562
	213,602	206,238

31. Net impairment (losses)/gains on financial assets

	2025 $'000	2024 $'000
Investment securities measured at fair value through other comprehensive income	(5,553)	1,744
Investment securities measured at amortised cost	(38,843)	5,218
Loans and receivables	(30,682)	(54,512)
Cash and cash equivalents	8,056	648
	(67,022)	(46,902)

32. Other operating expenses

	2025 $'000	2024 $'000
Staff cost	807,931	802,226
Depreciation and amortisation	86,355	81,073
Auditors' remuneration	26,663	26,778
Directors' fees	11,629	11,812
Impairment of intangible assets (Note 8)	25,841	–
Other expenses	686,202	679,900
	1,644,621	1,601,789

32. Other operating expenses (continued)

	2025 $'000	2024 $'000
Represented by:		
Insurance service expenses		
Amounts attributed to insurance acquisition cash flows incurred during the year	289,399	319,578
Other directly attributable expenses	452,688	445,802
	742,087	765,380
Other operating expenses	902,534	836,409
	1,644,621	1,601,789
Staff cost includes:		
Wages, salaries and bonuses	582,354	588,853
Health and medical	18,231	17,424
Staff training	4,593	8,604
National insurance	52,936	51,217
Pension costs - defined contribution plans	25,822	21,769
Pension costs - defined benefit plans (Note 13)	21,622	20,225
Post-retirement medical benefit obligations (Note 24)	11,715	9,812
Termination benefits	12,994	17,967
Other	77,664	66,355
	807,931	802,226

Expenses attributed to insurance acquisition cash flows and other directly attributable expenses comprise expenses incurred by the Group in the reporting period that relate directly to the fulfilment of contracts issued within IFRS 17's scope and reinsurance contracts held. These expenses are recognised in the consolidated statement of income or loss based on IFRS 17 measurement requirements. Refer to Note 2.15(f) and Note 15.2.1.

33. Other finance charges

	2025 $'000	2024 $'000
Interest on borrowings and repurchase agreements	185,967	187,035
Interest on leasing arrangements (Note 6)	2,863	2,952
	188,830	189,987

34. Taxation

	2025 $'000	2024 $'000
Current tax	209,832	204,550
Business levy	769	625
Prior year taxation adjustment	(5,779)	(196)
Deferred tax (Note 14)	7,010	46,016
	211,832	250,995

34. Taxation (continued)

The tax on the profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the company as follows:

	2025 $'000	2024 $'000
Profit before taxation	1,100,236	1,099,452
Prima facie tax calculated at domestic corporation tax rate of 30%	330,071	329,836
Effect of different tax rate of life insurance companies	(26,629)	(31,133)
Effect of different tax rate in other countries	(55,427)	(59,028)
Income not subject to tax	(367,612)	(424,982)
Expenses not deductible for tax purposes	292,666	344,509
Net adjustment to recognised and unrecognised tax losses	(398)	(741)
Tax reliefs and deductions	(26,955)	(13,146)
Business levy	769	625
Prior year taxation adjustment	(5,779)	(196)
Tax on dividend	17,000	9,000
Tax losses not recognised	55,426	66,063
Other	(1,300)	30,188
Tax charge for the year	211,832	250,995

Pillar Two

The Group has a subsidiary in Bermuda where corporation income tax legislation was enacted that does not fall within the definition of Pillar Two legislation. The Group also has a subsidiary in the Netherlands where Pillar Two legislation was enacted. There is no expectation that the Pillar Two legislation enacted in the Netherlands will result in additional taxes that are material for the Group in the foreseeable future.

35. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the consolidated statement of financial position date.

	2025 $'000	2024 $'000
Net profit attributable to ordinary shareholders	1,532,992	850,146
Net profit attributable to ordinary shareholders from continuing operations	882,442	841,766
Net profit attributable to ordinary shareholders from discontinued operations	650,550	8,380
	Number of shares ('000)	
Weighted average number of ordinary shares in issue (thousands)	232,003	232,022
	$	$
Basic and diluted earnings per ordinary share	6.61	3.66
Basic and diluted earnings per ordinary share from continuing operations	3.80	3.63
Basic and diluted earnings per ordinary share from discontinued operations	2.81	0.03

36. Dividends

	2025 $'000	2024 $'000
Final dividend for 2024 - 57¢ per share (2023 - 53¢ per share)	132,246	122,971
Interim dividend for 2025 - 66¢ per share (2024 - 23¢ per share)	153,122	53,366
	285,368	176,337

On 26 February 2026, the Board of Directors declared a final dividend of 25 cents per share (2024 - 57 cents), a total dividend to be paid of $58 million (2024: $132 million). These consolidated financial statements do not reflect the final dividend which will be accounted for as an appropriation of retained earnings in the year ending 31 December 2026.

37. Adjustment for non-cash items in operating profit

	2025 $'000	2024 $'000
Share of profit from associated companies (Note 9)	(40,534)	(30,872)
Net fair value losses/(gains) on financial assets (Note 28)	243,796	(337,001)
Third party share of net income of mutual funds (Note 23)	15,292	24,190
Net realised gains on financial assets	(240,680)	(44,017)
Impairment losses on financial assets	67,022	46,902
Net loss for the year on post-employment benefits	33,337	30,037
Depreciation and amortisation	86,355	91,231
Loss/(gain) on disposal of property, plant & equipment	943	(17,935)
Gain on sale of discontinued operations	(650,550)	–
Change in fair value of investment properties, other than Pointe Simon (Note 7)	(17,072)	(30,882)
Change in fair value adjustment on Pointe Simon (Note 7)	–	(1,890)
Impairment of intangible assets (Note 8)	25,841	–
Gain on disposal of properties	(8,394)	(7,685)
Foreign exchange gains	(22,827)	(33,815)
Other non-cash income	6,855	368
	(500,616)	(311,369)

38. Fair value measurement

The following table provides the fair value measurement of the Group's assets and liabilities that are disclosed at fair value in the statement of financial position.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
At 31 December 2025				
Assets measured at fair value:				
Freehold properties	–	–	591,444	591,444
Investment properties	–	–	1,635,918	1,635,918
Investment securities at fair value through profit or loss:				
Equity securities	3,553,386	73,815	408,618	4,035,819
Government securities	243,622	7,027,920	–	7,271,542
Debentures & corporate bonds	115,995	876,916	–	992,911
Deposits (more than 90 days)	–	53,045	–	53,045
Derivative financial instrument	–	82,677	–	82,677
Other	4,944	64,836	7,249	77,029
Investment securities at fair value through other comprehensive income:				
Government securities	96,317	2,660,621	89,635	2,846,573
Debentures & corporate bonds	21,408	3,925,392	–	3,946,800
Deposits (more than 90 days)	–	69,764	–	69,764
	4,035,672	14,834,986	2,732,864	21,603,522
At 31 December 2024				
Assets measured at fair value:				
Freehold properties	–	–	507,267	507,267
Investment properties	–	–	1,559,542	1,559,542
Investment securities at fair value through profit or loss:				
Equity securities	3,754,172	56,944	405,864	4,216,980
Government securities	370,756	6,538,893	–	6,909,649
Debentures & corporate bonds	92,710	875,884	–	968,594
Deposits (more than 90 days)	–	89,234	–	89,234
Derivative financial instrument	–	66,362	–	66,362
Other	895	63,759	7,285	71,939
Investment securities at fair value through other comprehensive income:				
Government securities	527,890	1,991,298	100,167	2,619,355
Debentures & corporate bonds	256,955	2,455,119	–	2,712,074
Deposits (more than 90 days)	24,317	105,191	–	129,508
	5,027,695	12,242,684	2,580,125	19,850,504

There were no transfers between level 1 and level 2 during the period.

38. Fair value measurement (continued)

Reconciliation of movements in level 3 assets measured at fair value

The following table shows a reconciliation of the opening and closing recorded amount of Level 3 assets and which are recorded at fair value.

			Investment securities			
	Freehold properties $'000	Investment properties $'000	Equity securities $'000	Government securities $'000	Other $'000	Total $'000
At 31 December 2025						
Balance at beginning of year	507,267	1,559,542	405,864	100,167	7,285	2,580,125
Total gains or losses:						
in profit or loss in other	(7,246)	14,766	(27,669)	–	(50)	(20,199)
comprehensive income	76,630	–	–	(10,777)	–	65,853
Purchases	7,472	23,239	5,852	–	–	36,563
Sales	–	(29,820)	(85)	–	–	(29,905)
Other movements	9,508	(13,825)	(3)	–	–	(4,320)
Transfers into level 3	–	–	5	–	–	5
Exchange rate adjustment	(2,187)	82,016	24,654	245	14	104,742
Balance at end of year	591,444	1,635,918	408,618	89,635	7,249	2,732,864
At 31 December 2024						
Balance at beginning of year	503,947	1,554,950	330,257	102,401	7,129	2,498,684
Total gains or losses:						
in profit or loss in other	(9,802)	33,064	31,075	–	152	54,489
comprehensive income	7,205	–	–	(2,728)	–	4,477
Purchases	2,676	4,473	58,380	–	–	65,529
Sales	(34)	(7,739)	(8,132)	–	–	(15,905)
Other movements	1,453	(415)	–	–	–	1,038
Transfers out of level 3	–	–	–	(78)	–	(78)
Exchange rate adjustment	1,822	(24,791)	(5,716)	572	4	(28,109)
Balance at end of year	507,267	1,559,542	405,864	100,167	7,285	2,580,125

Total gains or losses (realised and unrealised) for the year in the above table are presented in the consolidated statement of income and other comprehensive income as follows:

	2025 $'000	2024 $'000
Total gains or losses recognised in consolidated statement of income		
Insurance service expenses	(3,992)	(5,737)
Net realised losses	(2,306)	(781)
Net fair value (losses)/gains	(10,647)	65,073
Other operating expenses	(3,254)	(4,066)
	(20,199)	54,489
Total gains or losses recognised in consolidated statement of comprehensive income		
Net fair value losses on debt securities at fair value through other comprehensive income	(10,777)	(2,728)
Gains on property revaluation	76,630	7,205
	65,853	4,477

Total unrealised gains/(losses) for the period included in consolidated statement of income for assets and liabilities held at end of year:

38. Fair value measurement (continued)

	2025 $'000	2024 $'000
Assets measured at fair value:		
Investment properties	17,072	33,845
Investment securities:		
Equity securities	(27,669)	31,075
Other	(50)	152
	(10,647)	65,072

Description of significant unobservable inputs

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2025 and 2024 are shown below:

	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Freehold and investment properties	DCF method - Income and sales comparison approach (by professional external valuators)	Discount rates	2025: 6.0% to 9.0% 2024: 6.0% to 9.0%	1% increase (decrease) in discount or capitalisation rates would result in a decrease (increase) in fair value by $68,751,000 ($88,631,000) (2024: $82,110,000 (95,814,000))
	DCF method - Direct capitalisation of income approach; Profit tests or accounts approach (by professional external valuators)	Capitalisation rates	2025: 8.50% to 10.25% 2024: 8.50% to 10.50%	
	Sale comparison approach (by professional external valuators)	Comparable sales	N/A	Fair value can increase by $11,797,000 or decrease by $14,752,000 (2024: increase by $12,470,000 or decrease by $16,522,000)
Unquoted equity securities	N/A - held at cost	Fair value of consideration at acquisition	N/A	5% increase (decrease) in the book or indicative price per share would result in a increase (decrease) in fair value by $22,007,000 (2024: 20,278,000)
	Valuation ratios	Book price share	Various ranges	
		Indicative price per share	Various ranges	

38. Fair value measurement (continued)

Description of significant unobservable inputs (continued)

	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Series G Government of Barbados debt securities	DCF method	Risk adjusted yield curve (issued by the Central Bank of Barbados)	2025: 7.50% 2024: 6.99%	1% increase (decrease) in the yield would result in a decrease (increase) in fair value by $13,977,000 and $16,860,000 respectively (2024: $15,377,000 and $18,732,000)

As can be seen from the above table, a possible change in the key unobservable inputs can result in a significantly higher or lower fair value measurement. There are no significant interrelationships between these key inputs and other unobservable inputs which could magnify or mitigate the effects of those changes.

The following table provides the fair value measurement of the Group's assets and liabilities that are not measured at fair value in the consolidated statement of financial position but whose fair values are disclosed in the notes to the accounts.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
At 31 December 2025				
Assets for which fair values are disclosed:				
Investment securities measured at amortised cost:				
Government securities	20,459	5,587,499	5,002	5,612,960
Debentures & corporate bonds	104,911	717,746	–	822,657
Deposits (more than 90 days)	–	1,189,301	–	1,189,301
	125,370	7,494,546	5,002	7,624,918
Liabilities for which fair values are disclosed:				
Medium-term borrowings	–	3,314,111	–	3,314,111
At 31 December 2024				
Assets for which fair values are disclosed:				
Investment securities measured at amortised cost:				
Government securities	269,712	5,060,101	5,020	5,334,833
Debentures & corporate bonds	89,697	723,751	–	813,448
Deposits (more than 90 days)	–	1,271,205	7,150	1,278,355
	359,409	7,055,057	12,170	7,426,636
Liabilities for which fair values are disclosed:				
Medium-term borrowings	–	3,506,828	–	3,506,828

39. Segment information

The segment results for the year ended 31 December 2025 are as follows:

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
Insurance revenue	3,008,720	3,147,728	–	–	–	6,156,448
Insurance service expenses	(2,103,260)	(2,379,822)	–	–	56,236	(4,426,846)
Net expenses from reinsurance contracts held	(82,400)	(452,014)	–	–	138	(534,276)
Insurance service result	823,060	315,892	–	–	56,374	1,195,326
Investing activities						
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	782,741	79,924	1,355	99,174	(46,214)	916,980
Investment income from financial assets measured at fair value through profit or loss	564,777	1,220	–	7,399	(6,413)	566,983
Net realised gains	229,346	609	–	15,505	3,614	249,074
Net fair value gains/(losses)	(233,246)	–	–	4,335	(13,105)	(242,016)
Fee income	59,817	24,389	–	26,736	(5,509)	105,433
Other income	133,097	22,265	560	7,726	49,954	213,602
Net impairment gains/(losses) on financial assets	(24,199)	2,730	(1,359)	(33,048)	(11,146)	(67,022)
Investment contract benefits	(64,868)	–	–	–	–	(64,868)
Net income/(loss) from investing activities	1,447,465	131,137	556	127,827	(28,819)	1,678,166
Finance expenses from insurance contracts issued	(770,926)	(37,818)	–	–	–	(808,744)
Finance income from reinsurance contracts held	7,750	17,198	–	–	–	24,948
Net insurance finance expenses	(763,176)	(20,620)	–	–	–	(783,796)
Net insurance and investment result	1,507,349	426,409	556	127,827	27,555	2,089,696
Fee and commission income from brokerage activities	–	–	122,344	–	(60,974)	61,370
Net income/(loss) from all activities	1,507,349	426,409	122,900	127,827	(33,419)	2,151,066
Other operating expenses	(408,797)	(116,966)	(92,650)	(61,240)	(222,881)	(902,534)
Other finance charges	(8,217)	(1,010)	(290)	(7,667)	(171,646)	(188,830)
Operating profit/(loss)	1,090,335	308,433	29,960	58,920	(427,946)	1,059,702
Share of after tax profits of associated companies	–	29,819	–	–	10,715	40,534
Profit/(loss) before taxation	1,090,335	338,252	29,960	58,920	(417,231)	1,100,236
Taxation	(123,999)	(76,280)	(1,834)	(11,298)	1,579	(211,832)
Profit/(loss) from continuing operations after taxation	966,336	261,972	28,126	47,622	(415,652)	888,404
Profit from discontinued operations after taxation	–	–	650,550	–	–	650,550
Profit/(loss) for the year	966,336	261,972	678,676	47,622	(415,652)	1,538,954
Depreciation and amortisation	40,687	12,815	7,283	3,045	22,525	86,355
Impairment of non-financial assets	–	–	941	–	24,900	25,841

Inter-segment revenues are eliminated upon consolidation and reflected in the other including consolidation adjustments column.

39. Segment information (continued)

The segment results for the year ended 31 December 2024 are as follows:

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
Insurance revenue	2,935,268	2,943,116	–	–	–	5,878,384
Insurance service expenses	(2,428,950)	(1,336,437)	–	–	79,136	(3,686,251)
Net expenses from reinsurance contracts held	(51,113)	(1,255,316)	–	–	139	(1,306,290)
Insurance service result	455,205	351,363	–	–	79,275	885,843
Investing activities						
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	720,555	71,483	1,220	74,219	(36,442)	831,035
Investment income from financial assets measured at fair value through profit or loss	586,119	3,790	–	12,146	(4,013)	598,042
Net realised gains/(losses)	34,597	40	–	17,927	(862)	51,702
Net fair value gains/(losses)	374,497	1,842	–	(13,399)	(17,357)	345,583
Fee income	45,303	27,025	–	15,806	(5,028)	83,106
Other income	129,984	12,966	556	7,098	55,634	206,238
Net impairment gains/(losses) on financial assets	(35,792)	(2,106)	1,509	(1,973)	(8,540)	(46,902)
Investment contract benefits	(71,412)	–	–	–	–	(71,412)
Net income/(loss) from investing activities	1,783,851	115,040	3,285	111,824	(16,608)	1,997,392
Finance expenses from insurance contracts issued	(821,568)	(24,527)	–	–	–	(846,095)
Finance income/(expenses) from reinsurance contracts held	(358)	411	–	–	–	53
Net insurance finance expenses	(821,926)	(24,116)	–	–	–	(846,042)
Net insurance and investment result	1,417,130	442,287	3,285	111,824	62,667	2,037,193
Fee and commission income from brokerage activities	–	–	114,405	–	(56,622)	57,783
Net income from all activities	1,417,130	442,287	117,690	111,824	6,045	2,094,976
Other operating expenses	(350,888)	(137,171)	(85,983)	(61,269)	(201,098)	(836,409)
Other finance charges	(5,017)	(2,535)	(403)	(6,775)	(175,257)	(189,987)
Operating profit/(loss)	1,061,225	302,581	31,304	43,780	(370,310)	1,068,580
Share of after tax profits of associated companies	–	20,909	–	–	9,963	30,872
Profit/(loss) before taxation	1,061,225	323,490	31,304	43,780	(360,347)	1,099,452
Taxation	(180,537)	(52,377)	(1,540)	(7,070)	(9,471)	(250,995)
Profit/(loss) from continuing operations after taxation	880,688	271,113	29,764	36,710	(369,818)	848,457
Profit/(loss) from discontinued operations after taxation	–	–	36,118	–	(27,738)	8,380
Profit/(loss) for the year	880,688	271,113	65,882	36,710	(397,556)	856,837
Depreciation and amortisation	38,350	11,659	17,084	2,073	22,065	91,231



39. Segment information (continued)

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
The segment assets and liabilities are as follows:						
Year ended 31 December 2025						
Assets						
Intangible assets	399,968	10,647	75,765	–	273,706	760,086
Investment in associated companies	–	162,720	–	–	194,435	357,155
Investment securities	23,893,328	1,651,064	34,779	1,943,293	(236,934)	27,285,530
Loans and receivables	2,055,836	539,263	99,612	27,286	98,931	2,820,928
Properties for development and sale	21,281	–	–	–	95,941	117,222
Reinsurance contract assets	157,903	1,405,840	–	–	–	1,563,743
Insurance contract assets	170,355	110,010	–	–	–	280,365
Other assets	4,738,025	1,378,564	169,307	366,518	(24,769)	6,627,645
Total assets	31,436,696	5,258,108	379,463	2,337,097	401,310	39,812,674
Liabilities						
Insurance contract liabilities	21,574,725	2,294,918	–	–	60,112	23,929,755
Reinsurance contract liabilities	23,035	399,438	–	–	–	422,473
Other liabilities	2,877,548	685,651	165,691	2,050,714	3,251,950	9,031,554
Total liabilities	24,475,308	3,380,007	165,691	2,050,714	3,312,062	33,383,782
Capital expenditure	243,844	2,888	8,599	2,877	25,482	283,690
Year ended 31 December 2024						
Assets						
Intangible assets	190,067	14,624	73,682	–	332,260	610,633
Investment in associated companies	–	137,760	–	–	188,444	326,204
Investment securities	22,359,503	1,409,507	34,619	2,017,026	(308,467)	25,512,188
Loans and receivables	1,898,666	225,635	80,192	29,281	116,283	2,350,057
Properties for development and sale	70,812	–	–	–	78,729	149,541
Reinsurance contract assets	116,242	678,879	–	–	–	795,121
Insurance contract assets	153,456	1,299	–	–	–	154,755
Other assets	5,500,562	1,348,558	350,492	488,402	(627,990)	7,060,024
Total assets	30,289,308	3,816,262	538,985	2,534,709	(220,741)	36,958,523
Liabilities						
Insurance contract liabilities	21,456,502	1,557,740	–	–	60,183	23,074,425
Reinsurance contract liabilities	19,673	120,624	–	–	–	140,297
Other liabilities	3,009,293	429,355	186,175	2,270,590	3,261,546	9,156,959
Total liabilities	24,485,468	2,107,719	186,175	2,270,590	3,321,729	32,371,681
Capital expenditure	30,926	4,032	3,887	6,788	55,825	101,458

Capital expenditure consists of additions of property, plant and equipment, investment properties, intangible assets, properties for development and sale, acquisition of pension fund management portfolio and insurance brokerage portfolios.

39. Segment information (continued)

	Total revenue from external customers		Non current assets	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Trinidad and Tobago	2,256,386	2,521,973	1,089,979	1,115,663
Jamaica	2,185,592	2,257,174	1,334,326	1,163,074
Barbados	285,192	204,084	43,049	44,313
Dutch Caribbean	1,470,563	1,501,979	333,277	301,771
Other countries	1,830,141	1,566,663	832,838	702,465
	8,027,874	8,051,873	3,633,469	3,327,286

The total revenue information above consists of insurance revenue, investment income, net realised gains/losses, net fair value gains/losses, fee income, commission income from brokerage activities and other income from continuing operations. Revenue is based on locations of the customer and there are no transactions with a single customer that amount to more than 10% of total revenue.

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, investment properties, intangible assets, investment in associated companies and properties for development and sale.

40. Contingent liabilities

Legal proceedings

Group companies are defendants and plaintiffs in various legal actions. In the opinion of the Directors, after taking legal advice, the outcome of such actions will not give rise to any material loss.

41. Commitments

Capital commitments

As at the year end, a development contract and agreement have been entered into in respect of a property project. The commitments not recognised in these consolidated financial statements are as follows:

	2025 $'000	2024 $'000
Property development	452	2,001
Property renovations	1,990	8,380
Intangible asset - insurance system upgrade	26,685	5,962
	29,127	16,343
Credit commitments		
Loan commitments not yet disbursed by the Group	101,610	187,857

42. Related party disclosures

The consolidated financial statements include the financial statements of GHL and its subsidiaries and associated companies listed in the following table.

Name	Country of Incorporation	Percentage of interest held 2025	2024
Guardian General Insurance Limited	Trinidad and Tobago	100.0	100.0
Guardian Life of the Caribbean Limited	Trinidad and Tobago	100.0	100.0
Guardian Group Trust Limited	Trinidad and Tobago	100.0	100.0
Guardian Asset Management and Investment Services Limited	Trinidad and Tobago	100.0	100.0
Bancassurance Caribbean Limited	Trinidad and Tobago	100.0	100.0
Laevulose Inc. Limited	Trinidad and Tobago	100.0	100.0
Guardian Insurance Limited	Trinidad and Tobago	100.0	100.0
Fatum Holding N.V.	Curaçao	100.0	100.0
Fatum Accident & Health N.V.	Curaçao	100.0	100.0
Fatum General Insurance Aruba N.V.	Aruba	100.0	100.0
Fatum General Insurance N.V.	Curaçao	100.0	100.0
Fatum Life Aruba N.V.	Aruba	100.0	100.0
Fatum Life N.V.	Curaçao	100.0	100.0
Guardian Group Nederland N.V.	Netherlands	100.0	100.0
Vanguard Risk Solutions Limited	Cayman Islands	67.7	67.7
Guardian Life Limited	Jamaica	100.0	100.0
Guardian General Insurance Jamaica Limited	Jamaica	100.0	100.0
Guardian Resorts (Jamaica) Limited	Jamaica	100.0	100.0
Guardian Re (SAC) Limited	Bermuda	100.0	100.0
Guardian General Insurance (OECS) Limited	Grenada	100.0	100.0
Guardian Life (OECS) Limited	Grenada	100.0	100.0

Associated companies	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held 2025	2024
RoyalStar Holdings Limited	Property and Casualty Insurer	Bahamas	25.8%	26.2%
RGM Limited	Property Development & Facilities Management	Trinidad and Tobago	33.3%	33.3%
EIKM Holdings Limited	Distribution and sale of pharmaceutical products	Trinidad and Tobago	25.0%	25.0%
Compagnie Hoteliere de la Pointe Simon SAS	Hotel Operations	Martinique	24.0%	24.0%

42. Related party disclosures (continued)

A number of transactions are entered into with related parties in the normal course of business.

	2025 $'000	2024 $'000
The following transactions were carried out with related parties:		
(a) Premiums received from:		
- Key management personnel	132	181
- Other related parties	54,016	40,472
(b) Claims paid to:		
- Other related parties	771	3,886
(c) Commissions paid to:		
- Other related parties	22,425	30,540
(d) Investment fees paid to:		
- Other related parties	50,063	6,181
(e) Interest income from:		
- Key management personnel	644	1,097
- Key associates	12,053	12,621
- Parent company	5,969	2,150
- Other related parties	7,219	9,162
(f) Interest expense charged by related parties	18,531	19,282
(g) Dividend income from:		
- Key associates	10,008	14,193
- Parent company	3,953	5,511
- Other related parties	20,599	5,322
(h) Dividend paid to parent company	176,292	108,928
(i) Financial assets (excluding loans) of:		
- Key associates	309,808	325,942
- Parent company	129,725	205,695
- Other related parties	595,091	663,891
(j) Key management personnel compensation:		
- Salaries and other short-term employee benefits	157,299	141,437
- Termination benefits	3,763	–
- Post-employment benefits (excluding contributions to defined contribution plans)	15,111	14,588
- Contributions to defined contribution plans	4,723	1,418
- Other long-term benefits	23,487	24,831
(k) Insurance contracts and other liabilities		
- Other related parties	51,820	32,947
(l) Borrowings from related parties	251,121	277,591

42. Related party disclosures (continued)

	2025 $'000	2024 $'000
(m) Loans to related parties:		
Loans to key management of the Group:		
Balance at beginning of year	19,891	25,782
Loans advanced during the year	3,780	3,818
Loan repayments received	(5,783)	(9,753)
Interest charged	643	1,114
Interest received	(643)	(1,097)
Exchange rate adjustments	20	27
Balance at end of year	17,908	19,891
Loans to key associates:		
Balance at beginning of year	65,723	71,234
Loan repayments received	(6,374)	(1,268)
Interest charged	2,242	2,536
Interest received	(2,234)	(2,544)
Exchange rate adjustments	14,516	(4,235)
Balance at end of year	73,873	65,723

There was no provision for doubtful debts at the reporting date and no bad debt expense in the year (2024: Nil).

Other related parties primarily include transactions with NCBFG subsidiaries and its parent companies.

Financial assets of key associates comprise multiple corporate bonds plus interest receivable and preference shares issued by RGM to the Group.

The preference shares held by the Group are cumulative, non-convertible and redeemable. The corporate bonds carry fixed interest rates and principal and interest are payable semi-annually. All bonds are secured by mortgages on various properties.

Financial assets of other related parties comprise debt, equity and other investments issued by entities controlled by related parties, in the ordinary course of business.

Borrowings from related parties consist of an affiliated company's participation in Series A, B, C and D of the Group's J$13.4 billion bond. Details of the bond are disclosed in Note 21.

Loans to key management and other related parties of the Group are secured and settlement occurs in cash. The details of the loan advanced to CHPS are disclosed in Note 12.

43. Assets under management

Assets under management, which are not beneficially owned by the Group, but which the Group manages on behalf of investors are listed below:

	Carrying Amount 2025 $'000	Carrying Amount 2024 $'000
Amounts not included in the consolidated statement of financial position		
Cash and short-term investments	1,599,353	686,408
Investments	12,030,237	5,764,945
Interest and other receivables	150,701	13,040
	13,780,291	6,464,393

43. Assets under management (continued)

In September 2025, the Group acquired the pension fund management portfolio of NCB Insurance Agency & Fund Management Limited. The acquisition expanded the Group's managed portfolio and resulted in an increase in assets under management in the current financial year.

44. Pledged assets

The Group has deposited certain assets with the regulatory authorities in the countries in which it is authorised to conduct business as security for its policyholders. The type and values of these assets are in accordance with the legal requirements of the countries concerned. The carrying value of pledged assets is:

	2025 $'000	2024 $'000
Statutory deposits/funds	591,670	528,745

45. Subsequent events

Change in financial year-end

On 26 February 2026, the Board of Directors approved a change in the financial year-end of the Group from 31 December to 30 September, effective 1 January 2026. The change was made to align the Group's reporting period with that of its parent company.

As a result of this change, the next consolidated year-end financial statements will be prepared for a nine-month period from 1 January 2026 to 30 September 2026. Comparative information presented will cover the twelve-month period from 1 January 2025 to 31 December 2025 and therefore will not be directly comparable with the current period.

The change in financial year-end does not result in any changes to the Group's accounting policies, nor does it have an impact on the Group's critical accounting estimates and judgements.



The Group's Consolidated Statement of Financial Position, Consolidated Statement of Income and Consolidated Statement of Comprehensive Income expressed in US dollars appears below. The purpose of this publication is to provide readers of the Group's Annual Report, a number of whom are from jurisdictions outside of Trinidad and Tobago, with a quick and convenient overview of the Group's financial performance, referenced against a major international currency. The exchange rate used for this purpose is TT$6.77045 to US$1.00.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2025 US$'000	2024 US$'000
Assets		
Property, plant and equipment	106,007	94,194
Right-of-use assets	6,701	6,444
Investment properties	241,626	230,345
Intangible assets	112,265	90,191
Investment in associated companies	52,752	48,181
Investment securities	4,030,091	3,768,167
Loans and receivables	416,654	347,105
Properties for development and sale	17,314	22,087
Pension plan assets	12,633	11,862
Deferred tax assets	20,065	24,265
Reinsurance contract assets	230,966	117,440
Insurance contract assets	41,410	22,857
Taxation recoverable	45,855	39,226
Cash and cash equivalents	546,019	597,735
	5,880,358	5,420,099
Assets held for sale	–	38,698
Total assets	5,880,358	5,458,797
Equity and liabilities		
Share capital	290,916	290,984
Reserves	88,187	(53,594)
Retained earnings	567,602	438,135
Equity attributable to owners of the company	946,705	675,525
Non-controlling interest in subsidiary	2,847	1,955
Total equity	949,552	677,480
Liabilities		
Insurance contract liabilities	3,534,441	3,408,108
Reinsurance contract liabilities	62,400	20,722
Financial liabilities	506,282	540,769
Lease liabilities	6,444	7,378
Investment contract liabilities	295,865	311,320
Third party interests in mutual funds	243,186	233,321
Pension plan liabilities	4,280	4,356
Post-retirement medical benefit obligations	19,176	18,401
Deferred tax liabilities	49,028	51,024
Provision for taxation	21,948	36,579
Other liabilities	187,756	142,364
	4,930,806	4,774,342
Liabilities directly associated with assets held for sale	–	6,975
Total liabilities	4,930,806	4,781,317
Total equity and liabilities	5,880,358	5,458,797



CONSOLIDATED STATEMENT OF INCOME

	2025 US$'000	2024 US$'000
Insurance revenue	909,311	868,241
Insurance service expenses	(653,848)	(544,462)
Net expenses from reinsurance contracts held	(78,913)	(192,940)
Insurance service result	176,550	130,839
Investing activities		
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	135,439	122,744
Investment income from financial assets measured at fair value through profit or loss	83,744	88,331
Net realised gains	36,788	7,636
Net fair value (losses)/gains	(35,746)	51,043
Fee income	15,573	12,275
Other income	31,549	30,462
Net impairment losses on financial assets	(9,899)	(6,927)
Investment contract benefits	(9,581)	(10,548)
Net income from investing activities	247,867	295,016
Finance expenses from insurance contracts issued	(119,452)	(124,969)
Finance income from reinsurance contracts held	3,685	8
Net insurance finance expenses	(115,767)	(124,961)
Net insurance and investment result	308,650	300,894
Fee and commission income from brokerage activities	9,064	8,535
Net income from all activities	317,714	309,429
Other operating expenses	(133,305)	(123,539)
Other finance charges	(27,890)	(28,061)
Operating profit	156,519	157,829
Share of after tax profits of associated companies	5,987	4,560
Profit before taxation	162,506	162,389
Taxation	(31,288)	(37,072)
Profit from continuing operations after taxation	131,218	125,317
Profit from discontinued operations after taxation	96,087	1,238
Profit for the year	227,305	126,555
Profit attributable to non-controlling interest	(881)	(988)
Profit attributable to owners of the company	226,424	125,567
Earnings per share		
- Basic and diluted	0.98	0.54
- Basic and diluted - for continuing operations	0.56	0.54

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2025 US$'000	2024 US$'000
Profit for the year	227,305	126,555
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	17,423	(8,152)
Net fair value gains on debt securities at fair value through other comprehensive income	17,061	4,402
Net change in allowance for expected credit losses on debt securities at fair value through other comprehensive income	820	(258)
Net gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal	–	(97)
Finance income from insurance contracts issued	40,487	28,910
Finance (loss)/income from reinsurance contracts held	(155)	14
Taxation relating to components of other comprehensive income	818	(1,221)
Net other comprehensive income that may be reclassified subsequently to profit or loss	76,454	23,598
Items that will not be reclassified subsequently to profit or loss:		
Gains on property revaluation	11,318	1,064
Remeasurement of pension plans	(2,565)	(5,181)
Remeasurement of post-retirement medical benefit obligations	88	385
Share of other comprehensive income of associated companies	–	25
Taxation relating to components of other comprehensive income	(2,036)	38
Net other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss	6,805	(3,669)
Other comprehensive income for the period, net of tax	83,259	19,929
Total comprehensive income for the period, net of tax	310,564	146,484
Comprehensive income attributable to non-controlling interest	(891)	(997)
Comprehensive income attributable to owners of the company	309,673	145,487

Guardian Group

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH 81:01
[SECTION 143 (1)]

1. Name of Company: **GUARDIAN HOLDINGS LIMITED** Company No. G – 967 (C)
2. Annual Meeting of the Company to be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago, on Thursday 30 April 2026 at 2:30 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast.

I/We (block capitals please) _____ being Shareholder(s) in the above Company ***(or in the case of an owner whose shares are held in a Clearing Agency being authorised by the Clearing Agency to do so)*** appoint the Chairman of the Meeting, or failing him, _____ of _____

to be my/our Proxy to attend and vote for me/us on my/our behalf at the above meeting and any adjournment thereof as indicated below on the Resolutions to be proposed in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof.

Please indicate with an "X" in the spaces below how you wish your Proxy to vote on the resolutions referred to. If no such indication is given the Proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting:

	FOR	AGAINST
RESOLUTION 1: BE IT RESOLVED That the Audited Financial Statements of the Company for the year ended 31 December 2025 and the Reports of the Directors and Auditors thereon be received and adopted.		
RESOLUTION 2:		
(a) BE IT RESOLVED That Mr. Michael Lee-Chin be and is hereby re-elected a Director of the Company for a term of one (1) year expiring at the close of the first Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(b) BE IT RESOLVED That Mr. Nicholas Lok Jack be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(c) BE IT RESOLVED That Mr. Robert Almeida be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(d) BE IT RESOLVED That Mr. Ian P. Chinapoo be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(e) BE IT RESOLVED That Mr. Dexter Maitland be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		

Guardian Group

Form of Proxy (continued)

	FOR	AGAINST
(f) BE IT RESOLVED That Mr. L. Dominic Rampersad be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(g) BE IT RESOLVED That Mr. Patrick Solomon be and is hereby elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1;		
RESOLUTION 3: BE IT RESOLVED That PricewaterhouseCoopers be re-appointed as Auditors of the Company and that the Directors be authorised to fix their remuneration for the ensuing year.		

Signature(s): _____ **Date:** _____

NOTES:

1. If it is desired to appoint a proxy other than the Chairman of the Meeting, the necessary deletion must be made and initialled and the name of the proxy inserted in the space provided.
2. In the case of joint holders, the signature of any holder is sufficient but the names of all joint holders should be stated.
3. If the appointor is a corporation this form must be under its common seal or under the hand of its attorney, in fact.

Mail or deliver to: The Corporate Secretary
Guardian Holdings Limited
P.O. Box 88
1 Guardian Drive, Westmoorings, 110612
Trinidad and Tobago

For official use only	
Folio Number	
No. of Shares	


Guardian Group
Guardian Holdings Limited