

EXETER FRIENDLY SOCIETY

Group Solvency and Financial Condition Report  
For the year ended 31st December 2025

Approved: 8th April 2026

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## Executive Summary

The Board of Exeter Friendly Society (“The Society”) and its subsidiary The Exeter Cash Plan (“ECP”) have prepared this Solvency and Financial Condition Report (“SFCR”) which sets out summary information on the risks faced by The Society and ECP, its management controls and the level of solvency it is required to hold. This report covers The Society and ECP as solo entities as well as The Society and its subsidiaries consolidated on a group basis. The headings used are as prescribed in the relevant regulations and cover the business activities, governance, risks, assets and capital management.

### Performance summary

2025 has been a year of both challenge and opportunity for The Exeter. Against a backdrop of economic uncertainty, regulatory evolution, and shifting consumer expectations, we have remained focused on delivering our business plan, strengthening our leadership, and refreshing our strategy to ensure long-term sustainability and member value.

We entered the year with a clear set of priorities: to enhance member outcomes, improve operational efficiency, and grow our reach in the protection and health insurance markets. I am proud to report that we have made strong progress across all fronts.

Our income protection and health insurance products continued to perform well, supported our member-first approach. We saw modest growth in premium income, in line with sector trends, and maintained a strong solvency position, reflecting our prudent financial management and mutual ethos.

We also advanced our digital transformation programme, improving claims processing times and adviser support tools. These enhancements are helping us deliver faster, more personalised service, and are laying the groundwork for further future innovation.

Throughout 2025, we performed strongly in the protection insurance market, launching new propositions such as the multibenefit option, and responding to increased demand for Private Medical Insurance as access to medical provision in the UK became more challenging. Our commitment to mutuality, reinvesting profits for the benefit of members, has been a key factor in our success.

### Delivery of benefit to members

Our work at The Exeter is anchored in our purpose: to support members in times of ill health or financial vulnerability. We do this by offering high-quality, inclusive products that meet diverse and changing needs. Our healthcare proposition focuses on personalisation, transparency, and member experience, while our protection offering is built on simplicity, fairness, and trust. We reinvest profits to benefit future generations of members, widening inclusion and making peace of mind more accessible. Our pricing philosophy reflects this ethos, balancing sustainability with fairness, and ensuring that premiums are set to deliver longterm value rather than short-term gain.

## Economic and regulatory landscape

The UK economy remained subdued throughout 2025, showing only modest growth amid ongoing budget uncertainty and weak activity in key sectors. GDP increased by 1.3% over the year, up from 1.1% in 2024, although quarterly growth remained minimal, with 0.1% increases in both Q3 and Q4. Growth was driven primarily by manufacturing, while the dominant services sector showed no growth and construction recorded its worst performance in more than four years.

Inflationary pressures persisted, with CPIH inflation rising to 3.6% in the 12 months to December 2025, slightly above the 3.5% recorded in November. CPI inflation increased to 3.4% year-on-year, influenced particularly by alcohol, tobacco and transport prices. Core inflation remained elevated, with CPIH core inflation at 3.5%.

After several rate cuts since 2024, the Bank of England further reduced the base rate during 2025. The first rate review of the year saw a cut from 4.75% to 4.50%, followed by another reduction from 4.5% to 4.25% effective June 2025. By December, further easing brought the base rate down to 3.75%, reflecting policymakers' response to falling—but still above-target—inflation and weak economic momentum.

Financial markets showed mixed performance. The FTSE All-Share Index ended the year at approximately 5,350, representing an annual increase from its 2024 close of 4,468. This equates to a +19.8% annual return for 2025.

UK 15-year gilt yields fluctuated but remained elevated, with yields reaching 5.29% in April 2025, a sixteen-year high driven by expectations of prolonged higher interest rates. By December 2025, yields were recorded around 4.92%, reflecting some easing from the April peak.

Despite falling inflation and lower interest rates, the cost-of-living pressures continued throughout 2025. Although no material impacts on lapse rates, claims or new business volumes have yet been observed, experience continues to be monitored closely. These pressures and uncertainties are incorporated within ongoing stress testing and scenario analysis

## Solvency Coverage

The percentage coverage of our pillar 1 SCR capital is a measure of the financial strength of the organisation. To ensure we maintain our financial strength through movements in underlying markets, we aim to maintain this above 130% in the long term business fund and above 160% in the general business fund. The Coverage changed in 2024 as follows

- Long term business fund decreased from 144% to 135%. This was the result of a combination of strategic spend and growth in new business.
- General business fund increased from 354% to 362%. This change is a mainly a result of growth throughout the year.
- Cash plan increased from 462% to 1314%. This is a result of all the policies now having run off, and only a small amount of default risk on our assets remaining.

More detail on solvency capital coverage is given in section E2.3.

## Future plans

Our strategic ambition is to transform The Exeter into a truly modern mutual. This transformation is underpinned by ten strategic focus areas that guide our decision-making and investment priorities. These include growing our membership base, diversifying our propositions, deepening adviser relationships, and building a scalable, efficient organisation. We aim to be recognised as a mainstream player with a unique market position, offering distinct and purposeful propositions that cater to a broad range of customer needs and budgets.

In recent years, The Exeter has focused on building a sustainable platform for growth. This has meant investing in our people, systems, and technology, and strengthening our financial resilience. Our business model is centred on providing Income Protection, Private Medical Insurance, and Life Insurance, with 99% of new business distributed through financial advisers and broker networks.

The Exeter's refreshed strategy is rooted in our heritage as a mutual, but it is future-facing. Our ambition is to build a business that is not only resilient and sustainable, but also agile, innovative, and truly distinctive in the markets we serve. As we look to 2026 and beyond, we are setting our sights higher on growth, on impact, and on delivering value for our members, advisers, and communities.

## Statement of Directors' Responsibilities

We acknowledge our responsibility for preparing the group SFCR in all material respects in accordance with the PRA Rules and the Solvency UK Regulations.

We are satisfied that:

a) throughout the financial year in question, the group has complied in all material respects with the requirements of the PRA Rules and the Solvency UK Regulations as applicable at the level of the group; and

b) it is reasonable to believe that the group has continued so to comply subsequently and will continue so to comply in future.

## Section A : Business & Performance

### A.1 - Business

#### A.1.1 - Business Description

The parent Society is operated as two separate sub funds as required to split long term and general business. All costs are allocated to these sub funds and to the single operating subsidiary in line with the actual resources used.

The bulk of the business is undertaken within the parent company but there are five wholly owned subsidiaries within the group. These are outlined as follows:

- Exeter Cash Plan Holdings Limited - 100% owned subsidiary which is the intermediate holding company for The Exeter Cash Plan
- The Exeter Cash Plan - Provider of cash plan policies. 100% owned by Exeter Cash Plan Holdings Limited
- Go Private Limited, a wholly owned dormant subsidiary
- Exeter Friendly Members Club Limited, a wholly owned dormant subsidiary
- Pioneer Advantage Limited, a wholly owned dormant subsidiary

All operating companies share a common governance structure and operate under two PRA registrations; one for the main Society and one for The Exeter Cash Plan.

#### A.1.2 - Business Summary

The Group's insurance businesses consist of both general and long term contracts, the former represented by its books of Private Medical Insurance ("PMI") business and the latter through its Income Protection ("IP") and Life Cover policies. All insurance policies are underwritten by the Group and sales of new policies are distributed primarily through Independent Financial Advisers and broker networks.

Policies are administered by The Society. However, private medical claims are processed on The Society's behalf by AXA.

The Society operates in a competitive market. The Society sees the importance of providing outstanding levels of service to both customers and brokers and has invested heavily in transforming these areas. Price and broker relationships are also considered main drivers.

The income protection market is competitive but The Society has an established foothold in that product and has improved its market position in recent years.

The life cover market is more competitive still, so The Society has looked to offer differentiated propositions that do not directly compete with established insurers. This strategy has proved to be successful in creating a unique market position and delivering consistent levels of new business.

During 2025 we launched our Multi-benefit option, offering Life cover alongside Income protection, expanding into a wider range of markets.

The private medical insurance market has continued to grow steadily in 2025 as concerns over the performance of the NHS continue to increase.

Interest rates continued to slowly reduce this year; however, they have not reduced as quickly as forecast at the start of the year, mainly as a result of inflation not falling as quickly as forecast. This has resulted in long term projected yields being higher than forecast last year end.

In order to reduce risk, The Society endeavours to match these long-term liabilities with assets which behave in similar ways to the liabilities. Our investment strategy will be reviewed during 2026 to ensure it meets the changing needs of The Society and provides long term return for members.

The Society is well-placed to continue its strategy for growth, as described in more detail below.

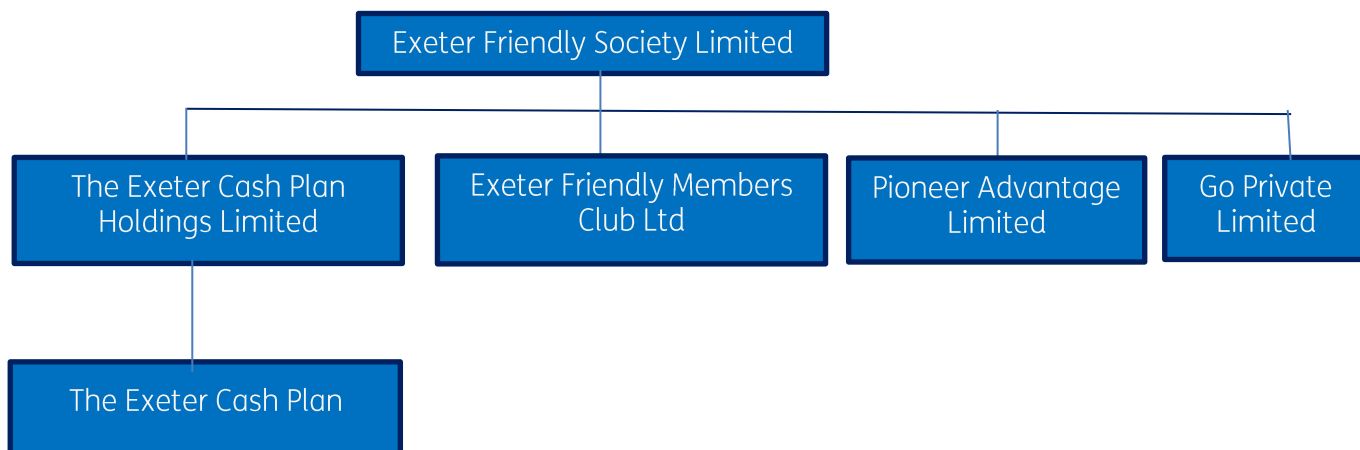
The Board agreed ten key strategic priorities, in order to deliver on its vision for The Society to provide more peace of mind to more people in a more uncertain world:

- *Growing Purposefully and Sustainably*
- *Broadening Our Customer Base and Market Reach*
- *Offering Distinctive, Purposeful Propositions*
- *Supporting Advisers to Jointly Succeed*
- *Leading the Market with End-to-End Customer Experience*
- *Continuously Improving Efficiency and Cost-Effectiveness*
- *Leveraging Flexible, Scalable, and Resilient Technology and Data*
- *Creating New Capability and Capacity Through AI*
- *Navigating Uncertainty with Agility and Pace*
- *Empowering Our People for a Clear Advantage*

By seeking to expand the business through the sale of our policies, the Board aims to generate and preserve value for our members over the long term, thereby providing a firm capital base on which to support future growth.

### A.1.3 - Group Structure

The Group structure is as follows:



### A.1.4 - Geographic areas and lines of business

At 31 December 2025 The Society had 3 lines of business: Income Protection Insurance, Term Life Insurance and Private Medical Insurance.

All products are now sold only within the UK, but we have a small proportion of legacy PMI members outside the UK. These overseas policies have not been renewed in 2025 and will run off in 2026.

### A.1.5 - Name and legal form of the undertakings

Both Exeter Friendly Society Limited (“The Society”) and The Exeter Cash Plan (“ECP”) are incorporated in the United Kingdom and registered in England. Their Registered Office Address is:

Lakeside House  
Emperor Way  
Exeter  
Devon  
EX1 3FD

This Solvency and Financial Condition Report (“SFCR”) covers Exeter Friendly Society Limited and its subsidiary The Exeter Cash Plan on a solo basis, as well The Society and its subsidiary companies consolidated on a group basis.

### A.1.6 - Name of Supervisory Authority

The Society and ECP are authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority.

The Prudential Regulatory Authority (“PRA”) can be contacted at:

Prudential Regulatory Authority  
Bank of England  
Threadneedle Street  
London  
EC2R 8AH

The Financial Conduct Authority (“FCA”) can be contacted at:

Financial Conduct Authority  
25 The North Colonnade  
London  
E14 5HS

### A.1.7 - Auditors

The auditors of The Society and all Subsidiaries within the Group are:

Forvis Mazars LLP  
30 Old Bailey  
London  
EC4M 7AU

## A.2 - Underwriting Performance and other KPIs

### A.2.1 - Underwriting performance

The Board monitors a number of key performance indicators to measure its success in delivering its strategy for the business, including growth in sales, premium income, membership, claims, operating expenses and reserves.

### A.2.2 - Membership

Membership is key to The Exeter as it reflects the scale of The Society; and the long-term ability to continue to provide services to members depends upon membership being stable or growing.

	2025	2024	Movement	%
General Business Membership	50,121	50,430	-309	-0.60%
Long Term Business Membership IP	71,599	66,225	5,374	8.10%
Long Term Business Membership Life	29,783	22,868	6,915	30.20%
Society Membership	151,503	139,523	11,980	8.60%
Cash Plan Membership	0	6,862	-6,862	-100.00%
Group membership	151,503	146,385	5,118	3.50%

Overall, therefore, the membership base showed an increase on previous years, where total membership at the end of 2025 was 151,503 (2024: 146,385) at the year end.

### A.2.3 - Gross written premium

Total gross premium written for 2025 amounted to £135.5m compared to £125.3m for 2024. The individual product line performance was as follows:

- Sales of new Income Protection policies were 25.9% higher than in 2024, ending the year at £7.3 million. Overall gross written IP premiums recorded an increase of 12.4% to £41.8 million for the year.
- Sales of new Life Cover policies were 56.8% higher than in 2024, ending the year at £5.8 million in 2025. Overall Gross written Life premiums recorded an increase of 7.4% to £16.7 million for the year.
- New Private Medical Insurance sales totalled £19.7 million, a decrease of 22.4% compared to 2024. Gross written premiums increased by 8.8% to £76.6 million during the year.
- The Cash Plan business, which ran off during 2025, contributed £0.4 million gross written premium compared to £2.2 million in 2024.
- Total new business sales decreased from £35.1m in 2024 to £32.8m in 2025.

### A.2.4 - Claims and expenses

The Exeter's policies are designed to pay claims for the benefit of our members, making this a key measure of our performance. Furthermore, our policies are priced to ensure fair premiums for all members, maintaining a balance that ensures the business remains sustainable and capable of meeting our members' needs in the long term.

Claims (net)	2025 £	2024 £	Increase / Decrease
PMI	51.9m	41.8m	24.3%
Income Protection and Life Protection	8.6m	8.1m	6.3%
Health Cash Plan	0.4m	1.8m	-77.1%

The total claims paid out for the Group in 2025 was £60.9m (2024: £51.7m).

At the Group level the commission payable to intermediaries increased by 19.5% to £37.0 million (2024: £31.0 million). This is a direct result of the growth in new business over 2025. Net operating expenses increased by 7.5% from £35.7 million to £38.5 million.

### **A.3 - Investment Performance**

Matching of assets to liabilities is achieved by investing in assets of similar maturity duration to the underlying cash flow requirements of the insurance liabilities. The Society has a policy of not using equities to match any insurance liabilities and therefore any such investments are made out of free assets.

Our investment strategy will be reviewed during 2026 to ensure it meets the changing needs of The Society and provides long term secure return for members.

### **A.4 - Future Prospects**

As a mutual, The Society puts the interests of its members at the heart of how it does business and, to support this philosophy, the Board endeavours to ensure that products and services are designed and delivered in accordance with the needs of those members.

The Society performed well in 2025, delivering £32.8m of new sales. This includes an increase of 25.9% for Income Protection and 56.8% for Life Protection. The Board believes that The Society is well-placed to continue to deliver future increases in new business by delivering a market leading customer experience. The Society has continued to invest in its infrastructure and systems and is well placed to continue to pursue growth over the medium term.

### **A.5 - Reinsurance Arrangements**

The Society reinsures its Income Protection products with Pacific Life Re and Swiss Re and Term Life Insurance products with Swiss Re. Private Medical Insurance and Cash Plan are not reinsured. The Society mitigates its exposure to tail lapse risks from Income Protection through a reinsurance agreement with Hannover Re. Since 2022, The Society has had a Financial Reinsurance contract with Hannover Re, providing financing for new business sales on the Life book.

## Section B: System of governance

### B.1 - Governance Structure

The Board's role is to provide leadership of The Society within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets The Society's strategic aims and risk appetite, as well as ensuring that the necessary financial and human resources are in place in order for The Society to meet its objectives and review management performance. In addition, the Board sets The Society's values and standards and ensures that its obligations to members and others are understood and met.

The Board has a duty to ensure that relevant legislation and regulations are adhered to, and that proper accounting records and effective systems and controls are established, maintained, documented and audited to safeguard members' interests. The Non-Executive Directors are responsible for bringing independent judgement to discussions held by the Board, using their breadth of experience and understanding of the business to constructively challenge and help develop proposals on strategy.

There is a formal schedule of matters specifically reserved for the Board's decision and a Corporate Governance Handbook sets out its responsibilities and the structure of delegation of authority by the Board to management.

The Board has established five principal Committees, under its overall authority, to oversee certain functions in detail. These Committees cover the following functions:

- Governance and Risk
- Nomination
- Remuneration
- Audit
- Investment

In addition to Committee Meetings the Board holds six formal Board meetings each year including a whole day devoted to the development of strategy. Each Board meeting includes a consideration of The Society's performance against its strategic objectives, with corrective action proposed as required to ensure that the business remains on target to achieve them. In addition, the Non-Executive Directors meet on one occasion without the Executive Directors and on a further occasion without the Chairman present. The attendance record during the year of Directors at formal meetings of the Board and its Committees is reported within the Society's Annual Report & Accounts.

The Main Board comprises a non-executive Chair, four other non-executive directors and four executive directors. The Main Board is supported by an Executive Committee which comprises three Executive Directors plus five other function Heads. The medical director is also CMO. The CMO role requires independence, so that members, particularly those making a claim, can be reassured that his advice is given in a way that is demonstrably unprejudiced. For this reason, he does not attend Executive Committee, nor does he participate in the executive bonus scheme.

The Executive Committee is in turn supported by other committees comprising senior managers within the business. All such committees have formal terms of reference, agendas, full minutes and specific action points.

### B.1.1 - Governance and Risk Committee

The Governance and Risk Committee is appointed by the Board on the recommendation of the Nomination Committee. As recommended by the Association of Financial Mutuals UK Corporate Governance Code (the “Code”), the majority of members of the Committee are independent Non-Executive Directors.

The purpose of the Committee is to ensure, and provide assurance to the Board, that The Society’s risk management framework and governance arrangements are appropriate in respect of the type of business it transacts, the markets in which it operates and the regulatory regime by which it is assessed. In discharging its responsibilities, the Committee reviews, approves and monitors internal risk and compliance framework and reports, and manages the process to ensure that the Own Risk Solvency Assessment (“ORSA”) has the content required by the Board.

The Committee meets at least three times a year, at appropriate times in the reporting cycle. The Chief Risk Officer and Head of Compliance both have direct access to the Committee and its Chairman and they meet at least once a year with the Committee, without The Society’s management present.

The Committee has the additional responsibility of providing oversight of The Society’s governance and regulatory compliance arrangements and monitoring their on-going effectiveness. In this regard, the Committee regularly reviews reports from the Compliance Function including the outcomes and recommendations arising from its monitoring programme. The Committee also reviews The Society’s arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.

### B.1.2 - Nomination Committee

The Nomination Committee regularly reviews the structure, size and composition of the Board, in particular the range and balance of skills, knowledge and background on the Board, and considers succession planning for Directors. The Committee is responsible for identifying and nominating, for the approval by the Board, candidates to fill Board vacancies as and when they arise.

Prior to the Board recommending a Non-Executive Director for re-election at the Annual General Meeting, the Committee considers their appointment giving due regard to their performance, continuing commitment to the role and ability to contribute effectively to the Board and to ensure the continuing balance of the Board.

On the basis of the above criteria the Committee considers that the current Board is appropriate for the needs of the business.

### B.1.3 - Remuneration Committee

The remuneration of the Executive Directors is set by the Remuneration Committee and is based on the following principles:

- Assumed overall responsibility for the remuneration strategy and policy.
- Reviewed the remuneration policy for all Executive Directors and the Board Chair.
- Continuously assessed the appropriateness and relevance of the remuneration policy.

- Determined the total individual remuneration packages for each Executive Director, the Board Chair, and other designated senior executives.
- Obtained reliable, up-to-date remuneration information from companies of comparable scale and complexity to inform remuneration decisions.
- Established the selection criteria, selected, appointed, and set the terms of reference for any remuneration consultants advising the Committee.
- Approved the design and set targets for any performance related pay schemes, and approved the total annual payments made under such schemes.
- Determined the policy and scope of pension arrangements for each Executive Director and other designated senior executives.
- Ensured that contractual terms on termination and other payments were fair, did not reward failure, and fully recognised any loss.
- Oversaw any major changes in colleague benefits structures.
- Agreed on the policy for authorising claims for expenses from the directors.

Further detail on remuneration for Executive Directors is included in the annual report and accounts.

#### **B.1.4 - Audit Committee**

The Audit Committee is appointed by the Board on the recommendation of the Nomination Committee. As recommended by the Code, all four members of the Committee are independent Non-Executive Directors and at least one member has recent and relevant financial experience. The Audit Committee Chairman is appointed by the Audit Committee.

The purpose of the Committee is to assist the Board in discharging its responsibilities for the integrity of The Society's financial reporting, the quality of the external and internal audit processes and the appropriateness of The Society's system of internal financial controls.

The Committee meets at least three times a year, at appropriate times in the reporting and auditing cycle. The independent auditors and the Head of Internal Audit both have direct access to this Committee and its Chairman and they meet at least once a year with the Committee, without The Society's management present.

The primary role of the Committee in relation to financial reporting is to review with both management and the external independent auditors the appropriateness of the annual financial statements concentrating on, amongst other matters:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;

- material areas in which significant judgements have been applied or there has been discussion with the external independent auditors;
- whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for members to assess The Society's position and performance, business model and strategy; and
- any correspondence from regulators in relation to The Society's financial reporting.

To aid its review, the Committee considers reports from the Head of Internal Audit, the Finance Director, The Society's Actuaries and reports from the external independent auditors on the outcomes of their annual audit. The internal audit function also advises the Committee on the effectiveness of The Society's internal control systems, the adequacy of those systems to manage business risk and to safeguard its assets and resources.

The committee approves this SFCR, including the templates in appendix 1.

#### **B.1.5 - Investment Committee**

The Committee draws up and regularly reviews Investment Guidelines and recommends investment policy to the Board, including the review and approval of established limits for investments and the review and approval of credit policies including investment and counterparty liability, taking advice from the in-house Actuarial team and other appropriate financial advisers.

The Committee monitors the performance of the Investment Managers against the agreed benchmarks including its policy for compliance with the principles of the Stewardship Code. Royal London Asset Management was appointed as The Society's Investment Managers in 2011, following a selection process that was overseen by the Committee. A separate contract is in place with HSBC Bank Plc for the provision of custodial services for The Society's investments.

#### **B.1.6 - Adequacy of the Governance Structure**

The Society monitors and assesses its system of governance on an ongoing basis as described in the above sections and believes it to be robust.

## **B.2 – Fit and Proper Requirements**

The Committees outlined above set the policies and processes to be implemented throughout the organisation. In order for this to happen The Society must be staffed by individuals with the appropriate skills and training. Significant emphasis is placed on recruiting the right people and then ensuring that they adhere to The Society's regulatory and operational processes.

## B.3 - Risk Management Framework

The Board adopts an enterprise-wide risk management (EWRM) framework to ensure that risks are managed effectively. This framework uses the three lines of defence (TLoD) model, which provides three levels of independent oversight and assurance of risk management carried out by the business. This is outlined in the diagram below.

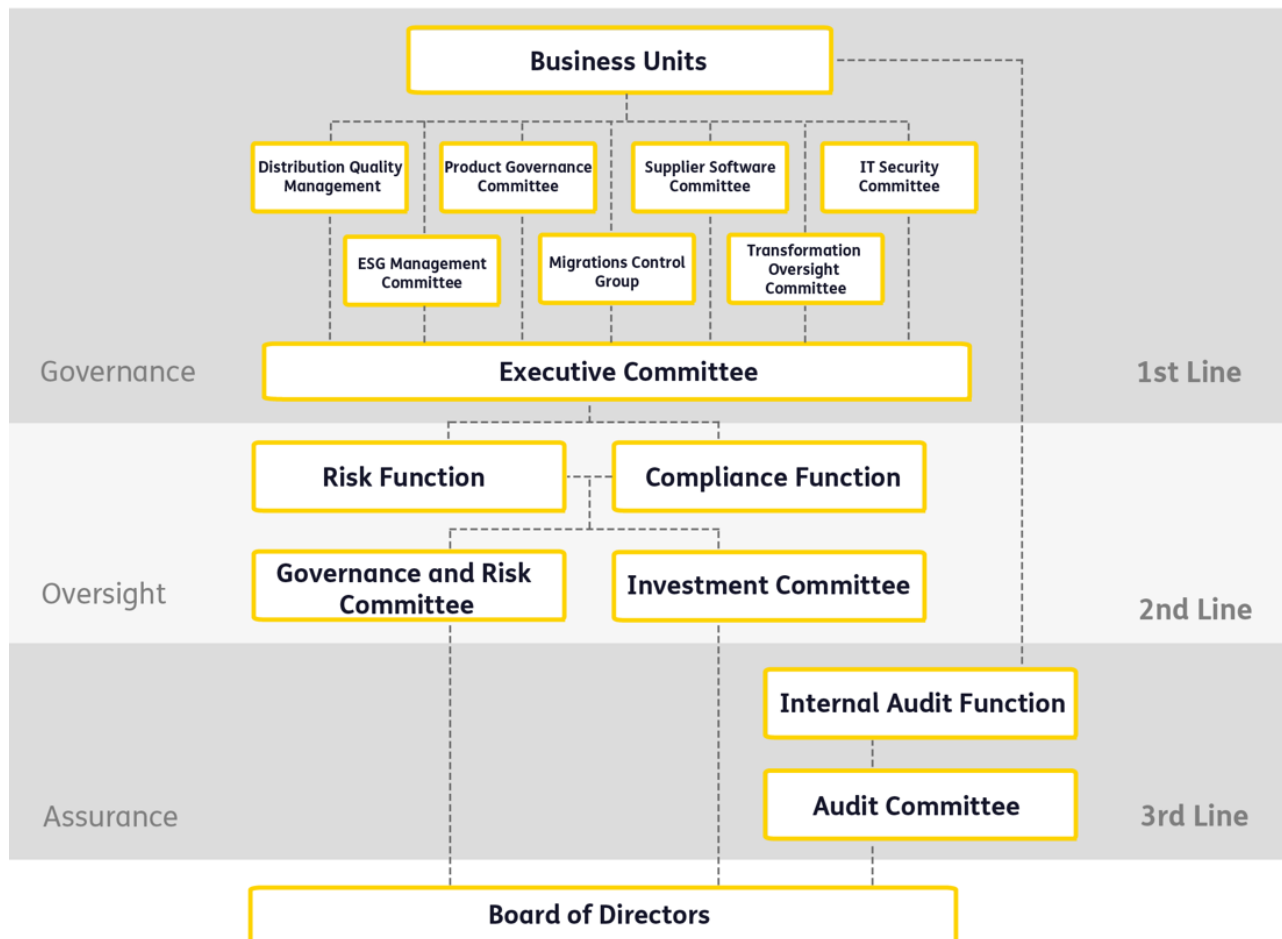
The Board's Governance & Risk Committee reviews the risk management framework at least annually and receives quarterly reports from the Chief Risk Officer. In addition, the Executive Committee receives regular risk management reports, and the Chief Risk Officer also reports directly to the Chair of the Governance & Risk Committee.

During 2025 significant work has been undertaken to enhance the EWRM Framework at The Exeter through:

1. Better clarifying the way we categorise risks (our "Risk Taxonomy");
2. Better calibrating the way we evaluate the severity and impact of risks (our "Risk Assessment"); and
3. Revisiting our Risk Appetite Statements and ratings for all risk categories and types to ensure they align to our purpose, values and commitment to our members.

The Board has set risk appetite statements for all categories of risk in our taxonomy and for liquidity risk and capital risk has agreed appropriate risk limits and tolerances for each of the funds. The availability of liquidity and utilisation of capital against these is measured and considered regularly and appropriate action is taken to address any issues.

### The Three Lines of Defence



The Society continues to operate a TLoD risk management model, headed up by the Executive Committee, being the first line of defence, the Risk Management and Compliance functions as the second line of defence and Internal Audit providing the third line of defence. The Chief Risk Officer (2nd line) reports directly to the Chair of the Governance & Risk Committee whilst the Head of Internal Audit (3rd line) reports directly to the Chair of the Audit Committee to ensure independence.

Everyone within the business is responsible for identifying, communicating, and managing risks within their day-to-day activities.



## B.4 - Internal Control System

The Society has identified the processes and controls required within its operations to ensure that business risks are addressed and assets are safeguarded. In doing this all key operations are documented and flowcharted to assess the risks that they link to and the controls that are in place.

Each control is allocated to a specific individual or role and these controls are subject to review by internal and external audit and the compliance department.

## B.5 - Internal Audit Function

The internal audit function advises management on the effectiveness of The Society's internal control systems, the adequacy of those systems to manage business risk and to safeguard its assets and resources. The internal audit function provides objective assurance on risks and controls to the Audit Committee. The Committee directs the internal audit plan to cover areas of risk and concern and this is kept under regular review. It also conducts a regular review of the effectiveness of the internal audit function and ensures that it has sufficient resources to carry out its duties effectively.

## B.6 - Actuarial Function

The Society employs an in-house team of actuaries who are responsible for the assessment of insurance related risks within The Society. This work includes product pricing, experience analysis, the quantification of actuarial reserves, technical provisions and capital modelling.

## B.7 - Outsourcing

The Board acknowledges that it is responsible for the actions of its subcontractors and therefore has an outsourcing policy with appropriate controls for due diligence, contracting and monitoring performance. The Society has one material outsourcing arrangement relating to the handling of private medical claims.

The Society also outsources all private medical claims handling to AXA. This key outsourcer is domiciled in the UK.

Management information is reviewed for the outsourcing arrangement and regular review meetings are held with outsourcers to review contracted performance indicators and any issues that have arisen during the month. Any corrective action or revisions to service standards is agreed as required.

## B.8 - External audit

The Audit Committee oversees The Society's relationship with and monitors the performance of the external independent auditors and makes recommendations to the Board in relation to their appointment, reappointment or removal. These recommendations are then put to the members for approval at the Annual General Meeting. Forvis Mazars LLP has held the position of The Society's independent auditors since 2020. In accordance with the Code, it is a policy of the Committee to conduct a tender exercise at least every 10 years.

The Committee undertook a tender exercise for the external audit in 2025. As a result of which Ernst & Young LLP ('EY') were selected by the Audit Committee and will be put to the members for voting at the Annual General Meeting (AGM) on 24 June 2026.

The Society has policies in place which aim to safeguard and support the independence and objectivity of the external independent auditors. One such policy requires the prior approval of the Board for the engagement of the independent auditors for non-audit work.

The independent auditors are not normally engaged to provide any other services in line with current standards. Where other services are provided from time-to-time, these are limited in scope so that they would not compromise the independence of the audit and the total spend on these services is limited to be no greater than the cost of the independent audit.

The effectiveness of the external audit process is assessed as part of the Audit Committee's annual effectiveness review, which takes the form of a survey issued to the Committee members and regular attendees. The Chairman collates the findings of the effectiveness review and ensures that any issues relevant to the audit process are acted upon.

## Section C : Risk Profile

Understanding and managing the risks we face is essential to protecting our members and delivering on our long-term strategy. The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives and for ensuring appropriate processes and controls are in place to manage such risks. In meeting its obligations, the Board has carried out an assessment of the principal risks facing The Exeter, including those that would threaten its business model, good customer outcomes, future performance, solvency, or liquidity.

The summary below groups our principal risks and uncertainties into four broad categories: Financial, Regulatory, Strategic, and Operational. It explains the key factors that could influence our performance, highlights the most significant risks within each category, and sets out how we manage and monitor them. This overview evidences that The Exeter has robust processes in place to anticipate challenges, respond effectively, and maintain the strength and resilience of the organisation in a changing environment.

### C.1 - Financial risk

#### Risk Description

Financial risk reflects The Exeter's ability to maintain adequate capital and liquidity to meet obligations, particularly during market stress. It includes modelling or assumption errors, investment underperformance, and incorrect pricing. Capital risks arise where reserves or capital prove insufficient to meet regulatory solvency or reserving requirements. Assumptions on economic and demographic factors drive reserve and capital needs, and assets may be inadequate if markets or interest rates differ from expectations. Liquidity risks concern meeting obligations when due and are influenced by cashflow timing and the effectiveness of asset and liability matching.

#### Risk Landscape

Volatile markets, shifting credit conditions, and fluctuating interest rates affect investment performance, capital strength, and liquidity. Regulatory expectations continue to rise in areas such as solvency, reserving, liquidity coverage, and capital planning. Solvency UK reforms and greater dependence on complex models increase the need for strong governance, validation, and scenario testing.

#### Our Risk Management Approach

The Exeter closely forecasts cashflows, challenges variances, and maintains Board-approved capital and liquidity buffers. Capital and reserving requirements are set using well-governed assumptions, with assets selected to meet expected liability timings. Asset and Liability Matching supports liquidity by aligning inflows and outflows. Banking arrangements are diversified and high-quality liquid assets are pre-positioned. Asset concentrations and counterparty exposures are monitored. Financial models undergo strong validation, pricing is reviewed frequently, and finance teams are trained to recognise modelling bias. First and second line roles are clearly separated within the Enterprise Risk Management Framework.

### Monitoring and Metrics

Monitoring focuses on liquidity coverage versus appetite thresholds, cash positions against forecast, solvency under adverse scenarios, and the adequacy of reserves and capital projections. Model validation outcomes, reporting timeliness, asset concentrations, and counterparty exposures are reviewed regularly. Pricing adequacy is tracked using loss ratios, margins, and volume impacts, with any pricing-related complaints investigated to ensure fair member value.

## C.2 - Regulatory Risks

### Risk Description

Regulatory risk refers to the potential for reputational damage, operational restrictions, or financial penalties arising from ineffective regulatory engagement or non-compliance with legal and supervisory requirements. It also includes exposure to legal action linked to The Exeter's activities, products, or services, which may result in fines or other sanctions.

### Risk Landscape

The regulatory environment is increasingly complex, with frequent reforms and heightened expectations around conduct, governance, and transparency. The Exeter is subject to close supervisory scrutiny and must demonstrate proactive and constructive engagement. Consumer Duty continues to drive a strong focus on fair value and member outcomes. Evolving legislation and case law add further legal complexities and raise the importance of timely compliance.

### Our Risk Management Approach

The Exeter maintains open and transparent communication with regulators, ensuring requests and consultations receive timely, high-quality responses. Regulatory actions and remediation activities are monitored through formal governance structures. Legal and regulatory developments are reviewed regularly and incorporated into policies and frameworks as needed. The Exeter works with legal advisers to manage potential claims and resolve issues promptly.

### Monitoring and Metrics

Monitoring covers the quality and timeliness of responses to regulatory requests, alongside the number and severity of open actions or findings. Outcomes of industry reviews, thematic work, and legal claims are tracked, as are reputation indicators and stakeholder feedback. Early identification and active management of regulatory and legal risks help protect the Society's reputation and maintain member trust.

## C.3 - Strategic Risk

### Risk Description

Strategic risk is the possibility that The Exeter may not achieve its financial, strategic, or customer-focused objectives. It arises from internal and external events such as market change, competitor activity, shifting distribution dynamics, poor propositions, or the failure of transformation programmes to deliver intended benefits. It also includes risks created by environmental, technological, and regulatory developments that affect long-term plans and member outcomes.

### **Risk Landscape**

The strategic environment is shaped by evolving customer expectations, competitor actions, regulatory change, and wider political, social, and technological trends. Transformation activity carries execution risk, and there is a continuing need to ensure propositions remain relevant and competitive. External events outside The Exeter's control, including economic shifts or regulatory reforms, can materially influence strategic direction and the Society's ability to achieve its goals.

### **Our Risk Management Approach**

The Exeter uses structured programme and project management to oversee change, applying agile methods, strong governance, and active stakeholder engagement. Benefits realisation is monitored closely, and lessons learned are incorporated into future activity. Proposition development follows a formal lifecycle with testing to ensure customer needs, competitiveness, and value are maintained. Market intelligence and external insights are used to inform decisions, supported by good data strategy, effective Management Information, and investment in internal capability and leadership.

### **Monitoring and Metrics**

Monitoring covers transformation delivery milestones, benefits realisation, and variance between forecast and actual outcomes. Market share, customer feedback, and responses to competitor activity are reviewed regularly. Strategic indicators across political, technological, social, regulatory, and legal developments are tracked to identify emerging risks early. This approach helps The Exeter remain adaptable, supports informed decision-making, and ensures strategic objectives continue to deliver value for members.

## **C.4 - Operational Risks**

### **Risk Description**

Operational risk covers the potential for financial loss, service disruption, or reputational damage arising from flawed or failed processes, systems, controls, or human activity. It includes risks linked to people, third parties, information security, data management, physical assets, cyber threats, business change, and the execution of day-to-day operations. Disruption may result from internal failures or external events such as cyber-attacks or system outages.

### **Risk Landscape**

The operational environment is increasingly complex, driven by greater digitalisation, automation, and reliance on third-party suppliers. Cyber threats and data breaches continue to pose material risks, and insurers face growing regulatory expectations on operational resilience and data protection. Competition for skilled colleagues adds pressure on maintaining capability, while any breakdown in systems, processes, or supplier arrangements can impact service delivery and member trust.

### **Our Risk Management Approach**

The Exeter manages operational risks through regularly reviewed policies, procedures, and process controls, underpinned by robust business continuity and operational resilience planning.

Cyber security is supported by layered technical defences, incident detection, and response frameworks. Third-party and supplier arrangements are subject to strong oversight, and systems and infrastructure are maintained to ensure reliability and resilience. Workforce training, communication, and engagement help build capability, while structured change management minimises disruption from transformation activity. The Society also operates comprehensive controls to detect, prevent, and respond to fraud and financial crime.

### **Monitoring and Metrics**

Operational performance is monitored through indicators such as system availability, the number and severity of risk events, supplier performance, staff turnover, and control effectiveness. Training completion rates, change delivery outcomes, and financial crime detection metrics are also tracked. Operational risks are assessed qualitatively and quantitatively through the ORSA process. This monitoring helps maintain service continuity, safeguard member data, and ensure operational resilience.

## Section D : Valuation for Solvency Purposes

### D.1 - Assets

The Society values its assets using the following methodologies:

- Intangible assets consist of bespoke computer software and software licences. For accounting purposes, intangible assets are initially recognised at cost and amortised using the straight-line method over their useful lives (three to ten years). The amortisation periods used are reviewed annually. Software values are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount is not recoverable the asset is written down immediately to the estimated recoverable amount, based on value in use calculations. Whilst these values are carried in the statutory accounts, they are valued at nil for Solvency UK purposes.
- Land and buildings are formally re-valued annually and included in the accounts at valuation with any surplus or deficit being transferred to a revaluation reserve.
- Fixed assets excluding property are valued at cost and depreciation is provided to write off the cost, less estimated residual value, of tangible assets by equal instalments over their estimated useful economic lives.
- The Society classifies all of its investments upon initial recognition as financial assets at fair value through income and subsequent valuation movements are recognised in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and The Society has transferred substantially all risks and rewards of ownership. Financial assets at fair value through income include listed and unlisted investments, and units in collective investment vehicles. Fair value is based on the bid value at the year end.
- Insurance receivables are recognised when due as at the reporting date.
- Cash for statutory accounting purposes comprise cash at bank and in hand. All such holdings are presented at current value with exchange rates being used where necessary. For Solvency UK disclosure The Society only treats balances which are available immediately as cash, with all other balances treated as investments.
- Reinsurance is recognised as a negative asset as the expected present value of all future cashflows under all reinsurance contracts, including reinsurance premiums and the reinsurer's share of claims. The projections are calculated using best estimate assumptions and allow for discounting at the prescribed risk-free interest rates. More detail on the main assumptions is included below.

For Solvency UK the asset classes below are valued as follows:

### D.1.1 - Intangible assets

The Society initially recognises intangible assets on its balance sheet at cost and any values are then tested annually for impairment to estimate the asset's recoverable amount. Whilst these assets are included for statutory accounts purposes the carrying amount is removed from the Solvency UK balance sheet in accordance with the Regulations.

### D.1.2 - Financial assets

All financial assets are valued at fair value based upon the published bid value at the period end. The Society does not hold any unlisted securities or securities listed on inactive markets.

Units in collective investment schemes are valued at fair value.

For Solvency UK purposes accrued interest on fixed interest securities is included within the market valuation whereas for statutory accounting purposes it is treated as a separate receivable.

### D.1.4 - Holdings in related undertakings

The acquisition of Engage Mutual Health Limited completed in late 2015; up until that point all subsidiaries were dormant and immaterial in aggregate.

The acquisition of Engage Mutual Health Limited, now renamed The Exeter Cash Plan, was via a 100% share purchase to create a wholly owned subsidiary. The Exeter Cash Plan closed to new business in 2024 and the existing business ran off during 2025, with no policies remaining as at 31 December 2025.

The Exeter Cash Plan is a subsidiary of the General Fund. The subsidiary is treated as a strategic investment of The Society and is included in the General Fund. The subsidiary is consolidated into the General Fund in order to calculate The Society's group balance sheet.

Within The Society's Statutory Accounts under UK GAAP the investment in related undertakings is valued at cost less impairment; the impairment review did not indicate a need to reduce the valuation. On a Solvency UK basis the investment in related undertakings is valued at net assets.

### D.1.5 - Deferred tax assets

The Society does not recognise any deferred tax assets. Whilst tax losses do exist with subsidiary companies these are not expected to be realised as the vast majority of The Society's operations fall outside of the scope of Corporation Tax.

## D.2 - Technical provisions

Under Solvency UK, Technical Provisions comprise the Best Estimate Technical Provisions (BETPs) and the Risk Margin.

The BETP is the expected present value of all future cashflows under the policy, including premiums, claims, expenses and commission, which occur after the valuation date. The projections are calculated using best estimate assumptions and allow for discounting at the prescribed risk-free interest rates. More detail on the main assumptions is included below.

The Solvency UK Technical Provisions require a ‘Risk Margin’ to be added to the BETPs to reflect the additional cost of capital needed to offset the risks inherent in the insurance and represents the additional cost to transfer the risks above the BETP.

The valuation of pension and other post-retirement benefit obligations are determined using actuarial valuations. These involve making assumptions about interest rates, expected returns, longevity and future benefit indexation. Due to the long-term nature of these obligations the estimates are subject to significant uncertainty. Details of the key pension assumptions are contained in Note 23 of the Report and Accounts as well as the key assumptions used in the calculation of the post-retirement medical benefits reserve.

No transitional measures, matching adjustment or volatility adjustments have been applied to the calculation of the BETPs.

### D.2.1 - Main assumptions within technical provisions

The main assumptions used to calculate technical provisions are set out below.

#### D.2.2 - Interest rates and inflation

The risk-free interest rate term structure used for discounting the projected cash flows in the technical calculation is the sterling relevant risk-free structure as specified by the Solvency UK regulations. The Society used the rates as provided by the Prudential Regulation Authority (“PRA”). The Society does not use the matching adjustment or the volatility adjustment.

The assumption for Retail Price Index (“RPI”) inflation is based on implied inflation from the Bank of England’s forward gilt yield curves.

#### D.2.3 - Expenses

The expenses incurred in servicing The Society’s policies consist of administration, claims management and new business expenses. The Society performs a regular expense analysis in order to allocate the expenses between initial and renewal and by type of expense. The best estimate expense assumptions are based on the results of this regular analysis together with budgeted expenses.

#### D.2.4 - Lapse assumptions

Lapse assumptions are set with reference to historic experience for The Society’s business, guidance from subject matter experts, reinsurers and industry data. Lapse assumptions vary by product, duration in force, deferred period (for Income Protection policies) and location.

#### D.2.5 - Claims Assumptions

Claims rate assumptions take account of relevant reinsurance and industry information and, where credible, internal experience including experience from The Society’s business.

For long term business, the assumptions used for mortality, morbidity and longevity are based on standard industry tables (where available), adjusted where appropriate to reflect The Society's own experience. Where The Society lacks relevant experience, for example for its Managed Life and Real Life products, reinsurance rates will be used as a base to set assumptions. Due to the long-term nature of these obligations, the estimates are subject to significant uncertainty.

For Private Medical Insurance within the General fund, estimates are made for the expected ultimate cost of claims reported as at the year-end date and the cost of claims incurred but not yet settled (IBNS). It can take many months before the ultimate cost of claims can be established with certainty, and the final outcome may be better or worse than provided. Standard actuarial claims projection techniques are used to estimate outstanding claims. These techniques use past patterns of delay between claims being incurred and settled, and combine them with estimates of ultimate loss ratios and seasonality of claims. Case estimates are used for some reported claims where the ultimate amount is not known.

#### **D.2.6 - Technical provision calculation methodology**

Under Solvency UK, Technical Provisions comprise the Best Estimate Technical Provisions (BETPs) and the Risk Margin.

The Society's Best Estimate Technical Provisions are calculated using a gross premium valuation (as required by Solvency UK) for all policies in-force and on risk at the valuation date. Therefore, the technical provisions are calculated based on the prospective value of future expected cash-flows on a policy-by-policy basis, allowing for full premiums, claims, expenses and lapses. Negative reserves are permitted. The provisions are calculated net and gross of reinsurance to allow separate calculation of the reinsurance recoverable.

The Risk Margin is calculated by projecting a future notional Solvency Capital Requirement (SCR), applying a cost of capital factor and discounting to provide a present value. The Society uses the Solvency UK 'Standard Formula' to calculate its SCR. For the purposes of calculating the Risk Margin, Solvency UK rules allow hedgeable risks to be ignored. The Society considers all Market risks (for example, investment risk and default risk) to be hedgeable and all other risks to be non-hedgeable.

#### **D.2.7 - Uncertainty associated with the value of technical provisions**

Uncertainty relates primarily to how future actual experience will differ from the best estimate assumptions used to calculate the technical provisions. The key assumptions are interest rates, lapse rates, mortality rates, morbidity rates and future expenses. A robust assumption setting process is followed in order to ensure the uncertainty is well understood.

#### **D.2.8 - Solvency UK and UK GAAP valuation differences**

The financial statements are prepared utilising an accounting policy that mirrors as far as possible Solvency UK principles for the Long-Term Business Fund and uses UK GAAP for the General Business Fund.

	2025 General Fund SUK £'000	2025 General Fund UK GAAP £'000	2025 Long Term SUK £'000	2025 Long Term UK GAAP £'000	2025 Cash Plan SUK £'000	2025 Cash Plan UK GAAP £'000
Investments	42,715	42,651	2,395	2,395	0	0
Future premium debtor	-	31,471	-	3,748	-	0
Other debtors	1,990	10	5,153	1,406	63	63
Insurance Assets	-	-	-	160,690	-	-
Reinsurance Assets	-	-	(39,464)	-	-	-
Intangible assets & deferred acquisition costs	-	13,539	-	8,711	-	-
Other Assets	41,997	42,041	1,470	1,470	2,641	2,641
<b>Total Assets</b>	<b>86,703</b>	<b>129,713</b>	<b>(30,445)</b>	<b>178,419</b>	<b>2,703</b>	<b>2,703</b>
Technical Provisions	7,341	41,825	(160,043)	9,259	0	0
Reinsurance Liabilities	-	-	-	22,662	-	-
Other liabilities	8,839	8,839	40,345	48,660	112	112
<b>Total Liabilities</b>	<b>16,180</b>	<b>50,664</b>	<b>(119,699)</b>	<b>80,581</b>	<b>113</b>	<b>112</b>
<b>Capital Resources (Own Funds)</b>	<b>70,523</b>	<b>79,048</b>	<b>89,254</b>	<b>97,839</b>	<b>2,591</b>	<b>2,591</b>

	2024 General Fund SUK £'000	2024 General Fund UK GAAP £'000	2024 Long Term SUK £'000	2024 Long Term UK GAAP £'000	2024 Cash Plan SUK £'000	2024 Cash Plan UK GAAP £'000
Investments	59,594	59,559	2,306	2,306	1,852	1,852
Future premium debtor	-	29,041	-	3,302	-	425
Other debtors	2,003	37	5,444	2,143	271	271
Insurance Assets	-	-	-	136,541	-	-
Reinsurance Assets	-	-	(28,786)	-	-	-
Intangible assets & deferred acquisition costs	-	13,082	-	7,526	-	-
Other Assets	29,583	13,846	1,153	1,153	1,003	1,003
<b>Total Assets</b>	<b>91,179</b>	<b>115,566</b>	<b>(19,882)</b>	<b>152,971</b>	<b>3,126</b>	<b>3,551</b>
Technical Provisions	9,827	41,042	(135,268)	-	141	550
Reinsurance Liabilities	-	-	-	14,608	-	-
Other liabilities	8,676	8,676	25,406	25,201	431	431
<b>Total Liabilities</b>	<b>18,503</b>	<b>49,718</b>	<b>(109,863)</b>	<b>39,809</b>	<b>572</b>	<b>981</b>
<b>Capital Resources (Own Funds)</b>	<b>72,676</b>	<b>65,848</b>	<b>89,980</b>	<b>113,162</b>	<b>2,554</b>	<b>2,571</b>

The key differences between the methodologies are:

- the reclassification of assets and liabilities.
- the removal of intangible assets and deferred acquisition costs (DAC).
- presentation of the risk margin (which for IFRS purposes is presented gross rather than net).

Technical provisions net of the premium debtor and DAC are similar on both bases as Long Term Reserves for IFRS purposes are now based on Solvency UK principles, therefore the net own funds positions are similar on a Solvency UK basis to IFRS.

Group Own Funds (before ring-fenced fund adjustments) are £159.8m (2024: £162.7m) on a Solvency UK basis, compared with £167.6m (2024: £179.0m) under UK GAAP.

### **D.3 - Other liabilities**

A small number of operating leases are in place for office equipment, the value of which is immaterial.

The Society does not have any other provisions or contingent liabilities or deferred tax liabilities.

### **D.4 - Alternative methods for valuation**

The Society does not use any alternative methods for the valuation of liabilities.

### **D.5 - Employee benefits**

For some employees, The Society operates a funded pension scheme, which is now closed to future benefit accrual. The defined benefit scheme is operated from a trust, which has assets that are held separately from The Society, and by trustees who ensure the scheme's rules are strictly followed.

The results of the formal valuation as at 1 January 2024 were updated to the accounting date by an independent qualified actuary. These are consistent between Solvency UK and IFRS valuation methods.

The funding target is for the scheme to hold assets equal in value to the accrued benefits allowing for future pension revaluation and future pension increases. If there is a shortfall against this target, then The Society and trustees will agree on the deficit contributions to meet this deficit over a period. There is a risk to The Society that adverse experience could lead to a requirement for The Society to make additional contributions to recover any deficit that arises.

## E : Capital Management

### E.1 - Own funds (Society, ECP and Group)

The following information relates to the own funds of The Society and its subsidiaries:

- The Society holds own funds in Sterling and Euros, the Euros being used to cover trading operations for euro-denominated policies. Subsidiaries' own funds are all held in Sterling.
- The local currency for all reporting and regulatory returns is Sterling.
- The Exeter Cash Plan manages its capital in the same way as the main Society with a separate SCR and MCR calculation.
- Any intra-group transactions take place at market value with any resultant intra-group balances being settled regularly where necessary.
- The Society has an interfund loan between the General Business Fund and the Long Term fund. The arrangement is based on commercial terms, meeting the requirements of an arm's length transaction under the instruction of transfer.
- All of The Society's business falls within one of two separate ring-fenced funds: one for Long Term Business and one for short term General Business. There is no business conducted outside those funds and The Society manages its capital requirements separately for each fund. Ring-fenced fund restrictions mean that Own Funds at an overall Society level are restricted to the total SCR across both funds.
- The Exeter Cash Plan is a 100% subsidiary of the General Fund and its capital requirements are managed separately. On a group basis, ECP is consolidated into the General Fund. Share capital in ECP is classified as Tier 1 capital as directors have the right to cancel dividends at any time prior to payment.
- To calculate the group SCR, we have used accounting consolidation-based methodology.

Section E.2 sets out the current own funds against SCR and MCR for The Society, ECP and the Group.

#### E.1.1 – Risk Appetite

Exeter Friendly Society sets its risk appetite based on the results of its ORSA. This is to allow for the risks that the management of the company recognise that are not covered within the Standard Formula capital requirements on a Solvency UK basis. The level of own funds is also

monitored against the SCR requirement, but the ORSA requirement is the key indicator for the Board.

As the LTBF and GBF are separate funds with no ability for cross-subsidy then the appetite will apply separately for each fund.

The appetite is set out in terms of excess of free assets over the ORSA Capital Requirement and is measured by quoting the free assets over the requirement as a percentage of the capital requirement. Limits are set at agreed points for intervention and solvency is then monitored on a monthly basis.

### E.1.2 - Restrictions on use of capital

In the case of Exeter Friendly Society all funds result from accumulated mutual capital with no capital tiers or capital instruments in issue; subordinated or unsubordinated. Therefore, all surplus capital is available to support the business. The Society owns shares within the subsidiary companies which are fully paid up with no other forms of financing available.

### E.1.3 – Difference between Own Funds and UK GAAP equity

There are a small number of differences between Own Funds under the Solvency UK definitions and those under UK GAAP. Please refer to Section D.2.8 above.

### E.1.4 - Treatment of intra-group transactions

Any intra-group transactions are treated at arms-length and each sub fund or entity is therefore considered on a stand-alone basis. Any expenses that are shared are reviewed regularly to ensure that the allocations are an appropriate reflection of the resources utilised by each fund or entity.

## E.2 – SCR and MCR

### E.2.1 - MCR Calculations

The Society uses the standard formula for the MCR as set out in the Solvency UK regulations. The Society has not applied any undertaking-specific parameters, capital add-ons or simplifications.

	2025	2024
Minimum Capital Requirement:	£m	£m
Society	21.4	20.9
Cash plan subsidiary	2.4	2.4
Group	23.8	23.3

For the Cash Plan subsidiary, the Absolute Floor of £2.4m applies, meaning that its MCR exceeds the SCR as shown in section E2.3 below.

The appended table (IR.28.01.01) sets out the information on the input used by The Society to calculate the MCR.

## E.2.2 – SCR calculation on a Pillar 1 basis

The SCR by component of the standard formula at 31<sup>st</sup> December is as follows:

	2025				2024			
	Society			Group £m	Society			Group £m
	Long Term Fund £m	General Fund £m	Cash Plan £m		Long Term Fund £m	General Fund £m	Cash Plan £m	
Interest	13.3	3.9	0.0	17.3	13.0	4.5	0.1	17.6
Equity	0.1	2.1	0.0	1.6	0.1	6.0	0.0	5.7
Property	0.0	0.5	0.0	0.5	0.0	0.6	0.0	0.5
Spread	0.3	3.8	0.0	4.1	0.2	2.4	0.1	2.6
Concentration	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1
Currency	0.0	0.1	0.0	0.1	0.0	0.8	0.0	0.8
<b>MARKET</b>	<b>13.3</b>	<b>7.1</b>	<b>0.0</b>	<b>20.1</b>	<b>13.0</b>	<b>9.8</b>	<b>0.2</b>	<b>22.6</b>
<b>DEFAULT</b>	<b>1.1</b>	<b>3.3</b>	<b>0.2</b>	<b>4.6</b>	<b>1.1</b>	<b>1.9</b>	<b>0.1</b>	<b>3.1</b>
Morbidity	19.5	0.0	0.0	19.5	17.5	0.0	0.0	17.5
Mortality	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.2
Expense	7.5	0.0	0.0	7.5	7.2	0.0	0.0	7.2
Non SLT Health premium & reserve	0.0	12.4	0.0	12.4	0.0	12.5	0.4	12.6
Lapse	44.0	1.6	0.0	45.6	43.6	1.2	0.0	44.7
Health Catastrophe Risk	0.3	0.4	0.0	0.7	0.3	0.5	0.0	0.8
<b>HEALTH</b>	<b>53.5</b>	<b>12.6</b>	<b>0.0</b>	<b>66.1</b>	<b>52.1</b>	<b>12.7</b>	<b>0.4</b>	<b>64.9</b>
<b>LIFE</b>	<b>13.1</b>	<b>-</b>	<b>-</b>	<b>13.1</b>	<b>9.9</b>	<b>-</b>	<b>-</b>	<b>9.9</b>
<b>OPERATIONAL</b>	<b>2.3</b>	<b>2.2</b>	<b>0.0</b>	<b>4.6</b>	<b>2.1</b>	<b>2.1</b>	<b>0.1</b>	<b>4.3</b>
Total Category Diversification	-17.4	-5.8	0.0	-23.1	-15.4	-9.0	-0.2	-21.3
<b>SCR</b>	<b>66.0</b>	<b>19.5</b>	<b>0.2</b>	<b>85.3</b>	<b>62.8</b>	<b>20.7</b>	<b>0.6</b>	<b>83.5</b>

The group SCR is £85.3m (2024: £83.5m) and the combined SCR for The Society is £85.5m (2024: £83.5m), being the sum of the SCRs for each of the two sub-funds. Historically, The Society SCR (i.e. the sum of the Long Term Fund and General Business Fund SCRs) was slightly lower than the group SCR due to the treatment of the Cash Plan as an asset within General Fund of The Society. There is an immaterial difference in 2025.

Diversification arises between risks within the categories of Market risk and Health risk and between the categories of Market, Default, Health and Operational risk. The main diversification benefits are between Lapse and Morbidity risk in the LTBF and between Health and Market risk in the GBF.

### E.2.3 - Current own funds position against SCR

The Board's key performance indicator in this area is the level of own funds over and above the capital requirement expressed as a percentage of the capital requirement.

The Pillar 1 (SCR) solvency positions of each fund of The Society, The Society as a whole, the cash plan subsidiary and the Group, as at 31 December, are shown below.

£m	2025				2024			
	Society		Cash Plan	Group	Society		Cash Plan	Group
	Long Term	General Fund			Long Term	General Fund		
Reinsurance recoverables	(39.5)	-	-	(39.5)	(28.8)	-	-	(28.8)
Investments, cash & other assets	9.0	86.7	2.7	100.7	8.9	91.2	3.1	100.5
<b>TOTAL ASSETS</b>	<b>(30.4)</b>	<b>86.7</b>	<b>2.7</b>	<b>61.2</b>	<b>(19.9)</b>	<b>91.2</b>	<b>3.1</b>	<b>71.8</b>
Best Estimate Liabilities	(182.0)	7.0	0.1	(172.8)	(156.9)	7.0	0.1	(147.7)
Risk Margin	12.7	0.8	0.0	13.4	12.1	0.8	0.0	12.8
Other Liabilities	49.6	8.4	0.0	58.6	34.5	10.4	0.5	44.0
<b>TOTAL LIABILITIES</b>	<b>(119.7)</b>	<b>16.2</b>	<b>0.1</b>	<b>(100.7)</b>	<b>(110.4)</b>	<b>18.1</b>	<b>0.5</b>	<b>(90.9)</b>
<b>TOTAL AVAILABLE OWN FUNDS (before RFF restrictions)</b>	<b>89.3</b>	<b>70.5</b>	<b>2.6</b>	<b>161.9</b>	<b>90.5</b>	<b>73.1</b>	<b>2.6</b>	<b>162.7</b>
<b>SCR</b>	<b>66.0</b>	<b>19.5</b>	<b>0.2</b>	<b>86.7</b>	<b>62.8</b>	<b>20.7</b>	<b>0.6</b>	<b>83.5</b>
OWN FUNDS ABOVE SCR	23.3	51.0	2.4	75.3	27.7	52.4	2.0	79.2
<b>PERCENTAGE COVER OF SCR</b>	<b>135%</b>	<b>362%</b>	<b>1314%</b>	<b>187%</b>	<b>144%</b>	<b>353%</b>	<b>462%</b>	<b>195%</b>
<b>AVAILABLE OWN FUNDS after RFF restriction*</b>	<b>85.5</b>		<b>2.6</b>	<b>88.1</b>	<b>83.5</b>		<b>2.6</b>	<b>86.1</b>
OWN FUNDS ABOVE SCR after RFF restriction*	0.0		2.4	0.0	0.0		2.0	0.0

<b>PERCENTAGE COVER OF SCR after RFF restriction*</b>	<b>100%</b>	<b>1314%</b>	<b>0%</b>	<b>100%</b>	<b>462%</b>	<b>0%</b>
MCR	21.4	2.4	23.8	20.1	2.4	22.5
<b>PERCENTAGE COVER OF MCR</b>	<b>400%</b>	<b>108%</b>	<b>371%</b>	<b>416%</b>	<b>107%</b>	<b>383%</b>

\* As explained in Section E.1, all The Society’s business falls within one of the two ring-fenced funds with no business being conducted outside those funds. Therefore, ring-fenced fund restrictions mean that Own Funds at an overall Society and Group level are restricted to the total SCR across both funds, giving rise to the results above showing zero excess Own Funds. The more meaningful results are those at fund level and before the ring-fenced fund restrictions.

The extent of the cover and the movement over time is a factor of how these funds are projected to grow over time.

- Long term products incur a high proportion of initial costs which means that due to the level of expansion that is envisaged the level of solvency cover decreases over time.
- The General Business Fund has lower growth funding requirements.
- The Cash Plan solvency cover is reducing as the policies are no longer being renewed.

#### E.2.4 – Overall own funds position against SCR

As noted above, The Society operates entirely through two separate sub-funds, the General and Long-Term Funds, with The Exeter Cash Plan as the single operating subsidiary of the General Fund. In accordance with the Solvency UK regulations each sub-fund is treated as ring-fenced from a capital point of view and a surplus from one fund cannot be added to another.

As a result of this at the overall Society and Group level any excess of own funds within each of the Sub-funds cannot be reported as an overall surplus and therefore The Society is in the position of having to report own funds at overall Society and Group level equal to the SCR with no free assets. This is not an operational problem as no insurance business is undertaken outside of the two sub-funds but does present a reporting anomaly.

#### E.2.5 - Stress Testing Of Capital Requirements

As part of the ORSA process the Board considers stress test scenarios which look at potential movements on parameters such as:

- new business levels;
- lapse rates;
- claim rates;
- expense levels; and

- interest rates.

The outcomes of these tests are then considered before and after potential management actions which could then be taken to rectify any capital issues to arrive at a net position. These tests did not reveal areas of concern for the Board.

### **E.3 - Use of duration-based equity models**

The Society does not use these models.

### **E.4 - Differences between the standard formula and any internal models used**

The Society only applies the Standard Formula approach.

### **E.5 - Non Compliance with SCR or MCR**

There has been no non-compliance with SCR or MCR for The Society or its subsidiaries. See section E.2 above

## Appendix I – List of submission data

### Society

<a href="#">IR.02.01.02</a>	Balance sheet
<a href="#">IR.05.02.01.01</a>	Premiums, claims and expenses by country (non-Life)
<a href="#">IR.05.02.01.04</a>	Premiums, claims and expenses by country (life)
<a href="#">IR.05.03.01</a>	Life income and expenditure
<a href="#">IR.05.04.02</a>	Non-Life income and expenditure
<a href="#">IR.12.01.01</a>	Life Technical Provisions
<a href="#">IR.17.01.01</a>	Non-Life Technical Provisions
<a href="#">IR.19.01.01</a>	Non-Life insurance claims - Accident Year
<a href="#">IR.23.01.01</a>	Own Funds
<a href="#">IR.25.04.01</a>	Solvency Capital Requirement
<a href="#">IR.28.02.01</a>	Minimum Capital Requirement - Both life and non-life insurance activity

### Cash Plan

<a href="#">IR.02.01.01</a>	Balance sheet
<a href="#">IR.05.02.01.01</a>	Premiums, claims and expenses by country (non-Life)
<a href="#">IR.05.04.01</a>	Non-Life income and expenditure
<a href="#">IR.17.01.01</a>	Non-Life Technical Provisions
<a href="#">IR.19.01.21</a>	Non-Life insurance claims - Accident Year
<a href="#">IR.23.01.01</a>	Own Funds
<a href="#">IR.25.04.21</a>	Solvency Capital Requirement
<a href="#">IR.28.01.01</a>	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

### Group

<a href="#">IR.02.01.02</a>	Balance sheet
<a href="#">IR.05.02.01.01</a>	Premiums, claims and expenses by country (non-Life)
<a href="#">IR.05.02.01.04</a>	Premiums, claims and expenses by country (life)
<a href="#">IR.05.04.02</a>	Non-Life income and expenditure
<a href="#">IR.23.01.04</a>	Own Funds
<a href="#">IR.25.04.04</a>	Solvency Capital Requirement
<a href="#">IR.32.01.04</a>	Undertakings in the scope of the group

# Exeter Friendly Society Limited

## Solvency and Financial Condition Report

### Disclosures

31 December  
**2025**

(Monetary amounts in GBP thousands)

## General information

Entity name	Exeter Friendly Society Limited
Entity identification code and type of code	LEI/213800V19RLONY7XIL94
Type of undertaking	Non-life insurance activity (paragraph 2.3 of Supervisory Statement (SS) 8/15 - Solvency II: the treatment of pension scheme risk)
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

## List of reported templates

-

- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.02.01 - Premiums, claims and expenses by country: Life obligations
- IR.05.03.02 - Life income and expenditure
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.12.01.02 - Life technical provisions
- IR.17.01.02 - Non-Life Technical Provisions
- IR.19.01.21 - Non-Life insurance claims
- IR.23.01.01 - Own Funds
- IR.25.04.21 - Solvency Capital Requirement
- IR.28.02.01 - Minimum Capital Requirement - Both life and non-life insurance activity

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
<b>Assets</b>		
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	204
R0060	Property, plant & equipment held for own use	2,554
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	44,743
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	2,615
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	0
R0120	<i>Equities - unlisted</i>	0
R0130	<i>Bonds</i>	12,260
R0140	<i>Government Bonds</i>	12,260
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	29,868
R0190	<i>Derivatives</i>	0
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	-39,464
R0280	<i>Non-life and health similar to non-life</i>	0
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	-39,464
R0340	<i>Life index-linked and unit-linked</i>	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	5,878
R0370	Reinsurance receivables	1,613
R0380	Receivables (trade, not insurance)	32,359
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	8,350
R0420	Any other assets, not elsewhere shown	0
R0500	<b>Total assets</b>	<b>56,237</b>

	<b>Solvency II value</b>
	<b>C0010</b>
<b>Liabilities</b>	
R0505 Technical provisions - total	-152,703
R0510 <i>Technical provisions - non-life</i>	7,341
R0515 <i>Technical provisions - life</i>	-160,043
R0542 Best estimate - total	-166,205
R0544 <i>Best estimate - non-life</i>	6,495
R0546 <i>Best estimate - life</i>	-172,699
R0552 Risk margin - total	13,502
R0554 <i>Risk margin - non-life</i>	846
R0556 <i>Risk margin - life</i>	12,656
R0565 Transitional (TMTP) - life	0
R0740 Contingent liabilities	0
R0750 Provisions other than technical provisions	0
R0760 Pension benefit obligations	80
R0770 Deposits from reinsurers	0
R0780 Deferred tax liabilities	0
R0790 Derivatives	0
R0800 Debts owed to credit institutions	0
R0810 Financial liabilities other than debts owed to credit institutions	0
R0820 Insurance & intermediaries payables	3,821
R0830 Reinsurance payables	1,716
R0840 Payables (trade, not insurance)	43,566
R0850 Subordinated liabilities	0
R0860 <i>Subordinated liabilities not in Basic Own Funds</i>	0
R0870 <i>Subordinated liabilities in Basic Own Funds</i>	0
R0880 Any other liabilities, not elsewhere shown	0
R0900 <b>Total liabilities</b>	<b>-103,520</b>
R1000 <b>Excess of assets over liabilities</b>	<b>159,757</b>

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
<b>R0010</b>							
	<b>Premiums written</b>						
R0110	76,553						76,553
R0120							0
R0130							0
R0140							0
R0200	76,553						76,553
	<b>Premiums earned</b>						
R0210	74,227						74,227
R0220							0
R0230							0
R0240							0
R0300	74,227						74,227
	<b>Claims incurred</b>						
R0310	46,721						46,721
R0320							0
R0330							0
R0340							0
R0400	46,721						46,721
R0550	28,852						28,852

IR.05.02.01

Premiums, claims and expenses by country: Life obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Top 5 countries (by amount of gross premiums written)						Total Top 5 and home country
Home Country								
R1400		C0220	C0230	C0240	C0250	C0260	C0270	C0280
<b>Premiums written</b>								
R1410	Gross	58,423						58,423
R1420	Reinsurers' share	19,218						19,218
R1500	Net	39,205						39,205
<b>Premiums earned</b>								
R1510	Gross	58,423						58,423
R1520	Reinsurers' share	19,218						19,218
R1600	Net	39,205						39,205
<b>Claims incurred</b>								
R1610	Gross	-2,509						-2,509
R1620	Reinsurers' share	5,253						5,253
R1700	Net	-7,762						-7,762
R1900	<b>Net expenses incurred</b>	39,664						39,664

IR.05.03.02

Life income and expenditure

	Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
	C0010	C0020	C0030	C0040	C0050	C0060	C0070
<b>Premiums written</b>							
R0010	Gross direct business					58,423	58,423
R0020	Gross reinsurance accepted					0	0
R0030	Gross	0	0	0	0	58,423	58,423
R0040	Reinsurers' share					19,218	19,218
R0050	Net	0	0	0	0	39,205	39,205
<b>Claims incurred</b>							
R0110	Gross direct business					-2,509	-2,509
R0120	Gross reinsurance accepted					0	0
R0130	Gross	0	0	0	0	-2,509	-2,509
R0140	Reinsurers' share					5,253	5,253
R0150	Net	0	0	0	0	-7,762	-7,762
<b>Expenses incurred</b>							
R0160	Gross direct business					39,904	39,904
R0170	Gross reinsurance accepted					0	0
R0180	Gross	0	0	0	0	39,904	39,904
R0190	Reinsurers' share					240	240
R0200	Net	0	0	0	0	39,664	39,664
R0300	Other expenses						5,363
<b>Transfers and dividends</b>							
R0440	Dividends paid						0



IR.05.04.02

Non-life income and expenditure : reporting period

Non-life insurance and accepted proportional reinsurance obligations										Accepted non-proportional reinsurance				Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts		
General liability insurance				Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation and transport	Property						
Employers Liability	Public & products Liability	Professional Indemnity	Other general liability									C0190	C0200	C0210	C0220	C0230	C0240
<b>Income</b>																	
<b>Premiums written</b>																	
R0110	Gross written premiums																
R0111	Gross written premiums - insurance (direct)																
R0113	Gross written premiums - accepted reinsurance																
R0160	Net written premiums																
<b>Premiums earned and provision for unearned</b>																	
R0210	Gross earned premiums																
R0220	Net earned premiums																
<b>Expenditure</b>																	
<b>Claims incurred</b>																	
R0610	Gross (undiscounted) claims incurred																
R0611	Gross (undiscounted) direct business																
R0612	Gross (undiscounted) reinsurance accepted																
R0690	Net (undiscounted) claims incurred																
R0730	Net (discounted) claims incurred																
<b>Analysis of expenses incurred</b>																	
R0910	Technical expenses incurred net of reinsurance ceded																
R0985	Acquisition costs, commissions, claims management costs																
<b>Other expenditure</b>																	
R1140	Other expenses																
R1310	<b>Total expenditure</b>																

IR.12.01.02  
Life technical provisions

<b>Best estimate</b>	
R0025	Gross Best Estimate (direct business)
R0026	Gross Best Estimate (reinsurance accepted)
R0030	<b>Gross Best Estimate</b>
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re
R0100	<b>Risk margin</b>
<b>Amount of the transitional on Technical Provisions</b>	
R0140	TMTP - risk margin
R0150	TMTP - best estimate dynamic component
R0160	TMTP - best estimate non-dynamic component
R0170	TMTP - amortisation adjustment
R0180	<b>Transitional Measure on Technical Provisions</b>
R0200	<b>Technical provisions - total</b>

Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
C0010	C0020	C0030	C0040	C0050	C0060	C0070
8,526				-37,939	-143,287	-172,699
						0
8,526	0	0	0	-37,939	-143,287	-172,699
0				-10,431	-29,033	-39,464
8,526	0	0	0	-27,508	-114,253	-133,235
0				2,467	10,188	12,656
0				0	0	0
0				0	0	0
0				0	0	0
0				0	0	0
0	0	0	0	0	0	0
8,526	0	0	0	-35,471	-133,099	-160,043



IR.19.01.21  
**Non-Life insurance claims**

**Total Non-life business**

Z0020 Accident year / underwriting year

Gross Claims Paid (non-cumulative) (absolute amount)													
Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Development year										In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0	0	0
R0170	-8	0	0	0	0	0	0	0	0	0	0	0	0
R0180	-7	25,015	3,632	0	0	0	0	0	0	0	0	0	28,647
R0190	-6	23,549	3,194	0	0	0	0	0	0	0	0	0	26,743
R0200	-5	16,071	5,185	0	0	0	0	0	0	0	0	0	21,257
R0210	-4	22,313	3,337	0	0	0	0	0	0	0	0	0	25,650
R0220	-3	22,095	2,825	0	0	0	0	0	0	0	0	0	24,920
R0230	-2	25,498	3,618	0	0	0	0	0	0	0	0	0	29,116
R0240	-1	36,517	4,635	0	0	0	0	0	0	0	0	4,635	41,152
R0250	0	42,086	0	0	0	0	0	0	0	0	0	42,086	42,086
R0260		<b>Total</b>										46,721	239,569

Gross Undiscounted Best Estimate Claims Provisions (absolute amount)												
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Development year										Year end (discounted data)	
	0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											0
R0160	-9	0	0	0	0	0	0	0	0	0	0	0
R0170	-8	0	0	0	0	0	0	0	0	0	0	0
R0180	-7	0	0	0	0	0	0	0	0	0	0	0
R0190	-6	0	0	0	0	0	0	0	0	0	0	0
R0200	-5	0	0	0	0	0	0	0	0	0	0	0
R0210	-4	0	0	0	0	0	0	0	0	0	0	0
R0220	-3	0	0	0	0	0	0	0	0	0	0	0
R0230	-2	0	0	0	0	0	0	0	0	0	0	0
R0240	-1	0	0	0	0	0	0	0	0	0	0	0
R0250	0	5,644	0	0	0	0	0	0	0	0	0	5,622
R0260		<b>Total</b>										5,622

Gross premium			
	C0570	C0580	
	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
R0160	N-9	45,549	45,907
R0170	N-8	44,689	44,065
R0180	N-7	40,886	38,845
R0190	N-6	38,516	38,379
R0200	N-5	37,478	37,756
R0210	N-4	36,305	35,502
R0220	N-3	34,494	32,824
R0230	N-2	33,667	39,188
R0240	N-1	45,190	55,654
R0250	N	74,223	79,072

IR.23.01.01  
Own Funds

R0010 Ordinary share capital (gross of own shares)  
R0030 Share premium account related to ordinary share capital  
R0040 Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings  
R0050 Subordinated mutual member accounts  
R0070 Surplus funds  
R0090 Preference shares  
R0110 Share premium account related to preference shares  
R0130 Reconciliation reserve  
R0140 Subordinated liabilities  
R0160 An amount equal to the value of net deferred tax assets  
R0180 Other own fund items approved by the supervisory authority as basic own funds not specified above

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

R0290 Total basic own funds

**Ancillary own funds**

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

**Available and eligible own funds**

R0500 Total available own funds to meet the SCR  
R0510 Total available own funds to meet the MCR  
R0540 Total eligible own funds to meet the SCR  
R0550 Total eligible own funds to meet the MCR

R0580 SCR

R0600 MCR

R0620 Ratio of Eligible own funds to SCR

R0640 Ratio of Eligible own funds to MCR

**Reconciliation reserve**

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

Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
C0010	C0020	C0030	C0040	C0050
0	0		0	
0	0		0	
0	0		0	
0		0	0	0
159,757	159,757			
0		0	0	0
0		0	0	0
-74,290	-74,290			
0		0	0	0
0				0
0	0	0	0	0
0				
85,467	85,467	0	0	0

0				
0				
0				
0				
0				
0				
0				
0				
0				
0				
0			0	0

85,467	85,467	0	0	0
85,467	85,467	0	0	
85,467	85,467	0	0	0
85,467	85,467	0	0	

85,467
21,367
100.00%
400.00%

C0060
159,757
0
0
0
159,757
74,290
-74,290

IR.25.04.21

## Solvency Capital Requirement

### Net of loss absorbing capacity of technical provisions

	C0010
<b>Market risk</b>	
R0070 Interest rate risk	17,259
R0080 Equity risk	2,202
R0090 Property risk	538
R0100 Spread risk	4,119
R0110 Concentration risk	60
R0120 Currency risk	80
R0125 Other market risk	0
R0130 Diversification within market risk	-3,796
R0140 <b>Total Market risk</b>	20,461
<b>Counterparty default risk</b>	
R0150 Type 1 exposures	3,150
R0160 Type 2 exposures	1,307
R0165 Other counterparty risk	0
R0170 Diversification within counterparty default risk	-91
R0180 <b>Total Counterparty default risk</b>	4,366
<b>Life underwriting risk</b>	
R0190 Mortality risk	1,062
R0200 Longevity risk	0
R0210 Disability-Morbidity risk	0
R0220 Life-expense risk	1,779
R0230 Revision risk	0
R0240 Lapse risk	12,029
R0250 Life catastrophe risk	134
R0255 Other life underwriting risk	0
R0260 Diversification within life underwriting risk	-1,876
R0270 <b>Total Life underwriting risk</b>	13,128
<b>Health underwriting risk</b>	
R0280 Health SLT risk	54,121
R0290 Health non SLT risk	12,473
R0300 Health catastrophe risk	704
R0305 Other health underwriting risk	0
R0310 Diversification within health underwriting risk	-522
R0320 <b>Total Health underwriting risk</b>	66,777
<b>Non-life underwriting risk</b>	
R0330 Non-life premium and reserve risk (ex catastrophe risk)	0
R0340 Non-life catastrophe risk	0
R0350 Lapse risk	0
R0355 Other non-life underwriting risk	0
R0360 Diversification within non-life underwriting risk	0
R0370 <b>Non-life underwriting risk</b>	0
R0400 <b>Intangible asset risk</b>	0
<b>Operational and other risks</b>	
R0422 Operational risk	4,564
R0424 Other risks	0
R0430 <b>Total Operational and other risks</b>	4,564
R0432 <b>Total before all diversification</b>	115,580
R0434 Total before diversification between risk modules	109,295
R0436 Diversification between risk modules	-23,175
R0438 <b>Total after diversification</b>	86,120
R0440 Loss absorbing capacity of technical provisions	-654
R0450 Loss absorbing capacity of deferred tax	0
R0455 Other adjustments	0
R0460 <b>Solvency capital requirement including undisclosed capital add-on</b>	85,467
R0472 Disclosed capital add-on - excluding residual model limitation	0
R0474 Disclosed capital add-on - residual model limitation	0
R0480 <b>Solvency capital requirement including capital add-on</b>	85,467
R0490 Biting interest rate scenario	
R0495 Biting life lapse scenario	

Minimum Capital Requirement - Both life and non-life insurance activity

		Non-life activities	Life activities	Non-life activities	Life activities		
		MCR <sub>(NL,NL)</sub> Result	MCR <sub>(NL,L)</sub> Result	Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0010	C0020	C0030	C0040	C0050	C0060
R0010	Linear formula component for non-life insurance and reinsurance obligations	3,904	0				
R0020	Medical expense insurance and proportional reinsurance			6,495	76,579		
R0030	Income protection insurance and proportional reinsurance						
R0040	Workers' compensation insurance and proportional reinsurance						
R0050	Motor vehicle liability insurance and proportional reinsurance						
R0060	Other motor insurance and proportional reinsurance						
R0070	Marine, aviation and transport insurance and proportional reinsurance						
R0080	Fire and other damage to property insurance and proportional reinsurance						
R0090	General liability insurance and proportional reinsurance						
R0100	Credit and suretyship insurance and proportional reinsurance						
R0110	Legal expenses insurance and proportional reinsurance						
R0120	Assistance and proportional reinsurance						
R0130	Miscellaneous financial loss insurance and proportional reinsurance						
R0140	Non-proportional health reinsurance						
R0150	Non-proportional casualty reinsurance						
R0160	Non-proportional marine, aviation and transport reinsurance						
R0170	Non-proportional property reinsurance						
		MCR <sub>(L,NL)</sub> Result	MCR <sub>(L,L)</sub> Result				
		C0070	C0080				
R0200	Linear formula component for life insurance and reinsurance obligations	0	3,114				
				Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance/S PV) total capital at risk	Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance/S PV) total capital at risk
				C0090	C0100	C0110	C0120
R0210	Obligations with profit participation - guaranteed benefits					8,526	
R0220	Obligations with profit participation - future discretionary benefits					10,670	
R0230	Index-linked and unit-linked insurance obligations					0	
R0240	Other life (re)insurance and health (re)insurance obligations					0	
R0250	Total capital at risk for all life (re)insurance obligations						4,790,514
<b>Overall MCR calculation</b>							
				C0130			
R0300	Linear MCR			7,018			
R0310	SCR			85,467			
R0320	MCR cap			38,460			
R0330	MCR floor			21,367			
R0340	Combined MCR			21,367			
R0350	Absolute floor of the MCR			5,900			
R0400	<b>Minimum Capital Requirement</b>			21,367			
<b>Notional non-life and life MCR calculation</b>							
				C0140	C0150		
R0500	Notional linear MCR	3,904	3,114				
R0510	Notional SCR excluding add-on (annual or latest calculation)	47,546	37,921				
R0520	Notional MCR cap	21,396	17,064				
R0530	Notional MCR floor	11,886	9,480				
R0540	Notional combined MCR	11,886	9,480				
R0550	Absolute floor of the notional MCR	2,400	3,500				
R0560	<b>Notional MCR</b>	11,886	9,480				

# The Exeter Cash Plan

## Solvency and Financial Condition Report

### Disclosures

31 December

**2025**

(Monetary amounts in GBP thousands)

## General information

Entity name	The Exeter Cash Plan
Entity identification code and type of code	LEI/213800TYI7ORV3TF7T41
Type of undertaking	Non-life undertakings
Country of incorporation	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

## List of reported templates

-

IR.02.01.02 - Balance sheet

IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations

IR.05.04.02 - Non-life income and expenditure : reporting period

IR.17.01.02 - Non-Life Technical Provisions

IR.19.01.21 - Non-Life insurance claims

IR.23.01.01 - Own Funds

IR.25.04.21 - Solvency Capital Requirement

IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

IR.02.01.02

**Balance sheet**

		Solvency II value
		C0010
<b>Assets</b>		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	0
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	0
R0140	<i>Government Bonds</i>	0
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	0
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	
R0270	Reinsurance recoverables from:	0
R0280	<i>Non-life and health similar to non-life</i>	0
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	63
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	0
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	2,641
R0420	Any other assets, not elsewhere shown	
R0500	<b>Total assets</b>	<b>2,703</b>

		Solvency II value
		C0010
<b>Liabilities</b>		
R0505	Technical provisions - total	0
R0510	<i>Technical provisions - non-life</i>	0
R0515	<i>Technical provisions - life</i>	0
R0542	Best estimate - total	0
R0544	<i>Best estimate - non-life</i>	0
R0546	<i>Best estimate - life</i>	
R0552	Risk margin - total	0
R0554	<i>Risk margin - non-life</i>	0
R0556	<i>Risk margin - life</i>	
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	10
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	102
R0850	Subordinated liabilities	0
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	0
R0880	Any other liabilities, not elsewhere shown	
R0900	<b>Total liabilities</b>	113
R1000	<b>Excess of assets over liabilities</b>	2,591

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
<b>R0010</b>							
	<b>Premiums written</b>						
R0110	Gross - Direct Business	-5					-5
R0120	Gross - Proportional reinsurance accepted						0
R0130	Gross - Non-proportional reinsurance accepted						0
R0140	Reinsurers' share						0
R0200	Net	-5					-5
	<b>Premiums earned</b>						
R0210	Gross - Direct Business	429					429
R0220	Gross - Proportional reinsurance accepted						0
R0230	Gross - Non-proportional reinsurance accepted						0
R0240	Reinsurers' share						0
R0300	Net	429					429
	<b>Claims incurred</b>						
R0310	Gross - Direct Business	288					288
R0320	Gross - Proportional reinsurance accepted						0
R0330	Gross - Non-proportional reinsurance accepted						0
R0340	Reinsurers' share						0
R0400	Net	288					288
R0550	<b>Net expenses incurred</b>	281					281



IR.05.04.02

Non-life income and expenditure : reporting period

Non-life insurance and accepted proportional reinsurance obligations										Accepted non-proportional reinsurance				Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts		
General liability insurance				Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation and transport	Property						
Employers Liability	Public & products Liability	Professional Indemnity	Other general liability									C0190	C0200	C0210	C0220	C0230	C0240
<b>Income</b>																	
<b>Premiums written</b>																	
R0110	Gross written premiums																
R0111	Gross written premiums - insurance (direct)																
R0113	Gross written premiums - accepted reinsurance																
R0160	Net written premiums																
<b>Premiums earned and provision for unearned</b>																	
R0210	Gross earned premiums																
R0220	Net earned premiums																
<b>Expenditure</b>																	
<b>Claims incurred</b>																	
R0610	Gross (undiscounted) claims incurred																
R0611	Gross (undiscounted) direct business																
R0612	Gross (undiscounted) reinsurance accepted																
R0690	Net (undiscounted) claims incurred																
R0730	Net (discounted) claims incurred																
<b>Analysis of expenses incurred</b>																	
R0910	Technical expenses incurred net of reinsurance ceded																
R0985	Acquisition costs, commissions, claims management costs																
<b>Other expenditure</b>																	
R1140	Other expenses																
R1310	<b>Total expenditure</b>																



IR.19.01.21  
**Non-Life insurance claims**

**Total Non-life business**

Z0020 Accident year / underwriting year

Gross Claims Paid (non-cumulative) (absolute amount)													
Year	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Development year										In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior										0	0	0
R0160	-9	2,686	312	0	0	0	0	0	0	0	0	0	2,998
R0170	-8	2,880	262	0	0	0	0	0	0	0	0	0	3,141
R0180	-7	2,750	245	0	0	0	0	0	0	0	0	0	2,996
R0190	-6	2,621	231	0	0	0	0	0	0	0	0	0	2,852
R0200	-5	1,511	180	0	0	0	0	0	0	0	0	0	1,692
R0210	-4	1,742	184	0	0	0	0	0	0	0	0	0	1,926
R0220	-3	1,590	189	0	0	0	0	0	0	0	0	0	1,780
R0230	-2	1,677	159	0	0	0	0	0	0	0	0	0	1,836
R0240	-1	1,602	74	0	0	0	0	0	0	0	0	74	1,676
R0250	0	329										329	329
R0260												403	21,225

Gross Undiscounted Best Estimate Claims Provisions (absolute amount)												
Year	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Development year										Year end (discounted data)	
	0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior										0	0
R0160	-9	0	0	0	0	0	0	0	0	0	0	0
R0170	-8	0	0	0	0	0	0	0	0	0	0	0
R0180	-7	0	0	0	0	0	0	0	0	0	0	0
R0190	-6	0	0	0	0	0	0	0	0	0	0	0
R0200	-5	0	0	0	0	0	0	0	0	0	0	0
R0210	-4	0	0	0	0	0	0	0	0	0	0	0
R0220	-3	0	0	0	0	0	0	0	0	0	0	0
R0230	-2	0	0	0	0	0	0	0	0	0	0	0
R0240	-1	0	0	0	0	0	0	0	0	0	0	0
R0250	0	0	0	0	0	0	0	0	0	0	0	0
R0260												0

Gross premium			
	C0570	C0580	
	Gross earned premium at reporting reference date	Estimate of future gross earned premium	
R0160	N-9	5,380	3,294
R0170	N-8	3,690	4,045
R0180	N-7	3,664	3,741
R0190	N-6	3,501	3,512
R0200	N-5	3,128	2,880
R0210	N-4	2,778	2,514
R0220	N-3	2,453	2,671
R0230	N-2	2,479	2,671
R0240	N-1	2,275	538
R0250	N	429	0



IR.25.04.21

**Solvency Capital Requirement**

**Net of loss absorbing capacity of technical provisions**

	C0010
<b>Market risk</b>	
R0070 Interest rate risk	0
R0080 Equity risk	0
R0090 Property risk	0
R0100 Spread risk	0
R0110 Concentration risk	0
R0120 Currency risk	0
R0125 Other market risk	0
R0130 Diversification within market risk	0
R0140 <b>Total Market risk</b>	0
<b>Counterparty default risk</b>	
R0150 Type 1 exposures	177
R0160 Type 2 exposures	9
R0165 Other counterparty risk	0
R0170 Diversification within counterparty default risk	-2
R0180 <b>Total Counterparty default risk</b>	184
<b>Life underwriting risk</b>	
R0190 Mortality risk	0
R0200 Longevity risk	0
R0210 Disability-Morbidity risk	0
R0220 Life-expense risk	0
R0230 Revision risk	0
R0240 Lapse risk	0
R0250 Life catastrophe risk	0
R0255 Other life underwriting risk	0
R0260 Diversification within life underwriting risk	0
R0270 <b>Total Life underwriting risk</b>	0
<b>Health underwriting risk</b>	
R0280 Health SLT risk	0
R0290 Health non SLT risk	0
R0300 Health catastrophe risk	0
R0305 Other health underwriting risk	0
R0310 Diversification within health underwriting risk	0
R0320 <b>Total Health underwriting risk</b>	0
<b>Non-life underwriting risk</b>	
R0330 Non-life premium and reserve risk (ex catastrophe risk)	0
R0340 Non-life catastrophe risk	0
R0350 Lapse risk	0
R0355 Other non-life underwriting risk	0
R0360 Diversification within non-life underwriting risk	0
R0370 <b>Non-life underwriting risk</b>	0
R0400 <b>Intangible asset risk</b>	0
<b>Operational and other risks</b>	
R0422 Operational risk	13
R0424 Other risks	0
R0430 <b>Total Operational and other risks</b>	13
R0432 <b>Total before all diversification</b>	199
R0434 Total before diversification between risk modules	197
R0436 Diversification between risk modules	0
R0438 <b>Total after diversification</b>	197
R0440 Loss absorbing capacity of technical provisions	0
R0450 Loss absorbing capacity of deferred tax	0
R0455 Other adjustments	0
R0460 <b>Solvency capital requirement including undisclosed capital add-on</b>	197
R0472 Disclosed capital add-on - excluding residual model limitation	0
R0474 Disclosed capital add-on - residual model limitation	0
R0480 <b>Solvency capital requirement including capital add-on</b>	197
R0490 Biting interest rate scenario	0
R0495 Biting life lapse scenario	0

IR.28.01.01

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

Linear formula component for non-life insurance and reinsurance obligations

C0010

R0010 MCR<sub>NL</sub> Result

0
---

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
---	---

C0020

C0030

- R0020 Medical expense insurance and proportional reinsurance
- R0030 Income protection insurance and proportional reinsurance
- R0040 Workers' compensation insurance and proportional reinsurance
- R0050 Motor vehicle liability insurance and proportional reinsurance
- R0060 Other motor insurance and proportional reinsurance
- R0070 Marine, aviation and transport insurance and proportional reinsurance
- R0080 Fire and other damage to property insurance and proportional reinsurance
- R0090 General liability insurance and proportional reinsurance
- R0100 Credit and suretyship insurance and proportional reinsurance
- R0110 Legal expenses insurance and proportional reinsurance
- R0120 Assistance and proportional reinsurance
- R0130 Miscellaneous financial loss insurance and proportional reinsurance
- R0140 Non-proportional health reinsurance
- R0150 Non-proportional casualty reinsurance
- R0160 Non-proportional marine, aviation and transport reinsurance
- R0170 Non-proportional property reinsurance

0	-6
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0	

Linear formula component for life insurance and reinsurance obligations

C0040

R0200 MCR<sub>L</sub> Result

0
---

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
---	--

C0050

C0060

- R0210 Obligations with profit participation - guaranteed benefits
- R0220 Obligations with profit participation - future discretionary benefits
- R0230 Index-linked and unit-linked insurance obligations
- R0240 Other life (re)insurance and health (re)insurance obligations
- R0250 Total capital at risk for all life (re)insurance obligations

0	
0	
0	
0	
0	

Overall MCR calculation

C0070

- R0300 Linear MCR
- R0310 SCR
- R0320 MCR cap
- R0330 MCR floor
- R0340 Combined MCR
- R0350 Absolute floor of the MCR
- R0400 **Minimum Capital Requirement**

0
197
89
49
49
2,400
2,400

# Exeter Friendly Society Limited

## Solvency and Financial Condition Report

### Disclosures

31 December  
**2025**

(Monetary amounts in GBP thousands)

## General information

Entity name	Exeter Friendly Society Limited
Entity identification code and type of code	LEI/213800V19RLONY7XIL94
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

## List of reported templates

-

- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.02.01 - Premiums, claims and expenses by country: Life obligations
- IR.05.03.02 - Life income and expenditure
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
<b>Assets</b>		
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	204
R0060	Property, plant & equipment held for own use	2,554
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	42,128
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	0
R0120	<i>Equities - unlisted</i>	0
R0130	<i>Bonds</i>	12,260
R0140	<i>Government Bonds</i>	12,260
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	29,868
R0190	<i>Derivatives</i>	0
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	0
R0260	<i>Other loans and mortgages</i>	0
R0270	Reinsurance recoverables from:	-39,464
R0280	<i>Non-life and health similar to non-life</i>	0
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	-29,033
R0340	<i>Life index-linked and unit-linked</i>	-10,431
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	5,941
R0370	Reinsurance receivables	1,613
R0380	Receivables (trade, not insurance)	32,311
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	10,991
R0420	Any other assets, not elsewhere shown	0
R0500	<b>Total assets</b>	<b>56,278</b>

	<b>Solvency II value</b>
	<b>C0010</b>
<b>Liabilities</b>	
R0505 Technical provisions - total	-152,700
R0510 <i>Technical provisions - non-life</i>	7,344
R0515 <i>Technical provisions - life</i>	-160,043
R0542 Best estimate - total	-153,423
R0544 <i>Best estimate - non-life</i>	6,495
R0546 <i>Best estimate - life</i>	-159,917
R0552 Risk margin - total	723
R0554 <i>Risk margin - non-life</i>	849
R0556 <i>Risk margin - life</i>	-126
R0565 Transitional (TMTP) - life	0
R0740 Contingent liabilities	0
R0750 Provisions other than technical provisions	0
R0760 Pension benefit obligations	80
R0770 Deposits from reinsurers	0
R0780 Deferred tax liabilities	0
R0790 Derivatives	0
R0800 Debts owed to credit institutions	0
R0810 Financial liabilities other than debts owed to credit institutions	0
R0820 Insurance & intermediaries payables	3,831
R0830 Reinsurance payables	1,716
R0840 Payables (trade, not insurance)	43,587
R0850 Subordinated liabilities	0
R0860 <i>Subordinated liabilities not in Basic Own Funds</i>	0
R0870 <i>Subordinated liabilities in Basic Own Funds</i>	0
R0880 Any other liabilities, not elsewhere shown	0
R0900 <b>Total liabilities</b>	<b>-103,486</b>
R1000 <b>Excess of assets over liabilities</b>	<b>159,763</b>

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Top 5 countries (by amount of gross premiums written)						Total Top 5 and home country
Home Country	C0080	C0090	C0100	C0110	C0120	C0130	C0140
R0010							
<b>Premiums written</b>							
R0110 Gross - Direct Business	76,547						76,547
R0120 Gross - Proportional reinsurance accepted							0
R0130 Gross - Non-proportional reinsurance accepted							0
R0140 Reinsurers' share							0
R0200 Net	76,547						76,547
<b>Premiums earned</b>							
R0210 Gross - Direct Business	74,655						74,655
R0220 Gross - Proportional reinsurance accepted							0
R0230 Gross - Non-proportional reinsurance accepted							0
R0240 Reinsurers' share							0
R0300 Net	74,655						74,655
<b>Claims incurred</b>							
R0310 Gross - Direct Business	47,009						47,009
R0320 Gross - Proportional reinsurance accepted							0
R0330 Gross - Non-proportional reinsurance accepted							0
R0340 Reinsurers' share							0
R0400 Net	47,009						47,009
R0550 Net expenses incurred	29,132						29,132

IR.05.02.01

Premiums, claims and expenses by country: Life obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
			C0220	C0230	C0240	C0250	C0260	
<b>Premiums written</b>								
R1400								
R1410	Gross	58,423						58,423
R1420	Reinsurers' share	19,218						19,218
R1500	Net	39,205						39,205
<b>Premiums earned</b>								
R1510	Gross	58,423						58,423
R1520	Reinsurers' share	19,218						19,218
R1600	Net	39,205						39,205
<b>Claims incurred</b>								
R1610	Gross	-2,509						-2,509
R1620	Reinsurers' share	5,253						5,253
R1700	Net	-7,762						-7,762
R1900	<b>Net expenses incurred</b>	39,664						39,664

IR.05.03.02

Life income and expenditure

	Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
	C0010	C0020	C0030	C0040	C0050	C0060	C0070
<b>Premiums written</b>							
R0010	Gross direct business					58,423	58,423
R0020	Gross reinsurance accepted					0	0
R0030	Gross	0	0	0	0	58,423	58,423
R0040	Reinsurers' share					19,218	19,218
R0050	Net	0	0	0	0	39,205	39,205
<b>Claims incurred</b>							
R0110	Gross direct business					-2,509	-2,509
R0120	Gross reinsurance accepted					0	0
R0130	Gross	0	0	0	0	-2,509	-2,509
R0140	Reinsurers' share					5,253	5,253
R0150	Net	0	0	0	0	-7,762	-7,762
<b>Expenses incurred</b>							
R0160	Gross direct business					39,904	39,904
R0170	Gross reinsurance accepted					0	0
R0180	Gross	0	0	0	0	39,904	39,904
R0190	Reinsurers' share					240	240
R0200	Net	0	0	0	0	39,664	39,664
R0300	Other expenses						5,363
<b>Transfers and dividends</b>							
R0440	Dividends paid						0







IR.25.04.22

**Solvency Capital Requirement**

**Net of loss absorbing capacity of technical provisions**

	C0010
<b>Market risk</b>	
R0070 Interest rate risk	17,273
R0080 Equity risk	1,632
R0090 Property risk	538
R0100 Spread risk	4,119
R0110 Concentration risk	60
R0120 Currency risk	80
R0125 Other market risk	0
R0130 Diversification within market risk	-3,651
R0140 <b>Total Market risk</b>	20,050
<b>Counterparty default risk</b>	
R0150 Type 1 exposures	3,331
R0160 Type 2 exposures	1,316
R0165 Other counterparty risk	0
R0170 Diversification within counterparty default risk	-93
R0180 <b>Total Counterparty default risk</b>	4,554
<b>Life underwriting risk</b>	
R0190 Mortality risk	1,062
R0200 Longevity risk	0
R0210 Disability-Morbidity risk	0
R0220 Life-expense risk	1,779
R0230 Revision risk	0
R0240 Lapse risk	12,029
R0250 Life catastrophe risk	134
R0255 Other life underwriting risk	0
R0260 Diversification within life underwriting risk	-1,876
R0270 <b>Total Life underwriting risk</b>	13,128
<b>Health underwriting risk</b>	
R0280 Health SLT risk	53,433
R0290 Health non SLT risk	12,473
R0300 Health catastrophe risk	704
R0305 Other health underwriting risk	0
R0310 Diversification within health underwriting risk	-522
R0320 <b>Total Health underwriting risk</b>	66,088
<b>Non-life underwriting risk</b>	
R0330 Non-life premium and reserve risk (ex catastrophe risk)	0
R0340 Non-life catastrophe risk	0
R0350 Lapse risk	0
R0355 Other non-life underwriting risk	0
R0360 Diversification within non-life underwriting risk	0
R0370 <b>Total Non-life underwriting risk</b>	0
R0400 <b>Intangible asset risk</b>	0
<b>Operational and other risks</b>	
R0422 Operational risk	4,576
R0424 Other risks	0
R0430 <b>Total Operational and other risks</b>	4,576
R0432 <b>Total before all diversification</b>	114,539
R0434 Total before diversification between risk modules	108,397
R0436 Diversification between risk modules	-22,434
R0438 <b>Total after diversification</b>	85,962
R0440 Loss absorbing capacity of technical provisions	-654
R0450 Loss absorbing capacity of deferred tax	0
R0455 Other adjustments	0
R0460 <b>Solvency capital requirement including undisclosed capital add-on</b>	85,309
R0472 Disclosed capital add-on - excluding residual model limitation	0
R0474 Disclosed capital add-on - residual model limitation	0
R0480 <b>Solvency capital requirement including capital add-on</b>	85,309
R0490 Biting interest rate scenario	
R0495 Biting life lapse scenario	
<b>Information on other entities</b>	
R0500 Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510 <i>Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies</i>	0
R0520 <i>Institutions for occupational retirement provisions</i>	0
R0530 <i>Capital requirement for non- regulated entities carrying out financial activities</i>	0
R0540 Capital requirement for non-controlled participation requirements	0
R0550 Capital requirement for residual undertakings	0
<b>Overall SCR</b>	
R0555 Solvency capital requirement (consolidation method)	85,309
R0560 SCR for undertakings included via D and A	0
R0565 SCR for sub-groups included via D and A	0
R0570 <b>Solvency capital requirement</b>	85,309

IR.32.01.22

Undertakings in the scope of the group

	Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
Row	C0010	C0020	C0040	C0050	C0060	C0070	C0080
1	GB	LEI/213800V19RLONY7XIL94	Exeter Friendly Society Limited	Composite undertaking	Friendly Society	Mutual	Prudential Regulation Authority
2	GB	LEI/213800TYI7ORV3TF7T41	The Exeter Cash Plan	Non life insurance undertaking	Unlimited Company	Non-mutual	Prudential Regulation Authority
3	GB	SC/009567930	Exeter Cash Plan Holdings Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Limited Company	Non-mutual	

IR.32.01.22

Undertakings in the scope of the group

				Criteria of influence						
Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	
Row	C0010	C0020	C0040	C0050	C0180	C0190	C0200	C0210	C0220	C0230
1	GB	LEI/213800V19RLONY7XIL94	Exeter Friendly Society Limited	Composite undertaking					Dominant	
2	GB	LEI/213800TYI7ORV3TF7T41	The Exeter Cash Plan	Non life insurance undertaking	100.00%	100.00%	100.00%		Dominant	100.00%
3	GB	SC/009567930	Exeter Cash Plan Holdings Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	100.00%	100.00%	100.00%		Dominant	100.00%

IR.32.01.22

Undertakings in the scope of the group

Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Inclusion in the scope of Group supervision		Group solvency calculation	
				Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking	
Row	C0010	C0020	C0040	C0050	C0240	C0250	C0260
1	GB	LEI/213800V19RLONY7XIL94	Exeter Friendly Society Limited	Composite undertaking	Included in the scope		Method 1: Full consolidation
2	GB	LEI/213800TY17ORV3TF7T41	The Exeter Cash Plan	Non life insurance undertaking	Included in the scope		Method 1: Full consolidation
3	GB	SC/009567930	Exeter Cash Plan Holdings Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Included in the scope		Method 1: Full consolidation