Annual Report 2024

NEW IRELAND 1918 SECURING YOUR FUTURE

Contents

Directors and Other Information

Directors
David Lamb *(Chair)*
Gerry Hassett
John Heade
Gavin Kelly
(resigned 16 October 2024)
Mary Kerrigan
Michael Murphy
(resigned 13 February 2024)
Karena O'Sullivan
Susan Russell
Deirdre Hannigan
(appointed 3 April 2024)
Richard Jones
(appointed 13 February 2024, resigned 1 October 2024)
Tadhg Clandillon
(appointed 1 October 2024)
Margaret Sweeney
(appointed 1 January 2025)

Secretaries
Hill Wilson Secretarial Limited
Caitriona Griffith

Company Number
7336

Registered Office
87-89 Pembroke Road,
Ballsbridge,
Dublin 4.

Head of Actuarial Function
Aoife O'Leary

Independent Auditor
KPMG
Chartered Accountants
1 Harbourmaster Place,
International Financial Services Centre,
Dublin 1.

Bankers
Bank of Ireland
2 College Green,
Dublin 2.

Solicitor
A&L Goodbody
International Financial Services Centre,
North Wall Quay,
Dublin 1.

Directors' Report

The Directors are pleased to submit their Annual Report and audited Financial Statements of New Ireland Assurance Company plc ('the Company') for the year ended 31 December 2024.

Principal activities

The principal activity of the Company is the transaction of life assurance and pension business in the Republic of Ireland. The Company is regulated by the Central Bank of Ireland (CBI).

Review of the business

The Company was the first wholly Irish owned life assurance company to transact business in Ireland. Since its foundation, customer security and protection has been a core priority of the Company.

The purpose of the Company is to enable customers, colleagues and communities to thrive by protecting families, investing their money and securing their future. As at 31 December 2024, the Company had in excess of 650,000 customer contracts and assets under management of €25.4 billion (2023: €22.3 billion). The Company is part of the Bank of Ireland Group. Bank of Ireland is a diversified financial services group with total assets on its balance sheet of €162 billion (2023: €156 billion).

The Company sells a broad range of protection, investment and pension products to individual and corporate customers in the Republic of Ireland. Its liabilities are predominantly unit linked and it has a multi-channel distribution strategy. The Company is a market leading life and pension provider and has 20% share of the new business market.

Throughout 2024, the Company has continued to support and protect its customers, colleagues and communities. The economy continued to grow at a steady pace in 2024 with lower inflation to that observed in 2023. Investment returns were positive as bond and equity markets increased in value.

Assets under management increased from €22.3 billion in 2023 to €25.4 billion in 2024 primarily due to the impact of positive investment markets and customers flows into unit linked funds.

New business volumes were €556 million (2023: €507 million) in Annual Premium Equivalent (APE) terms over the twelve months to December 2024, up 10% on the same period last year due to strong growth in Pensions regular and single premium.

Through the year the Company continued to implement its strategic plan and to make investments to realise its strategic priorities:

- to build stronger relationships with customers and colleagues;
- to build a simpler and more efficient business; and
- to grow a sustainable profitable company.

During the year, the Company:

- continued the roll out of the New Ireland digital advice platform to our customers with 93% of new business applications now submitted digitally;
- continued to increase business volumes on the new pension platform MyPension365 with over €2.5 billion of assets under management on the platform at December 2024; and
- continued progress across a range of initiatives that will enable sustainable, scalable and profitable growth.

Features of the Company and its business are as follows:

- the Company has a strong distribution network across three core channels made up of the Bank of Ireland Group's branch network, independent financial brokers and its tied agent financial advisors;
- it provides a range of protection, investment and pension products offering customers access to a wide range of investment markets and fund managers across its fund platform;
- the Company has a competitive product range particularly with its suite of investment and pension funds. Through its strong relationship with some of the world's leading investment managers, the Company offers a wide array of investment funds that cater for the needs of the many different types of investor;
- the Company's market share at the end of the year was 20%. There has been an increase in sales volumes with strong growth in single premium Pension business;
- sale volumes on the Broker channel were up 8%, and the bank channel increased by 10% while Financial Advisor channel increased by 24% on the previous year;
- new sales in the year ended 31 December 2024 consisted of €2,501 million (2023: €2,123 million) of new single premium business and €306 million (2023: €295 million) of new regular premium business;
- the Company is benefitting from the transformation actions taken to date and will continue investing in a significant transformation programme to support the growth plans of the business, improve customer experience and drive efficiency and cost reduction. A number of technology deliverables went live in 2024. These deliverables are not just significant for transformation, they demonstrate our commitment to innovation, to building our agility as an organisation and to servicing our customers brilliantly;
- core operating expenses (excluding commissions, cost of sales, amortisation, depreciation and non-core costs) at €109 million (2023: €109 million) were stable when compared to previous year. Staff costs, excluding pension at €48 million (2023: €44 million), were higher due to salary inflation and an increase in full time equivalent staff numbers. Non staff costs were lower by €4 million at €56 million (2023: €61 million).
- the Company had €25.4 billion (2023: €22.3 billion) of assets under management, with positive investment returns along with positive customer flows into unit linked funds experienced during the year. Of the €25.4 billion assets under management, €23.3 billion was in unit linked funds where investment risk is borne by policyholders and where a change in the value of the underlying assets is accompanied by a corresponding change in the liability. A further €2.1 billion covered technical provisions (other than unit linked liabilities), solvency capital requirement and excess own funds in the life company; and
- Solvency II is the harmonised EU-wide regulatory capital framework for insurance companies. Under Solvency II, the Company is required to value its liabilities using best estimate assumptions as to future experience. It is also required to hold an additional risk margin and a risk-based Solvency Capital Requirement (SCR) which is calculated by considering the impact of a number of stress scenarios on the Company's capital. At the end of 2024, the Company's total eligible own funds under Solvency II were €1,053 million (2023: €1,040 million). This was 1.31 times or €252 million (2023: 1.41 times or €301 million) above the SCR of €801 million (2023: €739 million).

Future outlook

The Company will continue to strengthen the digital capabilities of the business with enhanced customer propositions across pension platforms and Wealth and Insurance advice platforms. Favourable demographics and market changes underpin future growth opportunities. The proven strength of the Company's distribution channels coupled with the digital investments make the Company well placed to benefit from these opportunities.

The Company's capital position remains strong and within its target capital range.

Embedded Value Performance

The Company measures its key performance indicators using embedded value performance. The key performance indicators are new business value, operating profit, operating expenses and market share. Embedded value is widely used within the life assurance industry and the Company uses a market consistent embedded value (MCEV) methodology in measuring its performance. The table below outlines the operating profit on an MCEV basis for the year which was €7 million (2023: €89 million). Operating profit of €7 million for 2024 was €82 million or 92% lower than 2023, primarily due to the occurrence of a number of once off negative assumption changes and provision set up in 2024 along with lower morbidity experience. The total embedded value profit before tax including the impact of interest rate movements and investment variance was €39 million (2023: €140 million).

	2024 €	2023 €
New business profits	**24**	**9**
Existing business portfolio		
Expected return	62	42
Experience variance mortality and morbidity	(5)	8
Experience variance persistency	(13)	(13)
Other profit / (loss) item	(61)	43
Operating profit	**7**	**89**
Economic assumptions and interest rate movements	(3)	34
Investment variance - unit linked	35	17
Embedded value profit before tax	**39**	**140**

There was an increase in new business volumes in 2024 primiarly driven by pension sales with profits increasing to €24 million (2023: €9 million).

Expected return at €61 million (2023: €43 million) was higher due to lower costs and increasing interest rates leading to an increase in the expected return on unit linked and shareholder holdings.

Mortality / morbidity experience losses of €5 million (2023: €8 million profit) are less favourable compared to the same period in 2023. Positive mortality experience on unit linked products and positive additional benefit experience on protection products were offset by adverse experience on Group Protection products.

Persistency losses of €13 million (2023: €13 million) were driven by negative experience on individual pensions business primarily linked to increased lapse activity within the pension market since the introduction of the IORPs regulations and on life single premium business linked to both increased partial surrenders and restructuring within the Wealth and Insurance division of the parent company.

Other profit items are €62 million negative for 2024. This is mainly driven by a review of actuarial assumptions at year end 2024 and the set up of provisions for both the Group Protection product and for continued excess lapses expected over the short term on executive pension products due to IORPs.

The total impact from the markets on the Company main fund over the year was €3 million negative (2023: €34 million positive) primarily driven by a lower expected return on the matching portfolio assets over the change in liabilities. The return on the shareholder portfolio was broadly in line with expectations.

Unit linked investment variance for the twelve months to December 2024 was €35 million positive, compared to €17 million positive over the same period in 2023, reflecting strong growth in equity and bond markets.

Statutory performance

The financial statements as prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the Republic of Ireland and FRS 103 Insurance Contracts, show a technical account profit for the year of €9 million (2023: €51 million profit). The decrease reflects adverse experience on group income protection business, adverse persistency and lower growth on shareholder assets, somewhat offset by higher new business income and increased income on unit linked business.

Total premiums in the year (across insurance and investment contracts) of €4.2 billion (2023: €4.0 billion) were ahead of 2023. Premiums accounted for as insurance contracts were €2.2 billion (2023: €2.3 billion) with a decrease both single premium and regular premiums. Outward reinsurance premiums €160 million (2023: €193 million) due to lower level of sales on products with reinsurance cover.

Total investment return was €2.7 billion positive (2023: €2.0 billion negative) reflecting the improvement in investment markets in 2024.

Assets under management of €25.4 billion (2023: €22.3 billion) increased due to positive cash flows into unit linked funds and positive investment return.

Gross claims paid were higher than the prior year at €3.4 billion (2023: €3.0 billion). Gross claims accounted for as insurance contracts were also higher than the prior year at €2.2 billion (2023: €2.0 billion).

Net technical provisions increased by €0.5 billion (2023: €1.9 billion decrease), due mainly to the increase in value of policyholders' investments.

Unit linked policyholder liability provisions increased in line with the increase in the value of unit linked assets, therefore an increase in investment asset values is matched with an increase in corresponding technical provisions.

Core operating expenses (excluding commissions, cost of sales, amortisation, depreciation and non-core costs) were stable at €109 million in the year (2023: €109 million).

The pension scheme is in surplus and the Company's pension scheme surplus has decreased by €1 million (2023: €4 million decrease in deficit). Scheme liabilities decreased by €17 million (2023: €3 million decrease) mainly due to the impact of an increase in the discount rate and a decrease in the inflation assumption. The scheme assets increased by €12 million (2023: €8 million decrease) due to positive investment markets. There was an asset ceiling adjustment of €32 million bringing the net benefit assets to surplus of €3 million at 31 December 2024.

The impact of both the liability and asset movements against the underlying actuarial assumptions has resulted in a €2 million loss (2023: €4 million profit) taken to reserves. The impact is €2 million net of deferred tax (2023: €4 million net of deferred tax).

Capital remains strong at 131% (2023: 141%) of SCR. No dividend was paid in the year (2023: €60 million).

Summary income statement

The profit and loss account – technical account in the financial statements is presented in accordance with the required accounting classification with some of the items listed in the table below being split between insurance and investment contracts according to their accounting classification.

The table below summarises the profit and loss account into its various constituent components (premiums, claims, investment income, expenses and policyholder liabilities) before the split for accounting classification.

	2024 €	2023 €
Premium income	4,218	3,960
Reinsurers' share of premiums	(160)	(193)
Claims incurred	(3,437)	(3,041)
Reinsurers' share of claims	167	157
Investment return	2,642	1,976
Net operating expenses	(250)	(243)
Change in deferred income liability	-	-
Investment expenses and charges	(23)	(18)
Interest on loans and borrowings	(9)	(8)
	3,148	**2,590**
Movement in linked liabilities	(2,948)	(2,305)
Net movement in non-linked liabilities	(157)	(200)
Tax charge attributable to the life assurance business	(34)	(34)
Profit / (loss) for the financial year	**9**	**51**

Actuarial valuations

The Company's life assurance liabilities at 31 December 2024 are valued as shown in Notes 18, 19 and 20 of the financial statements.

The value of the unit linked financial liabilities is determined using current unit prices multiplied by the number of units attributed to the contract holders at the balance sheet date.

Non-unit linked insurance liabilities are calculated on the basis of recognised actuarial methods, with due regard to the applicable actuarial principles recognised in the European framework for the prudential and financial monitoring of direct life assurance business.

For its Solvency II regulatory balance sheet the Company's technical provisions have been calculated under the principles and methodologies as laid out in the Solvency II Directive, the Delegated Regulations, and the additional guidelines and technical information provided by the European Insurance and Occupational Pensions Authority (EIOPA).

There are a number of differences in the bases, methods and assumptions used in the valuation of technical provisions under the Solvency II basis and in the financial statements. The main differences are set out below. Note 26 of the financial statements reconciles total shareholders' equity with the Own Funds under Solvency II.

Minimum reserves

The minimum reserve for any individual policy is zero in the financial statements. However, negative reserves are permitted under Solvency II and will arise where the expected future premiums exceed expected future claims and expenses. In addition under Solvency II, for unit-linked business, there is a negative Best Estimate Liability (BEL), representing the future profits on these contracts. Therefore the total technical provisions under Solvency II are less than the surrender value of the contracts. This is not allowed in the basis for the financial statements.

Risk margin

Only insurance contracts are included in the risk margin calculation for the financial statements, whereas under Solvency II both insurance and investment contracts are captured. Investment contracts in the financial statements continue to be measured under IFRS 9 'Financial Instruments' (IFRS 9).

Distributable profits for the year

	2024 €	2023 €
Profit / (loss) on ordinary activities before tax	10	58
Tax (charge) / credit on ordinary activities	(1)	(7)
Profit / (loss) on ordinary activities after tax	9	51
Other comprehensive income	7	4
Transfer from / (to) non-distributable reserves	(7)	(19)
Distributable profit for the year	-	36

The distributable profit for 2024 was €nil (2023: €36 million) from the policyholders' funds to the shareholder funds. A transfer represents a movement of the own funds within the Company from the life assurance fund to the distributable reserve. The transfer of funds from the life assurance fund is not an indicator of profitability or dividend capacity, but a formal movement of surplus. Dividends can only be paid out of distributable profits, subject to board approval and a satisfactory solvency position.

Capital movements and dividends

Shareholder funds decreased by €7 million (2023: €5 million decrease) in the year due to profit after tax of €9 million (2023: €51 million profit) and an actuarial loss in the pension scheme, net of deferred tax of €2 million (2023: €4 million gain). There was no dividend payment in 2024 (2023: €60 million).

Holding company

The Company is a wholly-owned subsidiary of Bank of Ireland Life Holdings Limited which is incorporated in the Republic of Ireland. The ultimate parent company is the Bank of Ireland Group plc which is also incorporated in the Republic of Ireland.

Subsidiaries

The information required by Section 314 of the Companies Act, 2014 is contained in the information provided in Note 29 to the financial statements.

In 2011 a receiver was appointed to BSQ Limited, a subsidiary of the Company. BSQ Limited is a special purpose vehicle created to purchase on behalf of policyholders a development known as Beacon South Quarter in Sandyford, Dublin. The acquisition was financed by way of a limited recourse loan from Bank of Ireland. The value of this development has fallen significantly below the loan value and the current income from the development is insufficient to meet interest repayments. As the loan is limited recourse we anticipate, in accordance with the Loan Agreement (subject to formal notification from the Bank), that the assets of BSQ Limited will be liquidated and the proceeds will be retained by the Bank in final discharge of the loan. The receivership by KPMG was completed on the 29th March 2023 following the filing of a notice of cessation by a receiver to the companies' office. A solvent liquidation is now planned in 2025.

Directors and Secretaries

The names of persons who were directors at any time since the previous reporting period are set out on page 3. Directors' titles and memberships of committees are outlined on page 7. Unless otherwise stated, the Directors served for the entire period.

Directors' and Secretaries' interest in shares

The Directors and Secretaries of the Company hold no disclosable interests in accordance with section 260 (f) of the Companies Act 2014 and no disclosure is required under section 329 of the Companies Act 2014.

Environmental, Social and Corporate Governance

The Company continues to integrate ESG considerations across investment processes and to deliver on the significant ESG regulatory agenda. New Ireland currently has c.43% of AUM designated as SFDR Article 8 Status.

Governance

The Company is subject to the requirements of the CBI's Corporate Governance Requirements for Insurance Undertakings 2015, including those additional requirements which apply for 'High Impact' institutions (the Company has been designated as such by the CBI). These requirements impose minimum standards on all insurance undertakings authorised by the CBI and additional requirements on 'High Impact' institutions, so as to ensure that an appropriate and robust corporate governance framework is in place and implemented to reflect the nature of the undertaking's business and its risk profile.

Governance structure

The Board has primary responsibility for the system of governance within the Company. The Board has approved a Board Charter and a Board Committee Terms of Reference for which authority is reserved by the Board. The Board operates the following committees:

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

Each committee of the Board is subject to Board-approved terms of reference which details the authority delegated to the committee, how it should be exercised and the means by which the committee reports to the Board.

The Board delegates executive management of the Company to the Managing Director. The Managing Director's key objective is to manage the business to achieve, and report against, the agreed strategic and business plans subject to the approved Risk Appetite Statement and key policies of the Company.

Working with the senior management team (SMT), the Managing Director is responsible to ensure that the objectives of the Company are clear and consistent with the strategic plans through personal objectives and key priorities, and that the appropriate resources and skills are available and applied.

Board of Directors

The Company's Board has primary responsibility for the corporate, management, risk and other governance structures and processes within the Company. The manner in which the Board's business is conducted is set out in the Board Charter, the Memorandum & Articles of Association of the Company, and in the Directors' general duties. Authority is reserved by the Board for certain matters which may not be delegated. Board governance documents are reviewed at a minimum annually.

Key responsibilities of the Board members include determining the Company's objectives and strategy, delegating in accordance with relevant corporate governance standards, while retaining ultimate responsibility, with clearly defined and documented responsibilities and authorities. The Board is responsible for establishing and maintaining a framework of risk management and internal controls, strategies, policies and procedures that enables the strategic, financial and other risks of the Company to be identified, assessed, measured and reported.

The following table notes the Directors' names, titles and their membership of the Board committees. Details are correct as at 31 December 2024.

Director	Category of Director	Date of appointment	Committee Membership
David Lamb	Independent Non-Executive Director and Board Chairman	September 2023	Nomination and Governance (Chair), Remuneration, Risk, Investment
Deirdre Hannigan	Independent Non-Executive Director	April 2024	Investment (Chair), Risk, Audit
Gerry Hassett	Independent Non-Executive Director	July 2019	Investment, Audit (Chair), Nomination and Governance, Remuneration (Chair)
John Heade	Executive Director and Chief Financial Officer	November 2020	Risk, Investment
Mary Kerrigan	Independent Non-Executive Director	July 2019	Risk (Chair), Investment, Audit (Interim member), Nomination and Governance (Interim Member)
Tadhg Clandillon	Executive Director and Managing Director	October 2024	None
Susan Russell	Group Non-Executive Director	August 2022	Nomination and Governance
Karena O'Sullivan	Group Non-Executive Director	March 2021	Audit

Michael Murphy stood down as Executive Director and Managing Director on 13 February 2024.

Richard Jones was appointed interim Managing Director on 13 February 2024 and stood down on 1 October 2024.

Tadhg Clandillon was appointed Managing Director on 1 October 2024.

Deirdre Hannigan was appointed INED on the Board on 3 April 2024 and became a member of the Investment, Risk, Nomination and Audit Committees.

Gerry Hassett stood down as the Chair of the Investment Committee on 17 July 2024.

Deirdre Hannigan was appointed Chair of the Investment Committee on 17 July 2024.

Margaret Sweeney was appointed INED on the Board on 1 January 2025 and became a member of the Audit, Risk and Nomination and Governance Committee.

Mary Kerrigan stood down from the Audit Committee on 1 January 2025.

John Heade stood down from the Risk and Investment Committee on the 1 January 2025 and became a standing attendee at these Committees.

Susan Russell stood down from the Nomination & Governance Committee on 1 January 2025 and became a standing attendee at this Committee as required.

Karena O'Sullivan stood down from the Audit Committee on 1 January 2025 and became a standing attendee at this Committee as required.

Mary Kerrigan was appointed as a member of the Remuneration, Nomination & Governance Committee on 1 January 2025.

Deirdre Hannigan became a member of the Remuneration and Nomination & Governance Committees on 1 January 2025.

Audit Committee
The committee has responsibilities relating to the integrity and disclosure of financial and related information, oversight of the effectiveness of internal controls and the Company's relationship with, and expectations of, internal and external auditors. The committee monitors and reviews the effectiveness of the Company's internal audit function, and ensures that it operates in an independent manner. It monitors the external auditor's independence and objectivity and the effectiveness of the audit process. It also monitors and reviews the effectiveness of the Company's disclosure and financial reporting policy and processes. The committee also oversees the Company's compliance function.

Risk Committee
The committee has responsibility for oversight of and the provision of advice to the Board on matters including the effectiveness of the Company's systems of risk management in identifying, assessing, measuring and reporting on its risk profile, taking into account the nature, scale and complexity of the operation of the Company.

It has oversight of risk governance, risk appetite and limits for current and future risks, risk strategy, material risk exposures and the Own Risk and Solvency Assessment (ORSA) process, including the ORSA report. The committee oversees the Company's risk management function.

Investment Committee
The committee has responsibility for oversight and the provision of advice to the Board on matters including governance in respect of the Company's investments, monitoring of the investments of the Main Fund and the Unit Linked funds, the overall level of investment risk, and the consistency of relevant investments with policyholders' reasonable expectations. It is responsible for the appointment and oversight of investment managers and custodians, in line with the Board's outsourcing policy, and for reviewing investment activity, performance and strategy.

Remuneration Committee
The committee has responsibility for oversight and the provision of advice to the Board on matters including considering and making recommendations in respect of the remuneration strategy and policy for Executive Directors, senior management and other employees. It is responsible for framing remuneration policies, giving full consideration to the principles and provisions of the relevant regulatory and corporate governance codes.

Nomination and Governance Committee
The committee has the responsibility for oversight and provision of advice to the Board for consideration and for making recommendations in respect of nominations to the Board, Board committees and key management positions. It monitors developments in corporate governance, assessing the implications for the Company and advising the Board accordingly. It prepares reports on the effectiveness and performance of the Board.

Fitness and probity

The CBI's fitness and probity standards apply to all Directors and a number of other key roles within the Company, including those relating to the control functions. The holders of specific roles which are designated as Pre-approved Controlled Functions (PCF) require the advance approval of the CBI.

Minimum standards of fitness and probity apply to all persons performing the functions covered by the fitness and probity standards, including those requiring the pre-approval of the CBI, in the areas of competence and capability, acting honestly, ethically and with integrity and being financially sound.

The Company has in place a procedure for assessing the fitness and probity of those persons who come within the scope of the CBI standards. The procedure, which is carried out annually, includes an assessment of qualifications, experience, financial soundness, references and a range of due diligence and validation checks.

The Company is also subject to the CBI's Minimum Competency Code 2011 which covers all employees who are acting in certain specified roles. The code requirements include ongoing continuing professional development requirements. All personnel who fall within the code are also subject to the Company's fitness and probity policy.

Risk management

The Company's risk management framework sets out its approach to understanding and managing the risks to which the Company is subject and to ensuring that all material classes of risk are taken into consideration in the context of the Company's overall strategic objectives and goals.

The objectives of risk management are to enable the Board and management to appropriately identify, assess, measure and report risks as determined by its strategic objectives and goals and subject to any regulatory obligations that apply.

The Company's core strategic objectives include the protection of its capital and reputation. The acceptance of risk, through the products and services it provides to its customers and the management of the risks to which the Company is subject, are the methods by which the Company achieves its overall objectives and goals.

The risk management framework sets out the core elements and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management practices and activities across the Company. It provides a context within which business and risk strategies are considered and developed. The risk management framework is enabled by people, processes and technology, underpinned by a prudent and balanced risk management culture as articulated through the Risk Appetite Framework and Statement which are approved by the Board annually.

Risk management function

The risk management function is responsible for maintaining and monitoring the effectiveness of the Company's overall risk management system and for its ongoing development. Its key activities include the following:

- design of key risk management frameworks and related policies, including processes to identify measure, monitor, manage and report on the entity-wide risks to which the Company is subject;
- co-ordination of the Company's ORSA process;
- preparation and review of the Company's Risk Appetite Statement;
- monitoring of the risk management system including oversight and challenge with regard to the effectiveness of its operation; and
- preparation of an annual plan for submission to the Board Risk Committee.

The risk management function is led by the Chief Risk Officer (CRO) who is a member of the SMT reporting to the Managing Director. The CRO also has responsibility for the compliance function within the Company.

Risk management system

The Board is responsible for the overall risk management system of the Company. It has delegated the management and oversight of a number of risk activities to the Risk Committee, which in turn has a number of management risk committees reporting into it. These management committees are led by the Executive Risk Committee (ERC) which is chaired by the CRO with the membership consisting of senior staff including the Managing Director.

In support of its overall risk strategy, the Company operates a risk governance system based on the three lines of defence model, which provides oversight and assurance to the Board with coverage across the independent control functions. These control functions, across risk management, compliance, actuarial function and internal audit, have specific responsibilities as part of the overall risk management system.

1st line of defence

The 1st line of defence consists of front line business functions such as customer service, sales and distribution, product management, information technology, finance, marketing and human resources. Primary responsibility and accountability for risk management lies with these functions. They are responsible for the identification and management of risks that affect the Company at business unit level, and for implementing appropriate controls and reporting consistent with the Company's risk management framework.

2nd line of defence

The 2nd line of defence consists of the control functions of compliance, risk management and the actuarial function. These functions formulate risk frameworks and policy and provide oversight, monitoring and challenge to the operation of the risk framework within the Company. The actuarial function also provides assurances to the Board in relation to the adequacy of the Company's provisions in respect of its obligations.

3rd line of defence

The 3rd line of defence consists of an independent internal audit function that provides independent, reasonable assurance to key stakeholders on the effectiveness of the Company's risk management and internal control framework. Internal audit carry out risk-based assessments covering the Company's businesses and functions (including outsourcing providers). Findings are communicated to senior management and other key stakeholders, with remediation plans monitored for progress against actions and completion dates.

The management structures and related committees support the overall risk management system with clear reporting lines for the risk management and control functions.

Risk strategy and appetite

The overall risk strategy of the Company is to ensure that all material risks, both current and on a forward-looking basis, are considered in arriving at and maintaining the strategic commercial objectives of the Company and that these objectives are consistent with the approved Risk Appetite Statement of the Company.

The Company is committed to providing a high quality and efficient service and product proposition to its customers and ensuring that the Company keeps to its commitments, while also seeking to protect the interests of its shareholder. The Company pursues an appropriate return for the risks taken and operates within the stated Risk Appetite Statement. In doing so, the Company seeks to be fair to its customers, both new and existing, and to operate a strong risk management framework and risk culture.

The Company has a preference for risks that it understands well and is in a position to manage appropriately and it pursues an appropriate return for the risks taken. It seeks to engender a prudent and balanced risk management approach across the Company and to ensure that its risk management structures are appropriate to the nature, scale and complexity of its business.

The Risk Appetite Statement of the Company defines the amount and nature of the risks that the Company is prepared to accept in pursuit of its strategic objectives. In addition, it notes the risks that are accepted in the course of the Company's business activities but which the Company seeks to mitigate, and those risks that it seeks to avoid or transfer.

The Risk Appetite Statement is defined in qualitative and quantitative terms, in respect of the key risk categories, within a framework that facilitates monitoring and appropriate action at Board and management levels.

The Risk Appetite Statement of the Company is reviewed at least annually on the advice of the Company's risk management function.

Internal controls

The Company's system of internal control encompasses processes and structures which are intended to provide reasonable assurance to the Board, regarding the achievement of objectives which relate to the following areas:

- operational effectiveness and efficiency of the Company's operations, including operational and financial performance goals and safeguarding assets against loss;
- financial reporting - availability, timeliness and reliability of financial and non-financial information, and any other requirements or standards to which the Company is subject; and
- compliance - adherence to applicable laws and regulations to which the Company is subject.

The system of internal control is an integral part of the overall risk management framework of the Company. The risk management framework is broader than internal control and focuses on the identification and management of the full spectrum of risks impacting the Company.

The principal elements of the internal control system are the following:

Governance structures and policies

This encompasses the overall governance structures of the Company through the Board, management and committee structures as outlined above. It also includes the policies and procedures which set out the manner in which certain risks are managed within the Company.

Risk Assessments

The Company undertakes processes for identifying and assessing risks and their associated controls. This also encompasses the impact of changes to the external environment and within its own business model that may render internal control partially or completely ineffective.

Control activities and functions

The Company has put in place policies and procedures which are designed to help mitigate the identified risks. These encompass activities such as authorisations, reconciliations, management reviews and independent validations. Segregation of duties is built into the selection and

development of control activities. The oversight of the internal control system is undertaken by the four key control functions, namely:
- Risk Management function;
- Compliance function;
- Actuarial function; and
- Internal Audit function.

Reporting
This is the process of providing timely, quality and relevant information to support the components of the internal control system.

Monitoring activities
This is the process of ongoing evaluation to ascertain that the components of the internal control system are present and functioning. Ongoing evaluations are built into business processes in order to provide timely information. Separate evaluations, conducted periodically, will vary in scope and frequency. Deficiencies are communicated to management and the Board, as appropriate.

The system of internal control is intended to support the Company in achieving its strategic and business objectives, while operating within the requirements set out in its key policies and within the laws and regulations which apply. A robust internal control environment enables the Company to deal effectively with changes to the external environment, the needs of key stakeholders including customers, shareholders and regulators and within an evolving business and regulatory landscape.

Directors' compliance statement

As required by Section 225 of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with its 'relevant obligations' (as defined in that legislation). The Directors further confirm that a compliance policy statement has been drawn up, and that appropriate arrangements and structures have been put in place that are, in the Directors' opinion, designed to secure material compliance with the relevant obligations. A review of these arrangements and structures has been conducted in the financial year to which this report relates.

Non-financial information statement

The Company has not separately presented a non-financial information statement as it is a subsidiary of Bank of Ireland Group plc and the Company is included in the group non-financial performance information statement.

Sustainability reporting exemption under section 1598

New Ireland has availed of the exemption for Corporate Sustainability Reporting Directive (CSRD) reporting under Section 1598 and relies on the reporting produced by its ultimate parent Bank of Ireland Group, with registered office at 2 College Green, Dublin, D02 VR66.

The following link is to the website that contains the Bank of Ireland Group annual report https://investorrelations.bankofireland.com/app/uploads/Annual-Report-HoldCo-2024-Web.pdf. The directors report is included on pages 226 to 228 and the assurance opinion referred to in section 1613 is outlined on pages 150 to 152 of the Bank of Ireland Groups Annual Report.

Principal risks and uncertainties

The Company is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and policyholder liabilities. Note 26 outlines the range of financial risks facing the Company and the principal techniques the Company uses to mitigate these risks.

Subsequent events

No significant events which require disclosure or adjustment to the financial statements, affecting the Company or any of its subsidiary undertakings, have occurred since the balance sheet date.

Future developments

The Company will continue to ensure that it is sufficiently well placed to meet likely future demands arising from any significant changes in the operating environment.

Accounting records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 87-89 Pembroke Road, Ballsbridge, Dublin 4.

Political donations

The Directors, on enquiry, have satisfied themselves that there were no political donations made during the year ended 31 December 2024 or 2023.

Relevant audit information

The Directors in office at the date of this report have each confirmed that, as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditor

KPMG, Chartered Accountants, were appointed statutory auditor on 24 April 2018. They have been re-appointed annually since that date and will continue in office in accordance with section 383(2) of the Companies Act 2014.

On behalf of the Board:

Tadhg Clandillon
Director

John Heade
Director

Date: 27 March 2025

Statement of Directors' Responsibilities

in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland in conjunction with FRS 103 Insurance Contracts.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing these financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act, 2014 and European Union (Insurance Undertakings: Financial Statements) Regulations 2015. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and they have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

On behalf of the Board:

Tadhg Clandillon

Tadhg Clandillon
Director

John Heade
Director

Date: 27 March 2025

Independent Auditor's Report

to the member of New Ireland Assurance Company plc

Report on the audit of the financial statements

Opinion

We have audited the financial statements of New Ireland Assurance Company plc ('the Company') for the year ended 31 December 2024 set out on pages 17 to 51, which comprise the Profit and Loss Account - Technical Account - Life Assurance Business, Profit and Loss account - Non-Technical Account, Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 103 Insurance Contracts issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 103 Insurance Contracts;
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014; and
- the financial statements have been properly prepared in accordance with the requirements of the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the Board of Directors on 24 April 2018. The period of total uninterrupted engagement is the seven years ended 31 December 2024. We have fulfilled our ethical responsibilities under, and we remained independent of the Company in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

Using our knowledge of the Company, the financial services industry and the general economic environment to identify the inherent risks to the business model and analysing how those risks might affect the Company's financial resources or ability to continue operations for at least a year from the date of approval of the financial statements ('the going concern period'). The risk that we considered most likely to adversely affect the Company's available financial resources over this period was the valuation of the technical provisions - life assurance business provision.

We also considered less predictable but realistic second order impacts that could affect the Company's markets, such as the failure of counterparties who transact with the Company (such as policyholders, intermediaries and reinsurers), the performance of the investment portfolio, solvency and capital adequacy.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included:

- inquiring with the Directors and other management as to the Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims;
- inquiring of Directors, the Audit committee, internal audit and inspection of policy documentation as to the Company's policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud;
- inquiring of Directors, the Audit committee, internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud;
- inspecting the Company's regulatory and legal correspondence;
- reading minutes of meetings of the Board of Directors, the Audit Committee and other relevant board sub-committees; and
- performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We identified a fraud risk in relation to the Company's valuation of technical provisions - life assurance business provision.

Further detail in respect of then valuation of technical provisions - life assurance business provision is set out in the key audit matter disclosures in this report.

In response to the fraud risks, we also performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation; and
- assessing significant accounting estimates for bias.

As the Company is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Company operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement
Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2023):

Valuation of insurance and investment contract liabilities €25,868 million (2023: €22,743 million)
Refer to page 22 to 24 (accounting policy) and notes 18 to 20 (financial disclosures)

The key audit matter
The Company's insurance and investment contract liabilities include technical provisions – life assurance business provision of €2,713 million (2023: €2,549 million) and the technical provisions for life assurance policies where the investment risk is borne by the policyholders of €23,160 million (2023: €20,194 million).

These key elements of the insurance and investment contract liabilities collectively represent the single largest liability for the Company.

The technical provisions - life assurance business provision is an estimate of the non-linked liabilities payable to policyholders. It is determined using standard actuarial methodologies and assumptions regarding future mortality, morbidity, persistency / (lapses), longevity, expenses, PHI recovery rates and discount rate. We consider this to be a key audit matter as the calculation basis is complex and it involves the use of detailed methodologies and key assumptions.

The technical provisions for life assurance policies where the investment risk is borne by the policyholders is related to the unit- linked assets on the balance sheet and their valuation is determined in the same manner as the investments for the benefit of life assurance policyholders who bear the investment risk. We do not consider these provisions to have a high risk of material misstatement or to be subject to a significant level of judgement but because of their materiality in the context of the financial statements, we consider them a key focus of our audit.

How the matter was addressed in our audit
With the assistance of our actuarial specialists, our procedures included but were not limited to:

Obtaining and documenting our understanding of the valuation process and testing the design and implementation of key controls relevant to the valuation of insurance and investment contract liabilities.

Testing, on a sample basis, the completeness and accuracy of the key data used in the valuation calculation.

We applied judgement in assessing and challenging the methodologies applied and the key assumptions used in the valuation with reference to guidance issued by the European Insurance and Occupational Pensions Authority (EIOPA), the Company's actuarial experience investigations, published mortality tables and our experience of similar companies in the marketplace as applicable.

Assessing the calculation of insurance and investment contract liabilities through:

- agreeing the relevant assumptions and key data inputs into the actuarial models to those we have evaluated; and
- independently replicating the best estimate liability (BEL) for a cohort of policies.

Obtaining and inspecting the year end asset and liability reconciliation and agreeing the asset and liability totals to source information. Tracing material reconciling amounts to corroborating audit evidence.

Assessing the Company's product classification with reference to the FRS 103 'Insurance contracts'.

Evaluating the adequacy of disclosures in the financial statements relating to insurance and investment contract liabilities.

Based on evidence obtained, we found the key methodologies and assumptions used in the valuation of the technical provisions - life assurance business provision and the technical provisions for life assurance policies where the investment risk is borne by policyholders to be reasonable.

Valuation of the defined benefit pension net asset €2.6 million (2023: €4 million)
Refer to page 26 (accounting policy) and note 25 (financial disclosures)

The key audit matter
The Company has a defined benefit pension scheme. The scheme is in a net asset position with a €2.6 million surplus as at 31 December 2024.

The valuation of the pension obligation is calculated with reference to a number of actuarial assumptions. We identified a significant risk relating to the assumptions which we consider to be most subjective and to which the valuation of the defined benefit pension net asset is most sensitive, being the discount rate and the inflation rate.

We regard the determination of the Company's defined benefit pension net asset as a key audit matter because its valuation is complex and requires judgement in choosing appropriate actuarial assumptions.

How the matter was addressed in our audit
With the assistance of our actuarial specialists, our procedures included but were not limited to:

Obtaining an understanding of the process around the defined benefit pension net asset and testing the design and implementation of the key control relating to the defined benefit pension obligation.

We applied judgement in challenging the reasonableness of significant assumptions, being the discount rate and inflation rate, used by the Company through developing an independent range using observable market data against which to compare significant inputs used in the Company's valuation.

Testing, on a sample basis, key data to source documentation establishing the obligation to members, and vice versa.

Agreeing the valuation and custody of the underlying pension scheme assets to independent third party sources.

Evaluating the adequacy of the disclosures relating to the defined benefit pension net asset, having regard for the requirements of the accounting standards.

Based on evidence obtained, we found the significant assumptions used by management in the valuation of the defined benefit pension net asset to be reasonable.

Accuracy, valuation and ownership of Investments €25,412 million (2023: €22,313 million)
Refer to page 24 to 26 (accounting policy) and notes 12, 13 and 26 (financial disclosures)

The key audit matter
Investments comprise of equities, unit trusts, debt securities, open derivative positions, unlisted securities and investment properties. Investments represent 94% (2023: 93%) of total assets on the Company's balance sheet. Due to the size of the investment portfolio, we consider the accuracy, valuation and ownership of investments to be a key audit matter.

How the matter was addressed in our audit
Our procedures included but were not limited to:

Obtaining and documenting our understanding of the accuracy, valuation and ownership process over investments.

For a selection of equities, unit trusts, debt securities and open derivative positions, testing the valuation of the investments by agreeing the prices used to independent third-party sources.

For unlisted securities, we applied judgement in assessing the Company's basis for determining fair value and for a selection of these investments independently obtaining valuations directly from the relevant underlying fund administrators.

Agreeing the ownership of a selection of investments to independently obtained confirmations.

For investment properties, the valuation is determined based on advice from the Company's external property valuation experts. Our procedures involved:
- evaluating the independence of the Company's external property valuation experts and obtaining the property valuation reports;
- Agreeing the key data inputs used in the valuation to the supporting documents;
- performing an assessment that the properties are valued in accordance with the Royal Institution of Chartered Surveyors (RICS) valuation standards on the basis of market value; and
- obtaining confirmation from external solicitors of a selection of title deeds to confirm ownership.

Evaluating the adequacy of disclosures in the financial statements related to investments.

Based on evidence obtained, no material misstatements were identified with respect to the accuracy, valuation and ownership of investments.

Our application of materiality and an overview of the scope of our audit
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality for the financial statements as a whole was set at €5.4 million (2023: €4.01 million), determined with reference to a benchmark of net assets of which it represents 1.25% (2023: 1%).

We have selected net assets as the benchmark as, in our view, net assets is the most appropriate benchmark given the circumstances and the nature of the Company's business, it provides a more stable measure year on year than profit before tax and is the metric we consider to most influence the decisions of the users of the financial statements.

In determining the percentage to be applied to the benchmark, we considered a number of factors, i.e. focus of the users of the financial statements, elements of the financial statements, ownership and financial structure and the stability of the business environment in which it operates and concluded that an amount at the middle of our normal range was appropriate.

Performance materiality for the financial statements as a whole was set at €4.05 million (2023: €2.6 million), determined with reference to a benchmark of net assets of which it represents 75% (2023: 65%).

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality.

In applying our judgement in determining performance materiality, we considered a number of factors including; the number and value of misstatements detected and the number and severity of deficiencies in control activities identified in the prior year financial statements audit.

In addition, having regard to Practice Note 20 The audit of Insurers in the United Kingdom issued by the Financial Reporting Council, we applied materiality of €30 million (2023: €30 million) to the audit of policyholders' assets and liabilities in the balance sheet, and related notes, determined with reference to a benchmark of total unit linked assets of which it represents 0.14% (2023: 0.15%). This materiality was applied solely for our work on matters for which a misstatement is likely only to lead to a reclassification between line items within assets and liabilities.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding €0.27 million (2023: €0.2 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Dublin.

Other information
The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report and the Statement of Directors' Responsibilities. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.
Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the Directors' Report;
- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, those parts of the Directors' Report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified
We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company's balance sheet, profit and loss account - technical account - life assurance business and profit and loss account - non-technical account are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception
The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use
Responsibilities of Directors for the financial statements
As explained more fully in the Directors' Responsibilities Statement set out on page 11, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities
Our report is made solely to the Company's member, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, as a body, for our audit work, for this report, or for the opinions we have formed.

Niall Naughton
for and on behalf of ***KPMG***
Chartered Accountants,
Statutory Audit Firm,
1 Harbourmaster Place,
IFSC, Dublin 1
D01 F6F5

4 April 2025

Profit and loss account

Profit and loss account – technical account life assurance business

Financial year ended 31 December 2024

	Note	December 2024 €m	December 2023 €m
Earned premiums, net of reinsurance			
Gross premiums written	2	2,201	2,294
Outward reinsurance premiums		(160)	(193)
		2,041	**2,101**
Investment income	4	208	231
Net gains on realisation of investments	4	1,322	285
Unrealised gains on investments	4	1,112	1,459
Other technical income	5	70	55
Total technical income		**4,753**	**4,131**
Claims incurred, net of reinsurance			
Claims paid			
- gross amount		(2,257)	(2,000)
- reinsurers' share		167	121
		(2,090)	**(1,879)**
Change in the provision for claims			
- gross amount	18	(12)	(4)
- reinsurers' share	18	18	36
		6	**32**
Change in technical provisions, net of reinsurance			
Life assurance business provision, net of reinsurance			
Gross amount	18	(164)	(284)
Reinsurers' share	18	7	84
		(157)	**(200)**
Technical provisions for linked liabilities	19	(2,187)	(1,731)
		(2,344)	**(1,931)**
Net operating expenses	6	(250)	(243)
Investment expenses and charges	4	(23)	(17)
Interest on loans and borrowings	24	(9)	(8)
Tax (charge) attributable to the life assurance business	9	(34)	(34)
		(316)	**(302)**
Balance on the technical account - life assurance business		**9**	**51**

All the above amounts relate to continuing activities. The notes on pages 21 to 50 form an integral part of these financial statements.

Profit and loss account – non-technical account
Financial year ended 31 December 2024

	Note	December 2024 €m	December 2023 €m
Balance on the technical account - life assurance business		9	51
Tax attributable to shareholders' profit		1	7
Profit on ordinary activities before tax		**10**	**58**
Tax on profit on ordinary activities		(1)	(7)
Profit for the financial year		**9**	**51**

All the above amounts relate to continuing activities. The notes on pages 21 to 50 form an integral part of these financial statements.

Statement of comprehensive income
Financial year ended 31 December 2024

	Note	December 2024 €m	December 2023 €m
Profit for the financial year		**9**	**51**
Other comprehensive income			
Items that will not be classified to profit or loss			
Remeasurement of post employment benefit obligations	25	(2)	4
Other comprehensive income for the year net of tax		**7**	**55**

All the above amounts relate to continuing activities. The notes on pages 21 to 50 form an integral part of these financial statements.

Balance Sheet

as at 31 December 2024

	Note	December 2024 €m	December 2023 €m
Intangible assets	**11**	**58**	**68**
Investments			
Investments in subsidiaries	29	-	-
Other financial investments	12	2,080	2,012
		2,080	**2,012**
Investments for the benefit of life assurance policyholders who bear the investment risk	**13**	**23,332**	**20,301**
Reinsurers' share of technical provisions			
Life assurance business provision	18	1,181	1,174
Claims outstanding	18	75	56
		1,256	**1,230**
Debtors			
Debtors arising out of insurance operations			
- policyholders and intermediaries	14	150	138
Due from fellow subsidiaries	14	1	1
Other debtors	14	5	4
		156	**143**
Other assets			
Land and buildings and tangible assets	15	-	-
Deferred taxation	21	-	2
Cash at bank		3	3
		3	**5**
Prepayments and accrued income			
Accrued interest		22	19
Other prepayments and accrued income		2	2
Deferred acquisition costs	16	213	178
		237	**199**
Pension asset	25	3	4
Total assets		**27,125**	**23,962**

The notes on pages 21 to 50 form an integral part of these financial statements.

Balance Sheet

as at 31 December 2024 *(continued)*

	Note	December 2024 €m	December 2023 €m
Capital and reserves			
Called up share capital - presented as equity	17	23	23
Share premium account	17	26	26
Capital reserve	17	43	43
Revaluation reserve	17	-	-
Non - distributable reserve	17	196	189
Profit and loss account	17	145	145
Shareholders' funds - equity interests		**433**	**426**
Technical provisions			
Life assurance business provision	18	2,713	2,549
Claims outstanding	18	255	243
		2,968	**2,792**
Technical provisions for life assurance policies where the investment risk is borne by the policyholders	**19**	**23,160**	**20,194**
Accruals and deferred income		36	31
Deferred taxation	21	8	-
Creditors - Amounts falling due within one year			
Creditors arising out of insurance operations	22	222	217
Due to fellow subsidiaries	22	11	17
Bank overdraft	22	60	63
Other creditors including tax and social security	22	64	59
		357	**356**
Other provisions	23	1	1
		358	**357**
Creditors - Amounts falling due after one year			
Loans and borrowings	24	162	162
Total equity and liabilities before pension deficit		**27,125**	**23,962**
Total equity and liabilities		**27,125**	**23,962**

The notes on pages 21 to 50 form an integral part of these financial statements.

On behalf of the Board:

Tadhg Clandillon
Director

John Heade
Director

Date: 27 March 2025

Statement of Changes in Equity

	Share capital €m	Share premium €m	Capital reserve €m	Revaluation reserve €m	Non-distribuable reserve €m	Profit & loss account €m	Shareholders' funds €m
Balance at 1 January 2023	23	26	43	2	168	169	431
Retained loss for the financial year	-	-	-	-	-	51	51
Other comprehensive income for the year	-	-	-	-	-	4	4
Transfer from non-distributable reserve	-	-	-	(2)	21	(19)	-
Dividend paid	-	-	-	-	-	(60)	(60)
Balance at 31 December 2023	**23**	**26**	**43**	**-**	**189**	**145**	**426**
Retained profit for the financial year	-	-	-	-	-	9	9
Other comprehensive income for the year	-	-	-	-	-	(2)	(2)
Transfer to non distributable reserve	-	-	-	-	7	(7)	-
Balance at 31 December 2024	**23**	**26**	**43**	**-**	**196**	**145**	**433**

The notes on pages 21 to 50 form an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

Basis of presentation
The financial statements have been prepared on the going concern basis and in accordance with Irish GAAP, accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. The Company has prepared its' statutory financial statements under FRS 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland in conjunction with FRS 103 Insurance Contracts.

The financial statements comply with FRS 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland in conjunction with FRS 103 Insurance Contracts, the Companies Act 2014 ('the Act') and the European Union (Insurance Undertakings: Financial Statements) 2015.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 12, note 13, note 20, note 25 and note 26.

The Company is a qualifying entity for the purposes of FRS 102. Note 30 gives details of the Company's parent and from where its consolidated financial statements, prepared in accordance with EU-adopted IFRS, may be obtained.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:
- a cash flow statement and related notes;
- disclosures in respect of related party transactions between members of the same group; and
- disclosures in respect of the compensation of key management personnel.

The Company has taken advantage of the exemptions from producing consolidated financial statements for the year ended 31 December 2024, since it is a wholly-owned subsidiary undertaking of a parent company that is established under the law of an EEA state, which prepares consolidated financial statements in which the Company and its subsidiaries are included. These financial statements are separate financial statements.

Basis of accounting for long term insurance business
The Company uses a modified Solvency II basis to value its insurance contract liabilities, with due regard to the actuarial principles laid down in the Insurance and Reinsurance Directive ('Solvency II Directive'). Under this valuation basis, the Company's financial statements measure insurance contract liabilities on the basis of recognised actuarial methods, with due regard to the applicable actuarial principles recognised in the European Framework for the prudential and financial monitoring of direct life assurance business.

Non-distributable reserve
The surplus available for distribution is released from the non-technical reserve and retained in the profit and loss account. All non-distributable amounts in the profit and loss – non-technical account are transferred to the non-distributable reserve.

Critical accounting estimates and judgements
In preparing the financial statements, the Company makes estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Due to the inherent uncertainty involved in estimating the likelihood of future events, actual results could differ from those estimates, which could affect the future reported amounts of assets and liabilities. The estimates and judgements that have had the most significant effect on the amounts

a. Technical Provisions (Estimate)
The measurement basis of policyholder liabilities is dependent upon the classification of the contracts under FRS 103.

The Company uses a modified Solvency II basis to value its insurance contract liabilities, with due regard to the actuarial principles laid down in the Solvency II Directive. Under this valuation basis, the Company's financial statements measure insurance contract liabilities and Life Assurance provisions on the basis of recognised actuarial methods, with due regard to the applicable actuarial principles recognised in the European Framework for the prudential and financial monitoring of direct life assurance business. See note 20 for disclosures of the technical provisions.

b. Defined benefit pension scheme (Estimate)
The Company has an obligation to pay pension benefits to certain employees. In determining the actual pension cost, the actuarial value of the liability of the scheme is calculated by external actuaries. This involves modelling its future development and requires management to make assumptions as to discount rates, price inflation, salary and pensions increases, member mortality and other demographic assumptions.

There are acceptable ranges in which these estimates can validly fall. The impact on the results for the period and financial position could be materially different if alternative assumptions were used. A quantitative analysis of the sensitivity of the defined benefit pension liability to changes in the key assumptions is set out in note 25.

c. Valuation of Investments (Judgement)
All financial investments are classified as fair value through profit or loss. Fair values for investments are based on prices on the balance sheet date, determined from independent sources including recognised external pricing services, broker or dealer price quotations, and prices provided by valuation agents. For investments not listed, valuation techniques are adopted or an independent valuation is obtained from the administration manager of those funds. If no realistic value can be obtained, an investment will be measured at cost less any impairment provision, as this is considered best estimate of fair value.

Investment properties are carried at fair value as determined by external qualified property surveyors appropriate to the properties held.

1. Accounting policies *(continued)*

The surveyors arrive at their opinion of fair value by using their professional judgement in applying comparable current trends in the property market such as rental yields in the retail, office and industrial property sectors, to both the existing rental income stream and also to the future estimated rental value (ERV). Other inputs taken into consideration include occupancy forecasts, rent free periods that may need to be granted to new incoming tenants, capital expenditure and fees. As these inputs are unobservable, the valuation is deemed to be based on level 3 inputs. All properties are valued based on highest and best use.

See note 12 and note 13 for disclosures on the valuation of investments.

d. Front-end fees and acquisition costs (Judgement)
In determining the amount of front-end fees and acquisition costs to defer in relation to the Company's investment contracts, judgements must be made in relation to the lives of the contracts and therefore the time period over which these balances are amortised to the profit and loss account. For capital protected products, the Company amortises the amounts over the capital protected period of the policy. For open ended unit linked funds, the expected life of the policy is subject to a high degree of judgement and can change quite significantly over time with changes in investor sentiment and market or product developments. In making an appropriate estimate in each reporting period, management seeks to take account of actual past experience and future expectations, with most weight given to recent experience.

See note 16 for disclosures on deferred acquisition costs.

Contract classification

The Company classifies all life assurance products as either insurance or investment contracts for accounting purposes.
The Company issues contracts that transfer insurance risk or financial risk or both. Long-term business contracts issued by the Company fall into the following classes:

- insurance contracts; and
- unit linked investment contracts

Insurance contracts are contracts under which the Company accepts significant insurance risk from policyholders by agreeing to compensate them if a specified uncertain future event (the insured event) adversely affects them. Insurance contracts transfer significant insurance risk at the inception of the contract. As a general guideline, the Company defines as significant insurance risk, the possibility of having to pay benefits on the occurrence of an insured event that are at least 5% or more than the benefits payable if the insured event did not occur. A contract which exposes the issuer to financial risk without significant insurance risk is not an insurance contract.

Long-term business contracts that are not classified as insurance are deemed to be financial instruments and are classified as investment contracts. Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Unit linked contracts written by the Company where the liability under the contract is dependent on the value of the underlying financial assets, derivatives and investment property are classified as investment contracts unless the contracts also contain features that transfer significant insurance risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. However, investment contracts are reclassified as insurance contracts after inception if insurance risk becomes significant.

Insurance contracts

Insurance contracts are accounted for in accordance with FRS 103.

a. Premiums
Premiums receivable in respect of non-unit linked insurance contracts are recognised as revenue when due from policyholders. Premiums received in respect of unit linked insurance business are recognised in the same period in which the associated technical provisions are created. Outward reinsurance premiums are recognised when due for payment.

b. Claims and surrenders
Maturity claims and annuities are recognised when due for payment. Surrenders are accounted for when paid or, if earlier, on the date when the policy ceases to be included within the calculation of the life assurance business provision and / or the technical provision for linked liabilities. Death claims and all other claims are accounted for when notified. A provision is made to reflect risk related claims incurred in the year but which were not notified to the Company at the balance sheet date. Reinsurance claims are recognised at the same time as the policyholders' claim liability.

Claims incurred comprise the settlement and handling costs of claims paid and outstanding claims arising from events occurring during the financial year together with adjustments to prior year claims provisions. Claims handling costs include the internal and external costs incurred in the settlement of risk claims. All claims are recorded on the basis of notifications received up to the balance sheet date. An estimate of claims incurred but not yet reported is made and recorded within claims outstanding and is calculated based upon historical loss reporting patterns. Claims outstanding are not discounted.

Insurance liabilities are calculated in accordance with recognised actuarial principles, based on local regulatory requirements.

c. Deferred acquisition costs
The costs of acquiring new business which are incurred during the financial year, but where the benefit of such costs will be obtained in subsequent accounting periods, are deferred to the extent that they are recoverable out of margins in future matching revenues. In respect of insurance contracts, acquisition costs comprise all direct and indirect costs incurred in writing new contracts.

Deferred acquisition costs are included in the balance sheet as an asset and are amortised on a straight line basis over a period which is consistent with the assessment of the expected pattern of receipt of future revenue margins for each product type.

Impairment reviews are carried out annually or more frequently if circumstances exist that indicate the likelihood of impairment. The carrying values are adjusted to recoverable amounts and any resulting impairment losses are charged to the life assurance business technical account.

1. Accounting policies *(continued)*

Investment contracts
Investment contracts will continue to be accounted for in accordance with IFRS 9. All of the Company's investment contracts are unit linked in nature. These contracts are accounted for as financial liabilities whose value is contractually linked to the fair value of the financial assets within the policyholders' unit linked funds.

Premiums and claims on investment contracts are taken directly to the balance sheet where investment contract premiums received are treated as a financial liability and investment contract claims are treated as a reduction in a financial liability. The investment return, the related change in the value of the liabilities, policy fees and expenses relating to investment contracts are recorded in the profit and loss account.

a. Policy fees
Policy fees comprise fees and charges for administering contracts, investment management fees and an element of origination fees that relates to the current year and are included in 'Other technical income'. Fees are recognised in the period in which they are charged unless they relate to services to be provided in future periods in which case they are deferred and recognised as income over the expected term of the contract as the services are provided. Incremental costs that are directly attributable to securing investment contracts and are expected to be recoverable are deferred and recognised in the balance sheet as deferred acquisition costs. The asset is amortised as the related fees for investment management services are recognised. Policy fees on investment contracts are accounted for in accordance with IFRS 9.

b. Investment contract liabilities
The company has elected to continue to account for all investment contracts under IFRS 9. All of the Company's investment contracts are unit linked in nature. These contracts are accounted for as financial liabilities whose value is contractually linked to the fair value of the financial assets within the policyholders' unit linked funds. The fair value of these financial liabilities is equivalent to the amount payable on demand without penalty.

c. Deferred acquisition costs
The costs of acquiring new unit linked investment contracts, including commissions and other incremental expenses directly related to the issuance of each new contract, are deferred and amortised on a straight line basis over the expected contract period. The deferred acquisition costs are tested for recoverability at each reporting date. The carrying values are adjusted to recoverable amounts and any resulting impairment losses are charged to the life assurance business technical account.

d. Deferred income liabilities
Fees earned on investment contracts are recognised over the life of the contract as services are provided. Income is deferred for any front end fees which relate to services provided in future periods to the 'deferred income liability'. The deferred income liability is amortised on a straight line basis over the term of that contract.

Technical provisions
a. Life assurance provisions
The technical provisions relating to term assurance and term critical illness are calculated on the basis of recognised actuarial methods, with due regard to the applicable actuarial principles recognised in the European framework for the prudential and financial monitoring of direct life assurance business.

Tests of adequacy are carried out on the reserves held for group life and disability insurance.

b. Provisions for linked liabilities
Liabilities under unit linked contracts are recognised when the units are created and are dependent on the value of the underlying financial assets, derivatives and / or investment properties.

Unit linked contracts which transfer significant insurance risk, including guaranteed benefits, are classified as insurance contracts and are carried in the balance sheet at an amount determined by the valuation of the related units on the valuation date. Unit linked contracts which principally involve the transfer of financial risk are classified as investment contracts and are carried in the balance sheet at fair value. The fair value of these financial liabilities is equivalent to the amount payable on demand without penalty.

Financial liabilities
Under IFRS 9, the Company classifies certain financial liabilities, which include bank overdrafts, creditors, loans and borrowings as amortised cost.
A financial liability is recognised when there is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities are initially recognised at fair value (normally the issue proceeds i.e. the fair value of consideration received) less, in the case of financial liabilities subsequently carried at amortised cost, transaction costs. For financial liabilities carried at amortised cost, any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the profit or loss account using the effective interest method. When a financial liability that is measured at amortised cost is modified without resulting in derecognition, a gain or loss is recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified contractual cash flows discounted at the original effective interest rate.

Other financial liabilities, which relate to unit linked investment contracts are recognised at fair value and are included within 'Technical provision for life assurance policies where the investment risk is borne by the policyholders'. See note 20 for disclosures of the technical provisions.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expires.

Commission expenses
Acquisition commissions payable to financial advisors and independent intermediaries are included in acquisition costs in the technical account - life assurance business, as incurred. Renewal commissions are included in administrative expenses, as incurred.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Investments
a. Investment in subsidiary undertakings
The Company applies the following accounting policy for each sub-category of investments in subsidiary undertakings:
- investments in Dutch and French subsidiaries are valued at fair value through the profit or loss. The subsidiaries are distinct from the Company's other subsidiaries as they have been set up to hold investment properties. The value of the companies and their underlying assets and any changes in that value, is wholly attributable to the policyholders. The valuation is based on the valuation of the properties and local management accounts; and
- investments in all other subsidiaries and participating interests are stated at cost.

1. Accounting policies *(continued)*

b. Assets held to cover linked liabilities

Investment properties are valued in accordance with Section 17 of FRS 102. Where the property is classified as owner occupied property it is valued in accordance with 'Section 16 of FRS 102'.

The value of other financial investments held to cover linked liabilities, including debt securities and other fixed income securities, shares (other than shares in subsidiary undertakings), derivatives and other variable yield securities, are based on prices on the balance sheet date, determined from independent sources including recognised external pricing services, broker or dealer price quotations, and prices provided by valuation agents. All financial investments held to cover linked liabilities, are held at fair value and categorised as fair value through profit or loss, except for owner occupied property which is held at fair value using the revaluation model.

c. Financial assets

The Company applies the following accounting policies to the classification, recognition and measurement of financial assets. A financial asset is recognised in the balance sheet when, and only when, the Company becomes a party to its contractual provisions. At initial recognition, a financial asset is measured at fair value (plus, in the case of a financial asset not at FVTPL, directly attributable transaction costs) and is assigned one of the following classifications for the purposes of subsequent measurement:

- financial assets at amortised cost;
- financial assets at FVOCI; or
- financial assets at FVTPL.

Financial assets at amortised costs

Cash at bank and debtors are all classified under financial instruments at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Financial assets at FVTPL

Financial investments classified as fair value through profit and loss reflects the purpose for which investments were acquired or originated. Where the fair value category is used, this reflects the Company's strategy to manage its financial investments acquired to cover its long-term liabilities. These financial investments are managed and their performance is evaluated by the Company on a fair value basis.

Purchases and sales of financial investments are recognised on the trade date, the date on which the Company commits to purchase or sell the investments. Such purchases or sales of financial investments are those under a contract whose terms require the delivery of assets within the time frame established generally by regulation or convention in the market place concerned. Financial assets at fair value through profit or loss are initially recognised at fair value, being the consideration paid for the acquisition of the investments, excluding all transaction costs. Thereafter they are carried on the balance sheet at fair value, with all changes in fair value included in the profit and loss account. Financial assets are derecognised when rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all risks and rewards of ownership.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value are recognised immediately in the profit and loss account. Fair values are obtained from the quoted market prices in active markets, or using valuation techniques, including discounted cash flow models and options pricing models, as appropriate. Derivatives are carried as assets within investments for the benefit of life assurance policyholders who bear the investment risk and other financial investment assets.
Derivative financial instruments also include foreign exchange contracts, which include spot and forward contracts. These represent agreements to exchange the currency of one country for the currency of another country at an agreed price and settlement date. Gains and losses are recognised in the profit and loss account based on the exchange rate on the date of settlement or balance sheet date.

Fair values for investments are based on prices on the balance sheet date, determined from independent sources including recognised external pricing services, broker or dealer price quotations, and prices provided by valuation agents. For investments not listed, valuation techniques are adopted or an independent valuation is obtained from the administration manager of those funds. If no realistic value can be obtained, an investment will be measured at cost less any impairment provision, as this is considered best estimate of fair value.

d. Fair value measurements

Depending on the valuation techniques used and whether the underlying assumptions are based on observable data, financial instruments carried at fair value are classified under the following three levels:

Level 1

This category includes assets and liabilities for which fair values are determined directly from unadjusted current quoted prices traded in active markets. Included in level 1 are listed shares, other variable yield securities and units in unit trusts.

Level 2

This category includes financial assets and liabilities for which fair values are determined using valuation techniques, for which all significant inputs are based on observable market data.

Financial assets and liabilities included in level 2 are shares and other variable yield securities and units in unit trusts. The fair value is based on asset prices obtained from external providers and the Company has limited access to the inputs and assumptions used. The data used by the price providers, as inputs to instrument specific price evaluation models, will include available recent trade data for the specific security or similar securities, spreads, dealer quotes, relevant sector or market indices, foreign exchange rates to the Company's reporting currency where applicable and appropriate interest rates.

Level 3

This category includes financial assets and liabilities for which fair values are determined using valuation techniques for which at least one of the significant inputs is not based on observable market data. In circumstances where there is little, if any, market activity for a certain instrument, an internal valuation method is required to be developed based on the best available information.

Financial assets and liabilities included in level 3 are investment properties, owner occupied properties, subsidiary undertakings which invest in investment properties and certain unit trusts whose investment portfolios predominantly contain investments with unobservable inputs.'

1. Accounting policies *(continued)*

Investment and owner occupied properties are carried at fair value as determined by external qualified property surveyors appropriate to the properties held.

Investments in such subsidiary undertakings and unit trusts are valued with reference to the underlying property value which in itself incorporates unobservable inputs.

The fair value hierarchy is reviewed at the end of each reporting period to determine whether significant transfers between levels have occurred.

Investment return

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised investment gains and losses.
Interest income on debt securities and other fixed income securities, other loans and deposits with credit institutions is recognised using the effective interest method.

The investment return arising in relation to investments which are directly connected with the carrying on of long-term business is recorded in the life assurance business technical account. The investment return arising in relation to all other investments is dealt with in the non-technical account.

Dividends are included as investment income on the date that the shares become quoted ex-dividend. Rents and interest income and expenses are included on an accruals basis.

Realised gains and losses on investments are calculated as the difference between net sales proceeds and purchase price.

Unrealised gains and losses on investments recognised in the year represent the difference between the fair value at the balance sheet date and their purchase price or, if they have previously been fair valued, their fair value at the last balance sheet date. The movement in unrealised gains and losses recognised in the year also includes the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Reinsurance

Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company are dealt with as insurance contracts, subject to meeting the significant insurance risk test in FRS 103. The impairment requirements of FRS 103 are applied to these assets. Reinsurance premiums are accounted for when due for payment. Reinsurance recoveries are accounted for in the same period as the related claim. The amounts that will be recoverable from reinsurers are estimated based upon the gross provisions, having due regard to collectability. The reinsurers' share of the technical provisions is calculated on a basis consistent with the calculation of the corresponding liabilities.

Post-employment benefits

The Company operates a defined benefit pension scheme and contributes to a defined contribution pension plan operated by Bank of Ireland Group plc.

The asset or liability recognised in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to shareholders' funds in other comprehensive income in the period in which they arise to the extent that they are attributable to the shareholder.

The amount charged or credited to finance costs is a net interest amount calculated by applying the liability discount rate to the net defined benefit liability or asset. Past-service costs are recognised immediately in the profit and loss account.

Management expenses

Management expenses, administration and non-acquisition costs are charged to the technical account for life assurance business when incurred.

Taxation

The Company is liable to Irish corporation tax on the basis applicable to a life assurance company and the provision for current taxation is charged in the profit and loss account. The Company is also subject to foreign taxation in respect of its overseas investments.

The balance on the life assurance business technical account is computed on an after tax basis reflecting the taxation applicable to life assurance business operations. In the non-technical account, the balance transferred from the life assurance business technical account is grossed-up by the taxation attributable to profits from life assurance business at the Company's effective rate of corporation tax.

Provision is made for deferred tax liabilities and deferred tax assets, using the liability method, on all material timing differences, including revaluation gains and losses on investments recognised in the profit and loss account. Deferred tax is calculated at the rates at which it is expected that the tax will arise.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is recognised in the profit and loss account for the period, except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of comprehensive income.

As a member of the Bank of Ireland Group the company is within the scope of the Organisation for Economic Co-operation and Development (OECD) 15% minimum effective tax rate Model Rules (Pillar 2). However, the impact of Pillar 2 on the current tax charge in the current period is nil due primarily to the ability to take into account certain historic tax losses in the Bank of Ireland at 15% and also due to profits arising in jurisdictions with an effective tax rate in excess of 15%.

Under the legislation, the Company could be liable to pay a top-up tax for the difference between its Irish effective tax rate, as computed under the new Rules, and the 15% minimum rate, subject to certain exemptions and conditions.

1. Accounting policies *(continued)*

The FRC issued amendments to FRS 102 in July 2023, whereby the Company applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes, and avails of an exemption from some of the disclosure requirements in 'Section 29 Income Tax' due to equivalent disclosures being included in the consolidated financial statements of its parent, the Bank of Ireland Group.

The Company considers uncertain tax positions together or separately depending on which approach better predicts how the uncertainties will be resolved. Where the Company concludes it is not probable that a tax authority will accept its assessment of an uncertain tax position, it reflects the effect of the uncertainty using either the 'most likely amount' method or the 'expected value' method, as appropriate for the particular uncertainty.

Intangible assets

Intangible assets comprise of computer software externally purchased and internally generated. They are stated at cost less accumulated amortisation and impairment, if any and are amortised on a straight line basis over their useful lives at a rate of 20% - 25%. The amortisation of intangible assets is charged to profit or loss in the net operating expenses account.

Land and Buildings

Freehold and leasehold land and buildings are initially recognised at cost, and subsequently are revalued annually to fair value by independent external valuers. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from the open market value at the reporting date.

Increases in the carrying amount arising on the revaluation of land and buildings classified as investment property, are recognised in the technical account. Increases in the carrying amount arising on the revaluation of land and buildings classified as owner occupied property, are recognised in the statement of comprehensive income and in a revaluation reserve on the balance sheet. Any decreases in value are recognised in the technical account unless it can be offset against the revaluation reserve. The Directors consider that residual values of freehold and long leasehold property based on prices prevailing at the time of acquisition or subsequent valuation are such that depreciation is not material.

Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation. Depreciation is calculated on the straight line method to write down the carrying value of other items of tangible assets to their residual values over their estimated useful lives as follows:

Computer equipment	20%-25% straight line
Office equipment	20%-25% straight line

Leases

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

The Company has no leases classified as finance leases throughout the reporting period.

Foreign currencies

Items included in the financial statements of the Company are measured using Euro, the functional currency of the economic environment in which the Company operates. Foreign currency transactions are translated into Euro at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account for the period. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

Dividends

Dividends are recognised in the period in which they are approved by the Company's Board of Directors.

2. Premiums written - contracts classified as insurance

A. Gross premiums written

	2024				2023			
	Individual life €m	Individual pensions €m	Group contracts €m	Total €m	Individual life €m	Individual pensions €m	Group contracts €m	Total €m
Unit-linked	54	229	28	311	55	166	132	353
Non unit-linked	146	-	128	274	145	-	121	266
Periodic premiums	**200**	**229**	**156**	**585**	**200**	**166**	**253**	**619**
Unit-linked	494	957	13	1,464	506	950	21	1,477
Non unit-linked	-	86	66	152	-	98	100	198
Single premiums	**494**	**1,043**	**79**	**1,616**	**506**	**1,048**	**121**	**1,675**
Total premiums written	**694**	**1,272**	**235**	**2,201**	**706**	**1,214**	**374**	**2,294**

The written premiums above in 2024 and 2023 arise from contracts which meet the FRS 103 definition of insurance. All business is written in the Republic of Ireland. The written premiums from insurance contracts is €2,201 million (2023: €2,294 million). The written premiums from insurance contracts and investment contracts is €4,218 million (2023: €3,968 million).

B. Gross new business premiums

	2024				2023			
	Individual life €m	Individual pensions €m	Group contracts €m	Total €m	Individual life €m	Individual pensions €m	Group contracts €m	Total €m
Unit-linked	3	50	28	81	7	60	56	123
Non unit-linked	10	-	44	54	6	-	33	39
Periodic premiums	**13**	**50**	**72**	**135**	**13**	**60**	**89**	**162**
Unit-linked	494	957	13	1,464	506	950	21	1,477
Non unit-linked	-	86	66	152	-	98	100	198
Single premiums	**494**	**1,043**	**79**	**1,616**	**506**	**1,048**	**121**	**1,675**
Total premiums written	**507**	**1,093**	**151**	**1,751**	**519**	**1,108**	**210**	**1,837**

The new business premiums above in 2024 and 2023 arise from contracts which meet the FRS 103 definition of insurance. New business premiums from insurance contracts is €1,751 million (2023: €1,837 million).

C. Reinsurance balance

The net reinsurance credit in the technical account for the year amounted to €32 debit million (2023: €48 million debit).

3. Staff costs

	2024 €m	2023 €m
Wages and salaries	46	40
Social insurance costs	5	5
Defined benefit retirement benefit costs (note 25)	3	2
Defined contribution retirement benefit costs	2	2
Staff costs capitalised	(3)	(1)
	53	**48**
The average number of employees during the year was as follows:		
Sales and marketing	118	122
Policy administration	315	277
Other administration	251	209
	684	**608**

Included in wages and salaries are sales commission payments to staff of €1.7 million (2023: €1.3 million).

Staff costs that are directly associated with the production of identifiable and unique computer software controlled by the Company and which will generate economic benefits exceeding costs beyond one year, are capitalised as part of intangible assets. Staff costs capitalised in 2024 €3 million (2023: €1 million).

4. Investment income

All of the net gains and losses arising on investments during the year are in respect of property and financial investments, classified at fair value through profit or loss. Included in the investment activity report is a gain of €2,434 million (2023: €1,744 million loss) in respect of assets designated as fair value through profit or loss on initial recognition.

None of the investment income is derived from investments in any other group undertakings of Bank of Ireland Life Holdings Limited, the Company's immediate parent.

Income from investment properties of €33 million (2023: €38 million) includes rental income of €50 million (2023: €52 million) and is net of property expenses of €17 million (2023: €14 million).

The investment return arising in relation to investments which are directly connected with the carrying on of long-term business is credited to the life assurance business technical account. This investment return arises both on investments of the life assurance business funds and investments attributable to the shareholder.

	2024 €m	2023 €m
Income from investment properties	33	38
Income from listed investments	176	192
Income from other investments	(1)	1
	208	**231**
Net gains on realisation of investments	1,322	285
	1,530	**516**
Investment activity report		
Investment income	208	231
Investment expenses and charges	(23)	(17)
Net realised gains	1,322	285
Net unrealised gains	1,112	1,459
Total investment return	**2,619**	**1,958**
Included in the total investment return are net gains or losses on financial assets at fair value through profit or loss		
Net realised gains	1,322	285
Net unrealised gains	1,112	1,459
Total realised and unrealised gain included in investment return	**2,434**	**1,744**

5. Other technical income

Other technical income of €70 million (2023: €55 million) comprises fees for policy administration, asset management services, deposits, withdrawals and changes in liabilities arising from unit linked investment contracts and movement in the deferred income liability.

6. Net operating expenses

	2024 €m	2023 €m
Net operating expenses comprise		
Acquisition expenses	89	76
Change in deferred acquisition costs	(35)	(20)
Administrative expenses	196	187
	250	**243**
Net operating expenses include		
Commission payments including to employees (note 7)	148	129
Other sales related costs	7	9
Depreciation and amortisation	19	16
Severance payments	2	-
Core operating expenses	109	109
Change in deferred acquisition costs	(35)	(20)
Total operating expenses	**250**	**243**
Core operating expenses include		
Staff costs	53	48
Development costs	1	1
Service costs and VAT recovery	20	19
Professional and affiliation fees	7	17
Intercompany recharges	28	24
	109	**109**

Acquisition expenses include an allocation of commission on new business and operating expenses relating to the acquisition of new business.

7. Commissions

Total commissions incurred by the Company during the year, excluding payments to employees, was €146 million (2023: €129 million).

8. Profit on ordinary activities before taxation

	2024 €'000	2023 €'000
Depreciation and amortisation	18,739	15,514
Rent expense from short term leases (rent expense from short term lease)	-	-
Auditor's remuneration		
Remuneration for the statutory audit and other services		
carried out for the Company by the Company's auditor is as follows:		
Audit of entity financial statements	476	793
Audit of subsidiary financial statements	34	33
Other assurance services	361	350
Tax advisory services	-	-
Other non-audit services	-	-
Total auditor's remuneration	**871**	**1,176**

9. Tax on (loss) / profit on ordinary activities

	2024 €m	2023 €m
Technical account charge		
Corporation tax charge for the year	12	7
Overseas tax	12	12
	24	**19**
Deferred tax credit		
Origination and reversal of timing differences (note 21)	10	15
Tax on defined benefit plan	-	-
	34	**34**
Non-Technical Account charge		
Irish corporation tax on profit for the financial year	6	11

The tax charge on the non-technical account for 2024 and 2023 is the same as the charge that would result from applying the standard rate of Irish corporation tax to profit on ordinary activities.

The tax charge on the technical account for 2024 and 2023 is higher than that which results from applying the standard rate.

The statutory rate applied to profit before tax is 12.5%.

Reconciliation of tax on the technical account before taxation at the standard Irish corporation tax rate to actual tax charge

	2024 €m	2023 €m
Profit before tax		
Balance on the technical account - life assurance business	9	51
Add back tax charge attributable to the life assurance business	34	34
	43	**85**
Profit before tax multiplied by the rate of Irish corporation tax for the year of 12.5% (2023: 12.5%)	5	11
Effects of:		
Overseas tax	12	12
Non taxable items	11	7
Foreign tax deduction	(2)	(1)
Other deductions	1	-
Difference due to life asssurance tax rate	8	5
Prior year over provision	(1)	-
Tax charge attributable to the life assurance business	**34**	**34**

10. Dividend

	2024	2023
Dividend paid	-	60,000,000
No of shares	-	175,500,001

A dividend of €nil (2023: €0.3419) per share was paid during the year.

11. Intangible assets

Computer Software	2024 Externally purchased €m	2024 Internally generated €m	2024 Total €m	2023 Externally purchased €m	2023 Internally generated €m	2023 Total €m
Cost						
At 1 January	35	169	204	35	155	190
Additions	-	9	9	-	14	14
Retirement of fully depreciated assets	(26)	(55)	(81)	-	-	-
At 31 December	**9**	**123**	**132**	**35**	**169**	**204**
Accumulated amortisation						
At 1 January	(35)	(101)	(136)	(35)	(86)	(121)
Retirement of fully depreciated assets	26	55	81	-	-	-
Charge for the year	-	(19)	(19)	-	(15)	(15)
At 31 December	**(9)**	**(65)**	**(74)**	**(35)**	**(101)**	**(136)**
Net book amounts						
At 31 December	-	58	58	-	68	68

The Company reviews its software intangible assets for indicators of impairment. No impairment was charged in 2024 or 2023.

12. Other financial investments

Financial assets at fair value through profit or loss	2024 Fair value €m	2024 Cost €m	2023 Fair value €m	2023 Cost €m
Designated upon initial recognition	2,080	2,081	2,012	2,010
Deposits with credit institutions	-	-	-	-
Total financial assets	**2,080**	**2,081**	**2,012**	**2,010**
Included in the balance sheet as follows:				
Shares and other variable yield securities				
- Liquidity funds and unit trusts	*709*	*680*	*870*	*831*
- Investment in Subsidiary	*5*	*5*	*3*	*3*
Debt securities and other fixed income securities	1,366	1,396	1,139	1,176
Deposits with credit institutions	-	-	-	-
Total financial assets	**2,080**	**2,081**	**2,012**	**2,010**

Financial investments and unit trusts included at fair value	2024 Fair value €m	2024 Cost €m	2023 Fair value €m	2023 Cost €m
Debt securities and other fixed income securities	1,366	1,396	1,139	1,176
Liquidity funds and unit trusts	709	680	870	831
Investment in Subsidiary	5	5	3	3
	2,080	**2,081**	**2,012**	**2,010**
Other financial investments attributable to the shareholder include:				
Deposits with credit institutions	-	-	-	-
Total financial assets	**2,080**	**2,081**	**2,012**	**2,010**

Derivative financial instruments, at fair value through profit or loss

Included within listed investments are forward currency contracts with a fair value of €nil (2023: €nil). Movements in fair value arise due to variations in exchange rates prevailing at the dates on which contracts mature and are reflected in the profit and loss account.

12. Other financial investments *(continued)*

Investment in Subsidiary
IORPs II and the Pensions Authority (PA) Code of Practice introduces minimum capital levels for Master Trusts. Navigator Master Trust is a key strategic priority for New Ireland Assurance Company plc and General Investment Trust DAC (GIT). In order to comply with the PA code of practice a minimum capital level of €70 per member in a master trust must be provided plus two years running costs for the DAC operating the master trust, which in the case of Navigator is GIT. Based on the minimum capital of €70 per member and the running costs of GIT the overall capital requirement was therefore projected at €4.6 million (2023: €3.2 million).

In November 2024, there was a transfer of capital from New Ireland Assurance Company plc to its subsidiary General Investment Trust DAC of €1.4 million (2023: €3.2 million).

13. Investments for the Benefit of Life Assurance Policyholders who bear the Investment Risk

Assets held to cover	2024 Fair value €m	2024 Cost €m	2023 Fair value €m	2023 Cost €m
Unit linked insurance contracts	14,444	12,817	13,186	12,190
Unit linked investment contracts	8,888	7,887	7,115	6,577
Total financial assets	**23,332**	**20,704**	**20,301**	**18,767**

The carrying amounts of unit linked investments disclosed above represent the fair value at the balance sheet date. See further analysis in Note 26.

Investments in subsidiaries undertakings are property companies held for the benefit of policyholders and are valued at fair value. The value of these undertakings are included as part of investments for the benefit of life assurance policyholders who bear the investment risk. The fair value amount at 31 December 2024 is €261 million (2023: €261 million) which includes property of €241 million (2023: €245 million) and cash, receivables and short term liabilities of €20 million (2023: €16 million).

The difference between assets held to cover linked liabilities and the associated technical provisions for linked liabilities primarily represents amounts in respect of income tax and other charges which are not disclosed explicitly as linked liabilities in the Company's balance sheet.

Unconsolidated structured entities
The company holds investments in unconsolidated structured entities arising from investments in collective investment undertakings, carried at fair value of €17,153 million (2023: €14,600 million). The value included in assets held to cover linked assurance contracts is €16,418 million (2023: €13,731 million) and €735 million (2023: €869 million) is held in other financial investments.

A summary across fund type of the Company's interest in collective investment undertakings is as follows:

	2024 €m	2023 €m
Equity funds	7,755	6,088
Debt funds	5,156	3,004
Money market funds	357	1,880
Alternative funds	1,032	492
Asset allocation funds	1,403	1,118
Real estate funds	44	63
Private equity funds	2	2
Other	1,404	1,953
	17,153	**14,600**

The investments in collective investment undertakings are primarily held to match policyholder liabilities and the majority of the risk from a change in the value of the Company's investment is matched by a change in policyholder liabilities. The collective investment vehicles are primarily financed by investments from investors in the vehicles. The Company does not sponsor any of the unconsolidated structured entities.

Derivative financial instruments, at fair value through profit or loss, held for trading
The Company sells structured products such as tracker bonds which contain investment guarantees. The fair value of these tracker products included in the value of assets held to cover linked liabilities at 31 December 2024 is €657 million (2023: €553 million). Assets held to cover linked liabilities also include forward currency and future contracts with a fair value gain of €12 million (2023: €7.3 million gain). Movements in fair value arise due to variations in exchange rates prevailing at the dates on which contracts mature and are reflected in the profit and loss account.

14. Debtors

The carrying amounts reasonably approximate fair value at the balance sheet date. There were no impairment losses recognised in the period on debtors arising from direct insurance operations. Amounts due from fellow subsidiaries are unsecured, interest free and have no fixed date of repayment. All other debtors are due within one year.

Debtors arising out of direct insurance operations	2024 €m	2023 €m
Policyholders	57	54
Intermediaries	32	36
Debtors arising out of reassurance operations	61	48
	150	**138**
Amounts due from fellow subsidiaries	1	1
Other debtors	5	4
	156	**143**

15. Land and Buildings and Tangible Assets

	Property, plant and equipment		
2024	**Freehold land and buildings and leaseholds (held at fair value) €000s**	**Computer and other equipment (at cost) €000s**	**Total €000s**
Cost			
At 1 January	68	2,232	2,300
At 31 December	**68**	**2,232**	**2,300**
Accumulated depreciation			
At 1 January	-	(2,230)	(2,230)
Charge for the year	-	(1)	(1)
At 31 December	**-**	**(2,231)**	**(2,231)**
Net book amounts			
At 31 December	68	1	69

No sales proceeds in 2024 (2023 €2.968 million) resulting in no gain on disposal (2023 €0.603 million)

	Property, plant and equipment		
2023	**Freehold land and buildings and leaseholds (held at fair value) €000s**	**Computer and other equipment (at cost) €000s**	**Total €000s**
Cost			
At 1 January	2,433	3,135	5,568
Additions	-	-	-
Disposals	(2,365)	(903)	(3,268)
At 31 December	**68**	**2,232**	**2,300**
Accumulated depreciation			
At 1 January	-	(2,924)	(2,924)
Charge for the year	-	(37)	(37)
Disposal	-	731	731
At 31 December	**-**	**2,230**	**(2,230)**
Net book amounts			
At 31 December	68	2	70

There is no rental income or direct operating expenses generated from the freehold land and buildings, and the leaseholds.

16. Deferred acquisition costs

	2024 €m	2023 €m
Deferred expenses at 1 January	178	158
Acquisition expenses incurred during the year	90	78
Amount charged	(5)	(5)
Apportionment for the year	**263**	**231**
Amortisation of prior year acquisition expenses	(50)	(53)
Deferred expenses at 31 December	**213**	**178**
On insurance contracts	170	156
On investment contracts	43	22
	213	**178**

Acquisition expenses include an allocation of commission on new business and operating expenses relating to the acquisition of new business.

17. Capital and reserves

Called up share capital	2024 €m	2023 €m
Authorised		
200,000,000 ordinary shares of 13 cents each (2023: 200,000,000)	26	26
Issued and fully paid - presented as equity		
175,500,001 ordinary shares of 13 cents each (2023: 175,500,001)	23	23

Share premium account

This reserve includes the authorisation and issue of 1 ordinary share of €0.13 in 2011 to Bank of Ireland Life Holdings Limited (the immediate parent company) in consideration for the sum of €26 million.

Capital reserve

This reserve represents capital contributions received from Bank of Ireland Life Holdings Limited (the immediate parent company) with no obligation to repay. The directors consider the capital reserve to be unencumbered and form part of the Company's own funds.

The value of the capital reserve at 31 December 2024 is €43 million (2023: €43 million).

Revaluation reserve

This reserve represents the cumulative gains and losses on the revaluation of owner occupied properties held within unit linked investments and property, plant and equipment. Any increases in fair value of owner occupied property are included in a revaluation reserve in equity unless it represents the reversal of a revaluation decrease of the same asset previously recognised as an expense, in which case it is recognised in profit or loss. All owner occupied properties were disposed of or vacated in 2023. The revaluation reserve held on these properties was transferred to non distributable reserve on disposal.

The value of the revaluation reserve at 31 December 2024 is €nil (2023: €nil).

Non-distributable reserve

This reserve represents the non-distributable amounts in the profit and loss - non technical account which are not available for distribution. During the year there was a transfer of €7 million (2023:€21 million)

Profit and loss account

This reserve represents the surplus which is available for distribution as determined by the Board on the advice of the Head of Actuarial Function. This surplus is released from the non-technical reserve and retained in the profit and loss account.

Distributable reserves

At 31 December 2024, there were distributable reserves of €145 million (2023: €145 million).

18. Policyholders' Liabilities

	2024		2023	
	Life assurance provision €m	Claims outstanding €m	Life assurance provision €m	Claims outstanding €m
Gross				
At 1 January	2,549	243	2,265	239
Change in technical provision	164	12	284	4
Transfer to other provisions (note 23)	-	-	-	-
At 31 December	**2,713**	**255**	**2,549**	**243**
Reinsurers share				
At 1 January	(1,174)	(56)	(1,090)	(20)
Change in technical provision	(7)	(18)	(84)	(36)
At 31 December	**(1,181)**	**(74)**	**(1,174)**	**(56)**
Net Amount				
At 31 December	1,532	181	1,375	187

19. Actuarial valuation and unit linked liabilities

An actuarial valuation of the Company's liabilities, carried out at 31 December 2024 disclosed a surplus within the fund. The amount of surplus applied to meet the total cost of policyholders' bonus was €0.2 million (2023: €0.2 million). The shareholders' share of the distributed surplus was €nil (2023: €36 million).

The technical provisions relating to insurance and investment contracts are:

	2024			2023		
	Unit linked investment contracts €m	Unit linked insurance contracts €m	Total €m	Unit linked investment contracts €m	Unit linked insurance contracts €m	Total €m
At 1 January	7,115	13,078	20,193	5,870	12,019	17,889
Deposits received from policyholders under investment contracts	2,017	-	2,017	1,665	-	1,665
Payments made to policyholders of, and fees deducted from investment contracts	(1,167)	-	(1,167)	(1,036)	-	(1,036)
Gross policy fees	(70)	-	(70)	(55)	-	(55)
Change in technical provisions as shown in the technical account	993	1,194	2,187	670	1,061	1,731
At 31 December	**8,888**	**14,272**	**23,160**	**7,114**	**13,080**	**20,194**

The market value of investments held to cover linked liabilities was €23,332 million (2023: €20,301 million). The cost of investments held to cover linked liabilities was €20,704 million (2023: €18,767 million).

Financial liabilities in respect of unit linked contracts designated as investment are carried on the balance sheet at fair value. The related fair value of these financial liabilities is €8,888 million (2023: €7,114 million), which is equivalent to the amount payable under the contracts.

The difference between assets held to cover linked liabilities and the associated technical provisions primarily represents amounts in respect of income tax and other amounts which are not policyholder linked liabilities in the Company's balance sheet.

20. Technical provisions

The principal assumptions used in the calculation of the technical provisions for the life assurance provision are set out below:

Mortality table - unit linked	2024	2023
Unit Linked Pensions	100% AM00/AF00	100% AM00/AF00
Unit Linked Life		
Bank	85% AM00/ AF00 select	85% AM00/ AF00 select
Broker	85% AM00/ AF00 ultimate	85% AM00/ AF00 ultimate
Financial Advisor	85% AM00/ AF00 ultimate	85% AM00/ AF00 ultimate

Mortality table - non linked	2024	2023
Industrial assurance	90% of A1967-70 ultimate plus 1 year to age	90% of A1967-70 ultimate plus 1 year to age
Non profit life assurance	100% AM00/AF00	100% AM00/AF00
Life Choice	75% TM08/TF08	75% TM08/TF08
Pension immediate annuity	115% of PMA08/PFA08 for individual annuities and 97.5% of PMA08/PFA08 for bulk annuities year of use 2024, 2016 CMI Improvements, LTR improvement 1.75%	115% of PMA08/PFA08 for individual annuities and 97.5% of PMA08/PFA08 for bulk annuities, year of use 2023, 2016 CMI Improvements, LTR improvement 1.75%

	2024 €m	2023 €m
Expense inflation		
Expense Inflation - all lines of business	3.25%	3.25%
Renewal expenses		
Industrial Assurance	0.6% of BEL	0.6% of BEL
Non-linked Protection	€87	€84
LifeChoice	€87	€84
Pension immediate annuity	€83	€83

Interest rate
The interest rates are set in accordance with Solvency II regulations. They are based on the Euro Swap Curve with credit risk adjustment, extrapolated to the ultimate forward rate of 3.3% from year 20.

Unit growth rate
The unit growth rate is based on the forward rates derived from the same term structure as the Solvency II discount rate.

Expenses
The expense loadings are based on an assessment of the expected cost of administering existing contracts including allowance for future inflation. This is based on an analysis of costs incurred in 2024.

Explicit provision is made in the life assurance provision for vested reversionary bonuses and a level of future bonus. Included in the life assurance provision is an amount of €1 million (2023: €1 million) for terminal bonuses.

21. Provision for other risks and other charges – deferred taxation

	2024 €m	2023 €m
Deferred taxation 1 January	2	17
Net change for the year - origination and reversal of timing differences (note 9)	(10)	(15)
Deferred taxation at 31 December	**(8)**	**2**
The provision for deferred taxation comprises:		
Unrealised gains on investments	(8)	2
Deferred taxation at 31 December	**(8)**	**2**
Represented on the balance sheet as follows:		
Deferred taxation asset	-	2
Deferred taxation liability	(8)	-
	(8)	**2**

22. Other Creditors including Taxation and Social Insurance

	2024 €m	2023 €m
Creditors arising out of direct insurance operations	168	141
Creditors arising out of reinsurance operations	54	76
	222	**217**
Amounts owed to fellow subsidiaries	11	17
Bank overdraft	60	63
Other creditors including tax and social security		
Taxation and social security		
- PAYE	19	16
- PRSI	-	1
- VAT	1	-
- Corporation tax	3	7
Government duties and levies	25	19
Other	16	16
	64	**59**
Total creditors	**357**	**356**

Creditors arising out of direct insurance operations, reinsurance operations and other creditors including taxation and social insurance are current and are repayable within the next 12 months. The bank overdraft financial statement caption primarily relates to timing differences on cash pending allocation to premium policies at year end. Amounts due to fellow subsidiaries are unsecured, interest free and have no fixed date of repayment.

23. Other provisions

The provisions are recognised when the Company had a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

A voluntary parting scheme is open on an adhoc basis.A voluntary parting charge of €2 million was incurred and paid in 2024. The remaining provision outstanding at 31 December 2024 is €1 million.

	2024		2023	
Provisions	Voluntary parting €m	Total €m	Voluntary parting €m	Total €m
Opening balance	1	1	-	-
Charged in year	2	2	1	1
Paid during year	(2)	(2)	-	-
Closing balance	**1**	**1**	**1**	**1**

24. Loans and borrowings

In 2014, the Company issued subordinated debt of €80 million to the Governor and Company of the Bank of Ireland at a fixed rate up to the first call date in 2019. The subordinated debt terms include interest payments to the note holder, a change in the rate charged after a defined period and a block on dividend payments to the shareholders while any interest repayments are outstanding. The debt instrument reached an interest rate step up date on the 29 July 2024, which increased the interest rate from 3.95% to 7.44%. This debt instrument was subsequently redeemed and a comparable subordinated debt instrument was immediately re-issued at the rate of 6.07% on the 29th October 2024.

The Company issued a further €80 million of subordinated debt to the Governor and Company of the Bank of Ireland on 30 November 2017. The interest rate was fixed at 4% per annum until 30 November 2022 when it was reset to 6.5%. The next step-up date is 30 November 2027.

The debt is perpetual in that there is no fixed repayment date.

Analysis of loans and borrowings	2024 €m	2023 €m
Subordinated debt	162	162

The subordinated debt includes interest payable of €1 million (2023: €2 million) which is payable within one year.

Movement in loans and borrowings	2024 €m	2023 €m
At 1 January	162	162
Interest charged	9	8
Interest paid	(9)	(8)
Addition	80	-
Repayment	(80)	-
At 31 December	**162**	**162**

25. Pension costs

The Company operates a group defined benefit pension scheme, which is closed to new members and covers the majority of the Company's employees. The assets of the scheme are held in a separate trustee administered fund. The pension cost is assessed in accordance with the advice of an independent actuary using the Projected Unit Credit method.

The last formal triennial valuation of the New Ireland Assurance pension scheme was carried out at 31 December 2021. At that date, the market value of the scheme's assets was €311.4 million and the actuarial value of the assets was less than the accrued liabilities based on current earnings, and was equivalent to 96% of the liabilities allowing for expected future increases in earnings. The scheme is also subject to an annual valuation under the Irish Pensions Authority Minimum Funding Standard (MFS).

The MFS valuation is designed to assess whether the scheme has sufficient funds to provide a minimum level of benefits in a windup scenario. The scheme met the funding standard at 31 December 2024.

The actuarial report is available for inspection by members of the scheme, but not for public inspection. No contributions are outstanding at the year end.

Assumptions

The following are the major assumptions used by the actuary in the calculation of the amounts recognised in the financial statements.

	2024 %	2023 %
Inflation	2.05%	2.30%
Salary increases	2.55%	2.80%
Pension payment increases	0.00%	0.00%
Pension increases for deferred benefits	1.95%	2.20%
Discount rate	3.80%	3.40%

The inflation assumption is set by reference to the Eurozone Harmonised Index of Consumer Prices (HICP) inflation swap curve.

25. Pension costs *(continued)*

Discount rates are determined with reference to market yields at the reporting date on high quality corporate bonds (AA rated or equivalent) issued in the relevant currency, with a term corresponding to the term of the benefit payments.

The annual expenses which relate to active members are recorded within the service cost. The impact is not material.

Mortality assumptions
During 2024, mortality assumptions were reviewed and updated in light of recent mortality data and information and actual experience of the Group's schemes and wider trends including the increasing prevalence of using UK SAPS mortality tables to set Irish defined benefit mortality assumptions.

	2024 Males	2023 Males
Longevity at age 60 for members currently aged 60 years	27.7	28.0
Longevity at age 60 for members currently aged 40 years	28.9	30.2

	2024 Females	2023 Females
Longevity at age 60 for members currently aged 60 years	30.7	29.7
Longevity at age 60 for members currently aged 40 years	31.8	31.6

The sensitivity of overall pension liability to changes in the weighted principal assumptions is:

	Change in assumption	2024	2023
Discount rate	0.25% decrease	9	10
Rate of inflation	0.10% decrease	(1)	(1)
Rate of salary increase	0.10% decrease	(1)	(1)
Rate of pension increase	0.10% decrease	-	-
Life expectancy	1 year increase	5	6
Discount rate	0.25% increase	(8)	(9)
Rate of inflation	0.10% increase	1	1
Rate of salary increase	0.10% increase	1	1
Rate of pension increase	0.10% increase	-	-
Life expectancy	1 year decrease	(5)	(6)

The balance recognised in the balance sheet is:

	2024 €m	2023 €m
Actuarial value of liabilities	(216)	(234)
Fair value of scheme assets	251	238
Irrecoverable surplus	(32)	-
Surplus / Deficit in scheme	3	4

The company has determined that not all of the assessed surplus of €35 million can be recognised on the balance sheet date reflecting the requirements of Section 28 of FRS 102 and IFRIC 14. There was an asset ceiling adjustment at of €32 million bringing the Net benefit assets recognised on balance sheet to €3 million at 31 December 2024.

The reconciliation of the movements to the balance sheet is:

	2024 €m	2023 €m
Surplus at 1 January	4	-
Employer contributions	4	2
Net benefit expense for period (note 3)	(3)	(2)
Gains on curtailments	-	-
Actuarial gain	(2)	4
Surplus at 31 December	**3**	**4**

The following discloses the changes in the scheme's liabilities and assets:

	2024 €m	2023 €m
Scheme liabilities at 1 January	235	231
Employer service cost	2	3
Interest cost	7	8
Employer past service cost	-	-
Gains on curtailments	-	-
Scheme participants contribution	1	1
Actuarial (gain) / loss	(18)	3
Benefits paid	(10)	(11)
Scheme liabilities at 31 December	**217**	**235**

	2024 €m	2023 €m
Scheme assets at 1 January	239	231
Actual return on assets	19	15
Employer contribution	3	3
Scheme participants contribution	1	1
Benefits paid	(10)	(11)
Scheme assets at 31 December	**252**	**239**

The major categories of plan assets as a percentage of total plan assets are as follows:

	2024 €m	2023 €m
Equities	16%	17%
LDI	32%	29%
Fixed Interest	10%	11%
Other secure asset	21%	21%
Infrastructure	13%	12%
Property	8%	9%
Cash	-	1%

25. Pension costs *(continued)*

The scheme does not hold any shares in New Ireland Assurance Company plc or hold any direct property holding that is occupied by the Company. The scheme holds units in policyholder funds with New Ireland Assurance Company plc for a value of €21 million (2023: €21.0 million).

Analysis of amounts recognised in the profit and loss:

	2024 €m	2023 €m
Expected return on scheme assets	7	8
Less interest on scheme liabilities	(7)	(8)
Employer service cost	(2)	(2)
Employer past service cost	-	-
Total charge to profit and loss (note 3)	**(2)**	**(2)**

Analysis of amounts recognised in statement of comprehensive income:

	2024 €m	2023 €m
Gains / (losses) on assets	11	7
Decrease in liabilities	1	2
Change in assumptions	18	(5)
Change in Irrecoverable Surplus other than Interest	(32)	-
	(2)	**4**

The total estimated charge to the profit and loss account for 2025 is €2 million. Expected employer contributions for the year ended 31 December 2025 are €2.4 million. Expected employee contributions for the year ended 31 December 2025 are €0.6 million.

26. Risk and Capital Management

Risk management objectives

The Company is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and policyholder liabilities. In particular, the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from non-linked insurance policies as they fall due. The most important components of this financial risk are insurance risk, interest rate risk, equity risk, liquidity risk and credit risk.

The Company is exposed to market risk on this business to the extent that the discounted value of the liabilities differs from the market value of the assets.

The Company has not changed the processes used to manage its risks from previous periods.

The investment return on assets backing unit linked liabilities flows directly to the policyholders and they bear the investment risk on these assets. There is little in the way of options in the portfolio. Where guarantees have been granted (typically a minimum return of the amount invested), these guarantees have been provided by Bank of Ireland Global Markets.

The following table reconciles the balance sheet (excluding capital and reserves) to each distinct category of liability:

	2024			2023		
Classification	**Unit linked contracts €m**	**Non-linked / other assets €m**	**Total €m**	**Unit linked contracts €m**	**Non-linked / other assets €m**	**Total €m**
Shares and other variable yield securities and units in unit trusts at fair value through the profit or loss						
- Listed securities and unlisted unit trusts	19,187	709	19,896	15,422	870	16,292
- Other unlisted securities	263	5	268	316	3	319
Debt securities and other fixed income securities at fair value through profit or loss						
- Listed	2,308	1,340	3,648	3,038	1,139	4,177
Derivative financial instruments at FVTPL	645	-	645	560	-	560
Deposits with credit institutions	-	-	-	-	-	-
Cash in bank and in transit	144	3	147	128	3	131
Investment property	529	-	529	547	-	547
Owner occupied property	-	-	-	-	-	-
Investment in subsidiary undertakings at FVTPL (note 13)	241	-	241	261	-	261
Reinsurance assets	-	1,256	1,256	-	1,230	1,230
Other assets	15	480	495	29	416	445
Total assets	**23,332**	**3,793**	**27,125**	**20,301**	**3,661**	**23,962**
Long term business provision	-	2,713	2,713	-	2,549	2,549
Claims outstanding	-	256	256	-	243	243
Technical provisions for linked liabilities	23,160	-	23,160	20,194	-	20,194
Deposits received from reinsurers	-	54	54	-	76	76
Loans and borrowings	-	223	223	-	226	226
Provisions for other risks and charges	-	1	1	-	1	1
Other liabilities	172	113	285	107	140	247
Total liabilities	**23,332**	**3,360**	**26,692**	**20,301**	**3,235**	**23,536**

26. Risk and Capital Management *(continued)*

Insurance risk
Insurance risk is the risk of unexpected variation in the amount or timing of claims. The Company currently writes life insurance business which results in material exposures to the following risks:

- mortality - the risk of deviations in the timing and amounts of claims due to the incidence of death;
- longevity - the risk of deviations in the timing and amounts of claims due to increasing life expectancy;
- morbidity - the risk of deviations in the timing and amount of claims due to the incidence of disability and sickness;
- lapse - the risk that policies are surrendered earlier than expected resulting in the Company losing a future income stream; and
- expense - the risk of deviations in timing and amount of expenses incurred within the business.

The management of insurance risk is the responsibility of the Board of the Company. The Financial Risks Committee, supported by a sub-committee with responsibility for reinsurance, actively monitors the appropriateness of the reinsurance strategy for both new and existing products and reports its findings to the Board Risk Committee.

This includes a review of the panel of reinsurers that may be used and the optimal structure of the reinsurance arrangements.

The Company mitigates the potential impact of insurance risk through a number of measures. These include reinsurance, underwriting, contract design and diversification.

The Company manages insurance risk by underwriting protection new business at the application stage, claims management and the use of reinsurance. This involves reviewing medical information supplied on the application form and may involve the collection and review of further medical information, or requirement for a medical examination. Depending on this review applications may be accepted on standard terms, enhanced terms or declined.

The Company has in place a regular monitoring system which reports on the mortality and morbidity experience of the business. This is used to help determine the rates at which new business is accepted. The Company also transacts insurance contracts where risk rates charged under policies can be reviewed in line with emerging experience.

The following table demonstrates the sensitivity to a possible improvement in mortality, longevity and morbidity assumptions of the Company's liabilities.

Impact on liabilities	2024 €m	2023 €m
10% improvement in mortality	(4.1)	(4.0)
10% improvement in longevity	30.2	26.2
10% improvement in critical illness	(4.9)	(3.7)

Lapse risk is the risk that a greater than anticipated number of policies cease paying premiums or surrender from the Company. The Company derives income from the management fees, premium charges and other cash flows from its contracts. When a higher number of policies lapse than anticipated, there will be a negative impact on the profit of the year.

The following table demonstrates the sensitivity to a possible deterioration in persistency assumptions of the Company's liabilities.

Impact on liabilities	2024 €m	2023 €m
10% deterioration in persistency	(6.4)	(5.8)

The table below shows the composition of policyholder liabilities and reserves by product type for all contracts, net of reinsurance. This illustrates the relative level of insurance risk the Company is exposed to.

	2024		2023	
Class of business	Policyholders liabilities and reserves %	Sum assured %	Policyholders liabilities and reserves %	Sum assured %
Pension				
Linked	65%	32%	63%	31%
Non linked (non profit)	-	-	-	-
With profits	-	-	-	-
Annuities	4%	-	4%	-
Life				
Linked	29%	25%	31%	29%
Non linked (non profit)	2%	43%	2%	40%
With profits	-	-	-	-
Annuities	-	-	-	-
	100%	**100%**	**100%**	**100%**

The total sum at risk, net of reinsurance, is €27,605 million (2023: €23,645 million).

Market risk
Market Risk is the risk of loss arising from movements in market prices. Market risk arises from the structure of the balance sheet and the Company's mix of business. The Company accepts and mitigates significant exposure to market risk. The main areas of market risk to which the Company is exposed are as follows:

- interest rate risk - the risk of loss arising from a change to actual or expected interest rates. The prevailing interest rates will be a significant factor in determining the value of the Company's obligations as well as the expected income that will be generated from investments;
- spread risk - the risk of loss arising from the yield on a bond increasing, resulting in a fall in the bond's value, without an equal increase in the benchmark interest rate. Bonds are a core investment asset for the Company;

26. Risk and Capital Management *(continued)*

- equity and property risk - the risk of loss associated with falling equity or property values. This may arise from assets held directly by the Company or as a result of lower fees which are linked to the value of customers' investments in these assets;
- currency risk - the risk of loss associated with a change in currency values; and
- concentration and contagion risk - the risk that the Company is overly reliant on a single counterparty or that the Company's counterparties are interrelated such that significant losses arising from a single counterparty are unlikely to occur in isolation.

a. Interest rate risk

Interest rate risk arises primarily from investments in fixed interest securities. In addition to the extent that the present value of future claim costs are related to interest rates, liabilities to policyholders are exposed to interest rate risk. Insurance contracts may have benefit payments that are fixed and guaranteed at the inception of the contract.

The financial component of these benefits can be a guaranteed fixed interest rate (for the insurance contracts, this rate may apply to maturity and/or death benefits) and hence the Company's primary financial risk on these contracts is the risk that interest income and capital redemptions from the financial assets backing the liabilities is insufficient to fund the guaranteed benefits payable. The Company monitors interest rate risk by projecting asset and liability cashflows and by calculating the mean duration of the investment portfolio and of the liabilities to policyholders under insurance contracts. The mean duration is an indicator of the sensitivity of the assets and liabilities to changes in current interest rates. The mean duration of the liabilities is determined by projecting expected cash flows from the contracts using prudent estimates of mortality and voluntary terminations. This is calculated in a consistent manner with the prior year. Any gap between the mean duration of the assets and the estimated mean duration of the liabilities is minimised by buying and selling fixed interest securities of different durations.

The Company invests in sovereign and non-sovereign (mainly corporate) bonds of appropriate term to secure the promised benefits. The Company is not exposed to stock market movements on this business. As a result typical interest rate movements are matched by equivalent movements in liabilities. To the extent however, that interest rate movements are risk related, this will have an impact on the Company's capital position.

The sovereign bonds are diversified by country of risk exposure. The non-sovereign bonds are made up of a portfolio in excess of 350 different bonds and there is a maximum exposure limit to any issuer. The company's funds are spread across a number of different countries (according to countries of risk.) There is also a spread among industries which acts as a way of diversifying from the Company's sovereign risk exposure

Information about the maturity dates for those financial assets and/or liabilities exposed to significant interest rate risk is an indicator of the sensitivity of the financial assets and/or liabilities to changes in current interest rates. The maturity profiles of debt securities and other fixed- income securities and deposits with credit institutions included in other financial investments on the balance sheet, are set out in the tables below.

Debt securities and other fixed-income securities maturity schedule	2024 €m	2023 €m
Within one year	45	26
More than one year - within five years	170	112
More than five years - within ten years	258	219
More than ten years	867	782
Total	**1,340**	**1,139**

The fair values of debt securities through profit or loss are shown by contract maturity. Actual maturities may differ from contractual maturities because certain borrowers have the right to call or pre-pay certain obligations with or without call or pre-payment penalties.

Deposits with credit institutions maturity schedule	2024 €m	2023 €m
Within one year	-	-
More than one year - within five years	-	-
More than five years - within ten years	-	-
More than ten years	-	-
Total	**-**	**-**

A maturity analysis for unit linked investment contracts amounting to €23,332 million (2023: €20,213 million) has not been produced as policyholders can generally surrender their contracts at any time, at which point the underlying unit linked assets would be liquidated. Risks from the liquidation of unit linked assets are borne by the policyholders of unit linked contracts.

The sensitivity analysis for interest rate risk illustrates how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates at the reporting date. Management monitors the sensitivity of interest rate movements by assessing the expected changes in the different portfolios due to parallel movements of 50 basis points in all yield curves.

The following table demonstrates the sensitivity to a possible change in interest rates, with all other variables held constant, of the Company's profit and net assets.

Impact on profit and net assets	2024 €m	2023 €m
Increase in yield curve +50 bps	(9.9)	(15.7)
Decrease in yield curve – 50bps	6.4	11.4

The above sensitivities do not include any impact in respect of the Company's pension scheme.

b. Equity and property price risk

This is the risk of loss associated with falling equity or property values and it arises from assets held directly by the Company or as a result of lower fees which are linked to the value of customer's investments in these assets. The Company indirectly derives income from management fees arising from the value of funds under management. A 5% increase in equity markets half way through the year would increase profits in 2023 by €7.3 million (2023: €8.3 million).

26. Risk and Capital Management *(continued)*

c. Currency risk

The Company bears some limited currency risk on both the non-sovereign bond portfolio and on some of the assets directly held within the surplus portfolio. The value of the shareholder holdings in non euro assets is €80.4 million (2023: €93.1 million). The Company does not bear any currency risk directly on unit linked contracts – this is borne by the policyholders. The Company indirectly derives income from management fees arising from the value of funds under management. A 5% movement in exchange rates half way through the year would change profits in 2024 by €7.3 million (2023: €7.2 million).

Liquidity risk

Liquidity risk is the risk that the Company, though solvent, experiences difficulty in meeting its obligations as they fall due. The Company maintains and regularly updates its strategy with respect to liquidity risk.

The Company is exposed to daily calls on its available cash resources mainly from claims arising from non linked insurance contracts. The Company invests an amount in short-term cash deposits as a liquidity buffer which can be redeemed at short notice. The liquidity balance is monitored on a daily basis to ensure that this amount is sufficient, allowing for inflows and outflows.

In the case of unit linked business, liquidity risk can arise when unit linked assets cannot be sold quickly enough to meet surrender values. The managers of the unit linked funds maintain a liquidity balance as appropriate to allow for surrenders. This is kept under regular review allowing for the expected inflows and outflows and taking into consideration the investment guidelines and liquidity of the assets in the funds.

The Company, from time to time, sells structured products such as tracker bonds which contain investment guarantees. It is the policy of the Company to hedge all tracker guarantees with a third party. Where structured products are issued, the Company will ensure that the policy conditions state that the policyholder can only surrender the policy at the end of the term, and that the value will be equal to the amount received by the Company from the maturing asset. Early surrenders are not usually permitted.

As part of the regular matching exercise referred to under Market Risk, the cash flows from assets and liabilities are projected into the future to identify mismatches which could result in a liquidity strain.

Maturities of financial liabilities

2024	Demand €m	0-3 mths €m	3-12 mths €m	1-5 years €m	+5 years €m	Total €m
Financial liabilities under investment contracts	8,888	-	-	-	-	8,888
Due to fellow subsidiaries	-	11	-	-	-	11
Creditors and accruals	-	311	-	-	-	311
Bank overdraft	-	60	-	-	-	60
Other provisions	-	-	1	-	-	1
Loans and borrowings	-	-	2	-	160	162
Total	**8,888**	**382**	**3**	**-**	**160**	**9,433**

2023	Demand €m	0-3 mths €m	3-12 mths €m	1-5 years €m	+5 years €m	Total €m
Financial liabilities under investment contracts	7,115	-	-	-	-	7,115
Due to fellow subsidiaries	-	17	-	-	-	17
Creditors and accruals	-	299	-	-	-	299
Bank overdraft	-	63	-	-	-	63
Other provisions	-	-	1	-	-	1
Loans and borrowings	-	-	2	-	160	162
Total	**7,115**	**379**	**3**	**-**	**160**	**7,657**

26. Risk and Capital Management *(continued)*

Credit Risk

Credit Risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Company in respect of loans or other financial transactions. The Company does not actively seek credit risk. However, exposures are accepted for a number of reasons. The main reasons are as follows:

- credit risk which is accepted as a residual risk arising from strategies employed to reduce other risks, reinsurance for example;
- credit risk arising from an investment in assets for an acceptable rate of return; and
- credit risk which is unavoidable, but short term in nature, arising from the day-to-day operation of the business, overnight bank exposure for example.

Key areas where the Company is exposed to credit risk are:

- amounts due from insurance intermediaries;
- amounts due from sovereign and corporate bond issuers;
- amounts due from insurance contract holders;
- amounts on deposit with other credit institutions;
- reinsurers' share of insurance liabilities; and
- amounts due from reinsurers in respect of claims already paid.

The Company manages the levels of credit risk it accepts by placing limits on its exposure to a single counterparty or groups of counterparties. Such risks are subject to regular review.

The Company has a material credit risk exposure to a number of reinsurance companies. Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim, the Company remains liable for the payment to the policyholder. The credit quality of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

In addition, management assesses the creditworthiness of all reinsurers and intermediaries by reviewing credit grades provided by rating agencies and other publicly available financial information. An analysis of reinsurers by Standard & Poor's rating (or equivalent) is produced periodically.

A concentration of credit risk can also arise through the Company's reinsurance arrangements where the Company has a large exposure to a single counterparty. This credit exposure is mitigated by collateralisation agreements where the Company has access to assets which would compensate the Company should the reinsurer fail to meet its obligations. Reinsurance in respect of annuity business is on a collateralised basis.

The Company uses a panel of highly rated reinsurance companies to diversify credit risk and the credit risk policy requires that the suitability of new counterparties is reviewed and approved prior to engagement. The Company also operates a Reinsurance Committee which reports to the Risk Committee at least annually and in addition on material items as they arise. Inter alia, the Committee considers retention levels across the business lines, the credit rating of the reinsurance companies and the extent of exposure to each reinsurance company.

The assets bearing credit risk are summarised below:

	2024			2023		
Classification	**Unit linked contracts €m**	**Non-linked / other assets €m**	**Total €m**	**Unit linked contracts €m**	**Non-linked / other assets €m**	**Total €m**
Debt securities and other fixed income securities at fair value through profit or loss						
- Listed	2,307	1,341	3,648	3,038	1,139	4,177
Derivative financial instruments, at FVTPL	645	-	645	560	-	560
Deposits with credit institutions	-	-	-	-	-	-
Cash in bank and in transit	144	3	147	128	3	131
Reinsurance assets	-	1,256	1,256	-	1,230	1,230
Other assets	15	156	171	29	143	172
Total	**3,111**	**2,756**	**5,867**	**3,755**	**2,515**	**6,270**

26. Risk and Capital Management *(continued)*

An analysis of the credit rating of assets bearing credit risk which includes the reinsurance asset, Irish sovereign bonds, Euro sovereign bonds, corporate bonds and cash deposits are shown below:

	Unit Linked contracts		Non-linked / other contracts	
	2024 €m	2023 €m	2024 €m	2023 €m
AAA	439	552	63	53
AA+	57	115	131	100
AA	1,319	1,652	324	410
AA -	165	2	931	851
A+	92	259	226	215
A	128	251	418	393
A -	143	2	169	114
BBB+	755	896	182	148
BBB	-	-	155	100
BBB-	-	-	16	17
BB+	-	-	-	-
BB	-	-	-	-
BB-	-	-	10	-
Unrated	13	131	131	114
	3,111	**3,755**	**2,756**	**2,515**

Unrated values refer to premiums due from policyholders and commissions paid in advance to intermediaries.

No credit limits were exceeded during the period. No financial assets are past due or impaired at the reporting date and management expects no significant losses from non-performance by these counterparties.

The Company maintains strict control limits on open derivative positions, by both amount and term. The amount subject to credit risk at any one time is limited to the current fair value of derivative financial assets.

Sensitivity to an increase in credit spreads is shown in the table below.

Impact on profit and net assets	2024 €m	2023 €m
Credit spreads +0.50%	(58.6)	(63.4)
Credit spreads -0.50%	63.1	67.1

Unit linked contracts
For unit–linked contracts the Company matches all the liabilities with assets in the portfolio on which the unit prices are based. Therefore there is no interest, price, currency or credit risk attaching to these assets for the Company as all risk is borne by the policyholder. However the Company does carry the reputational risk of managing these amounts on behalf of policyholders and receives investment management fees based on the unit linked assets under management. The Company therefore has an indirect exposure to the performance of world equity markets. The amount related to unit linked contracts included in the assets bearing credit risk was €3.1 billion (2023: €3.8 billion).

Operational risk
Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Company faces operational risks in the normal pursuit of its business objectives. By its nature, operational risk cannot be fully eliminated; however the Company has established a formal approach to the management of operational risk in the form of an Operational Risk Management Framework, which defines the Company's approach to identifying, assessing, managing, monitoring and reporting the operational risks which may impact the achievement of the Company's business objectives.

Fair value hierarchy
The table below shows, for the Company's financial assets and liabilities that are recognised and measured at fair value, their classification within a three – level fair value hierarchy.

Level 1 comprises financial assets and liabilities valued using quoted market prices in active markets. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Level 2 comprises financial assets and liabilities valued using techniques based significantly on observable market data.

Level 3 comprises financial assets and liabilities valued using techniques where the impact of non observable market data is significant in determining the fair value of the instrument. Non observable market data is not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on observable inputs of a similar nature, or analytical techniques.

26. Risk and Capital Management *(continued)*

	2024				2023			
	Level 1 €m	Level 2 €m	Level 3 €m	Total €m	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
Financial assets held at fair value								
Equities and unit trusts	19,915	32	218	20,165	16,294	93	224	16,611
Debt securities	3,564	85		3,649	4,088	89	-	4,177
Derivative instruments	-	645		645	-	560	-	560
Deposits with credit institutions	-	-	-	-	-	-	-	-
Cash in bank and in transit	147	-	-	147	131	-	-	131
Non-financial assets held at fair value								
Investment property	-	-	529	529	-	-	547	547
Investment in subsidiary undertakings at FVTPL	-		241	241	16	-	245	261
Owner occupied property	-	-	-	-	-	-	-	-
	23,626	**762**	**988**	**25,376**	**20,529**	**742**	**1,016**	**22,287**
Financial liabilities held at fair value								
Liabilities to customers under investment contracts	-	8,888	-	8,888	-	7,115	-	7,115
Loans and borrowings	60	162	-	222	63	162	-	225
	60	**9,050**	**-**	**9,110**	**63**	**7,277**	**-**	**7,340**

Movement in Level 3 assets

	2024					2023				
	Equities and unit trusts €m	Investment property €m	Investment in subsidiary undertakings at FVTPL €m	Owner occupied property €m	Total €m	Equities and unit trusts €m	Investment property €m	Investment in subsidiary undertakings at FVTPL €m	Owner occupied property €m	Total €m
Opening balance	224	547	245	-	1,016	249	590	294	18	1,151
Investment losses	(38)	(29)	(4)	-	(71)	(25)	(52)	(49)	-	(126)
UK foreign currency (FX) property revaluation	-	-	-	-	-	-	-	-	-	-
Revaluation owner occupied property	-	-	-	-	-	-	-	-	(5)	(5)
Additions	-	24	-	-	24	-	-	-	-	-
Disposals	-	(13)	-	-	(13)	-	(4)	-	-	(4)
Reclassification	32	-	-	-	32	-	13	-	(13)	-
Closing balance	**218**	**529**	**241**	**-**	**988**	**224**	**547**	**245**	**-**	**1,016**

26. Risk and Capital Management *(continued)*

Unit Trusts which predominantly invest in properties and are valued with reference to the underlying property value were reclassified from level 2 to level 3.

Quantitative information about fair value measurements using significant unobservable inputs (Level 3)

Level 3 assets	Valuation technique	Unobservable input	Fair value 2024 €m	Fair value 2023 €m	Range 2024 €m	Range 2023 €m
Equities and Unit Trusts	Market comparable property transactions	Yields	218	224	3.05% - 14.17%	2.85% - 12.17%
Investment property	Market comparable property transactions	Yields	529	547	3.05% - 14.17%	2.85% - 12.17%
Investment in subsidiary undertaking	Market comparable property transactions	Yields	241	245	3.05% - 12.06%	3.30% - 7.70%
Owner occupied property	Market comparable property transactions	Yields	n/a	n/a	n/a	n/a

The key assumptions driving the valuation of the level 3 investments are;

Equities and Unit Trusts
Equities are valued using discounted cash flow analysis, to reflect the expected annual coupon on the investment and the expected repayment of the principal at the end of the fixed term of the investment. The cash flows have been discounted using the risk free rate (the 10 year government bond rate). Using reasonable possible alternative assumptions would not have a material impact on the value of this asset.

Unit Trusts and certain private equity funds which predominantly invest in properties are valued with reference to the underlying property value.
Investment in subsidiary undertakings at FVTPL and investment properties
Investments in Dutch and French subsidiaries are valued at fair value through the profit or loss. The subsidiaries are distinct from the Company's other subsidiaries as they have been set up to hold investment properties.

Investment properties are carried at fair value as determined by external qualified property surveyors appropriate to the properties held. Fair values have been calculated using current trends in the market of property sales and rental yields in the retail, office and industrial property markets (level 2 inputs). Other inputs take into consideration includes occupancy rate forecasts, sales price expectations and letting prospects (level 3 inputs). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets. All properties are valued based on highest and best use.

Owner occupied property
Properties classified as owner occupied were sold in 2023. A revaluation of the Company's owner occupied property was carried out as at 31 December 2022. All freehold and long leasehold properties were valued by Lisney as external valuers. Lisney valuations were made on the basis of observable inputs such as comparable lettings and sales (level 2 inputs). Unobservable inputs such as profile, lot size, layout and presentation of accommodation are also used (level 3 inputs). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets. All properties are valued based on highest and best use.

Capital Management
Solvency II is the harmonised EU-wide regulatory capital framework for insurance companies. The regime requires reporting and public disclosure arrangements to be put in place by insurance entities including the publication of certain information on the entity's public website.

The Solvency II Directive contains the following three pillars:
- Pillar 1 contains mechanisms and requirements for the calculation by insurance companies of their minimum capital requirements for the risks to which the company is subject.
- Pillar 2 is intended to ensure that each insurance company has sound internal processes with regard to its overall system of governance and risk management, the adequacy of the capital it holds, and also includes rules with regard to the supervision of these companies. Risks not considered under Pillar 1 are considered under this Pillar.
- Pillar 3 is intended to complement Pillar 1 and Pillar 2. It requires that insurance companies disclose information on the application of Solvency II requirements, particularly covering capital requirements, risk exposures and risk management systems.

Solvency II requires companies to hold a risk-based SCR which is calculated by considering the capital required for the company to withstand a number of severe scenarios. The SCR is calibrated to withstand a 1-in-200 year scenario over the next 12 months. Both the quantum of each of the shocks and the correlation factors applied are set out by the European Insurance and Occupational Pensions Authority (EIOPA).

Available capital resources
The table below sets out the total shareholders' equity compared to the excess own funds.

Impact on profit and net assets	2024 €m	2023 €m
Total shareholders' equity	**433**	**426**
Adjustments to regulatory basis		
Differences in technical provisions (net of reinsurance)	787	755
Deferred acquisition costs / deferred income liability	(204)	(169)
Asset and other liabilities valuation adjustments	(57)	(67)
Deferred taxation	(66)	(65)
Subordinated debt	160	160
Total eligible own funds to meet SCR	**1,053**	**1,040**
Solvency Capital Requirement (SCR)	(801)	(739)
Excess own funds	**252**	**301**
Ratio of eligible own funds to meet SCR	131%	141%

26. Risk and Capital Management *(continued)*

The Company's total eligible own funds under Solvency II are €1,053 million (2023: €1,040 million). This is a combination of the excess of assets over liabilities of €893 million (2023: €880 million), which is Tier 1 capital, and the subordinated debt of €160 million (2023: €160 million), which is a Tier 2 capital instrument.

No dividend was paid to Bank of Ireland Life Holdings Ltd during 2024.

The Company performs the calculations for its financial statements on a different basis to Solvency II. The above table on page 48 shows the difference between the shareholder equity, which is shown in the financial statements, and the excess of assets over liabilities valued under Solvency II regulations.

A description of the elements of the changes is given below:

- the key difference between the financial statements and the Solvency II balance sheet is the calculation of the technical provisions net of reinsurance. The minimum reserve for any policy is zero in the financial statements while it is permitted to have negative reserves under Solvency II. Allowing for these differences gives a positive difference of €787 million (2023: €755 million) allowing for reinsurance.
- there is a deferred acquisition costs asset and a deferred income liability in the financial statements, neither of which are allowable under Solvency II. Removing the deferred acquisition costs asset and deferred income liability leads to a reduction of €204 million (2023: €169 million);
- there is a larger deferred tax liability of some €66 million (2023: €65 million), reflecting the larger net assets under Solvency II; and
- there is also a difference in asset and other liability valuations of €57 million (2023: €67 million) . This relates mainly to the value of software in the financial statements which has a nil value for solvency purposes.

The net excess of assets over liabilities €252 million (2023: €301 million).

Capital resource sensitivities

The Company carries out regular assessments of the projected future solvency position, under a number of different scenarios, which are documented in the Own Risk and Solvency Assessment (ORSA) report. This report is made available to the CBI. As part of this report, a projection of the Company's solvency position over the next five years is documented. This report has confirmed the strength of the Company's capital position and the resilience of this capital position under the stress tests examined.

An examination of the risks to which the Company is exposed, and the steps we have taken to mitigate these risks, are set out opposite.

Market risk

The Company's capital position is relatively insensitive to market movements as the bulk of our liabilities are unit linked with policyholders bearing the investment risk. Non-linked liabilities are closely matched by sovereign and corporate bonds of appropriate duration. The Company's free assets are mainly held in cash, short-term sovereign and corporate bonds and a combination of risk managed funds. To the extent that yield increases on the sovereign and corporate bonds are risk related this represents a market risk for the Company.

The Company's pension scheme contains an exposure to market risk which can impact on the capital position of the Company.

Insurance risk

The Company uses reinsurance to mitigate the impact of mortality and morbidity risks. Our current policy is to reinsure up to 90% of new guaranteed protection business, to reinsure only a small part of flexible protection unit linked contracts and to reinsure 75% of new individual income protection business. Reinsurance cover is also in place on group risk and individual and group annuity contracts predominately on a quota share basis. Collateral arrangements are in place for annuity reinsurance arrangements to help mitigate the impact from counterparty risk.

Credit risk

The Company uses a number of different reinsurance companies of appropriate financial strength in managing its life assurance business. The Company's asset liability matching policy includes significant holdings of corporate bonds and sovereign debt of a number of Euro zone countries. The most significant holding of sovereign debt is Austrian sovereign debt.

Options and Guarantees

The Company has a very limited range of options and guarantees in its business portfolio as the bulk of the business is unit linked without investment guarantees. Where investment guarantees have been given on unit linked business, they have been fully hedged.

The Company has not granted guaranteed annuity options on any of its business.

27. Future Capital Commitments not provided for

	2024 €m	2023 €m
Authorised but not contracted	11	7
Contracted	-	1

The future capital commitments not provided for in the financial statements relate to the infrastructure improvements underway to enhance and improve the customer offering.

28. Directors' Remuneration

	2024 €000s	2023 €000s
Aggregate emoluments paid to or receivable by directors in respect of qualifying services		
Fees	312	319
Salaries for management services	1,024	936
Aggregate contributions paid, treated as paid or payable during the financial year to a retirement benefit scheme in respect of qualifying services of 2 Directors (2023: 2 Directors)		
Defined contribution schemes	127	139
Aggregate amount of any compensation paid or payable to directors in respect of loss of office or other termination payments	812	-

29. Subsidiaries

	Nature of Business	Percentage Owned	Country
General Investment Trust DAC	Pension Trustee Company	100%	Ireland
Leopardstown Offices Management Company Limited	Property Company	100%	Ireland
BSQ Limited	Property Company	100%	Ireland
GD (5&6) Basement Company Limited	Property Company	100%	Ireland

General Investment Trust DAC is a company whose sole purpose is the provision of trustee services to trust-based pension funds.

The registered office of General Investment Trust DAC is situated at 2 College Green Dublin 2.

Leopardstown Offices Management Company Limited does not trade.

The registered office of Leopardstown Offices Management Company Limited is situated at Bank of Ireland, 2 College Green, Dublin 2.

GD (5&6) Basement Company Limited is a property management company and its registered office is situated at 4th Floor 76 Lower Baggot Street, Dublin 2.

In 2011 a receiver was appointed to BSQ Limited, a subsidiary of the Company. The receivership by KPMG was completed on the 29 March 2023 following the filing of a notice of cessation by a receiver to the companies' office. A members solvent liquidation is expected to be completed in 2025.

The Company's investment in these subsidiaries consists of ordinary shares.

The French and Dutch subsidiaries companies are set up to hold investment property. The value of the companies and their underlying assets, and any changes in that value, is wholly attributable to policyholders. These companies are listed below:

	Nature of Business	Percentage Owned	Country
Weesperplein 6 Holding BV	Holding Company	100%	Netherlands
Weesperplein 6 BV	Property Company	100%	Netherlands
Life Fund Syndication Holding BV	Holding Company	100%	Netherlands
Life Fund Syndication BV	Property Company	100%	Netherlands
SCI Jupiter Immeuble	Property Company	100%	France
SCI Immeuble Saint George	Property Company	100%	France
SCI Sang Rouge	Property Company	100%	France
New Ireland Real Estate France	Property Company	100%	France

The registered office of the Netherlands subsidiaries is TMF Group, Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam P.O. Box 23393, 1100 DW Amsterdam.

The registered office of the French subsidiaries is c/o TMF France, 3-5, 3 RUE ST GEORGES, 75009 PARIS 9.

30. Holding Company

The Company is a wholly-owned subsidiary of Bank of Ireland Life Holdings Limited which is incorporated in the Republic of Ireland. The Company's immediate parent company is Bank of Ireland Life Holdings Limited. The Company's ultimate parent company is the Bank of Ireland Group plc which is also incorporated in the Republic of Ireland. The Bank of Ireland Group plc is the holding company, 2 College Green Dublin 2, of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member. Copies of the group financial statements of the Bank of Ireland Group plc are available from Bank of Ireland, 2 College Green Dublin 2.

31. Related Party Transactions

As the Company is a wholly owned subsidiary, it has taken advantage of the exemption contained in FRS 102 paragraph 33.1A from disclosing related party transactions with entities that are wholly owned within the Bank of Ireland Group plc group.

No contract of significance existed at any time during the year in which a Director, a key manager or other related party was materially interested or which requires disclosures as a related transaction.

32. Subsequent Events

No significant events which require disclosure or adjustment to the financial statements, affecting the Company or any of its subsidiary undertakings, have occurred since the balance sheet date.

33. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 27 March 2025.

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