ANNUAL
REPORT
2024

OUR story CONTINUES



Guardian Group

Guardian Holdings Limited

WITH you



For 178 years, Guardian has stood strong — building, evolving and shaping a future of resilience and progress. But this story has never been ours alone. It has been written with you, our valued customers, employees and stakeholders.

With every milestone and through every challenge, it is your trust, ambition and partnership that built our foundation of strength. With you, we have grown. With you, we have created impact. And with you, we will continue to move forward — driving innovation, sustainability and shared prosperity across generations.

The next chapter is unfolding, and we will write it together.


Our success is rooted in a proud legacy, shaped by purposeful action today, and driven by a bold vision for a sustainable and prosperous future.

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Business Segments

Life, Health & Pension (LHP)	Guardian Life of The Caribbean Limited (100%) Fatum Life Aruba N.V. (100%) Guardian Life Limited (100%) Fatum Health N.V. (100%) Fatum Life Insurance N.V. (100%) Guardian Life (OECS) Limited (100%) Bancassurance Caribbean Limited (100%)
Property & Casualty (P&C)	Guardian General Insurance Limited (100%) Guardian General Insurance Jamaica Limited (100%) Guardian Re (S.A.C.) Limited (100%) Fatum General Insurance N.V. (100%) Guardian General Insurance (OECS) Limited (100%) Fatum General Insurance Aruba N.V. (100%) Guardian Group Nederland N.V. (100%) RoyalStar Holdings Limited (26.22%)
Insurance Brokerage	Fatum Brokers Holdings B.V. (100%) Vanguard Risk Solutions Limited (67.74%) Thoma Exploitatie B.V. (100%)
Asset Management	Guardian Group Trust Limited (100%) Guardian Asset Management and Investment Services Limited (100%)
Strategic Alternative Investments	Laevulose Inc Limited (100%) RGM Limited (33.33%) Tobago Plantations Limited (25%)

Corporate Information

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

SECRETARY
Ms. Krystal Baynes- Hoseinee

REGISTERED OFFICE
1 Guardian Drive
Westmoorings
Trinidad and Tobago

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

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

STANDING COMMITTEES

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

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

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

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

Notice of Annual Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of Guardian Holdings Limited for 2025 will be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago on Monday, 12th May 2025 at 1:00 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast, for the following purposes:

1. To review and consider the Audited Financial Statements of the Company for the year ended 31st December 2024 and the Reports of the Directors and Auditors.

2. To elect and re-elect Directors for specified terms and if thought fit, to pass the following Resolutions:

   (a) That Mr. Michael Lee- Chin be re-elected a Director of the Company for a term of one (1) year expiring at the close of the first Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;

   (b) That Mr. Charles Percy be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;

   (c) That Mr. Michael Liam Gerrard be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1;

   (d) That Ms. Patricia Ghany be re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1; and

   (e) That Ms. Colette Delaney be elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1.

3. To re-appoint PricewaterhouseCoopers as Auditors of the Company and that the Directors be authorised to fix their remuneration for the ensuing year.

By Order of the Board



Krystal Baynes-Hoseinee
Corporate Secretary
7th April 2025

Notes to the Notice of Annual Meeting

1. MEETING REQUIREMENTS

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

Persons Entitled to Notice
In accordance with Section 111(a)(i) of the Companies Act Ch. 81:01 the Record Date for the determination of Shareholders who are entitled to receive Notice of the Annual Meeting is 8th April 2025. Only Shareholders on record as at the close of business on 8th April 2025 are therefore entitled to receive Notice of the Annual Meeting. A list of such Shareholders will be available for examination by Shareholders at the Company's Registered Office during usual business hours and at the Annual Meeting.

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

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

Any Shareholder who wishes to appoint a proxy may also visit the GHL website at https://trinidad.myguardiangroup.com/companies/guardian-holdings-limited::shareholder-announcements and the JSE website at https://www.jamstockex.com from 16th April 2025 to download a proxy form.

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

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

Electronic Participation
Shareholders on record as at 8th April 2025 may participate in the meeting electronically and are required to pre-register during the period 28th April 2025 to 11th May 2025 to remotely attend the meeting. Once you have pre-registered and are confirmed as a Shareholder as at 8th April 2025, you will receive an email with a Zoom username and password to attend the meeting via a live webcast on 12th May 2025. A proxy holder can then be authorised by the Shareholder to use the login credentials to attend the meeting on behalf of the Shareholder.

Further details to pre-register and attend via live webcast are included in the enclosed Guidelines for Shareholders' Pre-Registration and Online Attendance at Guardian Holdings Limited Annual Meeting 2025 (which forms part of this Notice of Meeting).

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

2. DIRECTORS' CONTRACTS

There were no contracts for the year ended 31st December 2024 in which a director of the Company is or was materially interested and which is or was significant in relation to the Company's business.

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

3. ELECTION AND RE-ELECTION OF DIRECTORS

The Board of Directors has recommended the election of Ms. Colette Delaney as a Non-Executive Director and the re-election of Mr. Charles Percy, Mr. Michael Liam Gerrard, Ms. Patricia Ghany and Mr. Michael Lee-Chin, with effect from the close of the Annual General Meeting.

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

MS. COLETTE DELANEY – 63 years of age
Ms. Colette Delaney is an experienced director and executive in the financial services industry. Her career spans 40 years across the United Kingdom, United States of America, Canada and the Caribbean, culminating in the role of Chief Executive Officer and Director of CIBC Caribbean Limited. She is experienced in Retail, Commercial, Corporate Banking and Insurance and, as a former Chief Risk Officer, has broad enterprise risk experience.

As a Director, Ms. Delaney has served on the boards of publicly traded banks as well as multiple Caribbean entities. She has been an active participant in industry organisations and is a former Director of the Canadian Payments Association and of Acxsys Corporation in Canada. Her not-for-profit roles include the Chair of the CIBC Caribbean ComTrust Foundation in Barbados and a director of Skills for Change in Toronto, Canada. Ms. Delaney holds the Institute of Corporate Directors qualification (ICD.D) from the Rotman School of Business Management, University of Toronto, Canada and an M.B.A. from City University Business School in London, England. She is also an Associate of the Chartered Institute of Bankers in the United Kingdom and is a graduate of the University of Oxford.

MR. MICHAEL LEE-CHIN – 74 years of age
Mr. Michael Lee-Chin is the Founder and Chairman of Portland Holdings, a privately held investment company that manages public and private equity and has an ownership interest in a collection of diversified businesses operating in various countries and numerous sectors, including financial services, insurance, tourism, agriculture, consumer goods and services, real estate development, targeted radionuclide therapy, and nuclear and clean energy. Mr. Lee-Chin has received Doctor of Law degrees from several notable universities in Canada and Jamaica. He is the recipient of the Order of Jamaica and the Order of Ontario.

MR. CHARLES PERCY – 68 years of age
Mr. Charles Percy's distinguished career spans over four decades in Trinidad and Tobago's energy sector, retiring as Chief Executive Officer of Methanex Trinidad Limited. He held other executive leadership positions at BP Trinidad and Tobago LLC and Hydro Agri Trinidad (now Yara Trinidad Ltd.). He was also a past President of the Energy Chamber of Trinidad and Tobago, as well as a past Director of Point Lisas Industrial Port Development Corporation Limited. Mr. Percy is a current director on the Board of Trinidad Cement Limited and at Venture Credit Union (VCU), where he has been an active member for the past twenty-five years. At VCU he was instrumental in the successful merger of two credit unions and for the growth and development of that organisation to become a billion-dollar financial institution.

MR. MICHAEL L. GERRARD – 61 years of age
Mr. Gerrard is a co-founder of BroadSpan Capital LLC and the firm's Chief Executive Officer. Mr. Gerrard has more than 30 years of experience as an investment banking advisor in Latin America and the Caribbean and has successfully led transaction teams in 15 countries. While at BroadSpan he has advised global and regional corporations, financial institutions and government entities in a variety of complex mergers, acquisitions and restructuring assignments throughout the region and across industry sectors. Mr. Gerrard is a member of the firm's Executive Committee and Board of Managers. Mr. Gerrard is also a member of the Institute of International Finance's Special Committee on Financial Crisis Prevention and Resolution and is a Member of the Board of Directors of Margaritaville Caribbean Ltd. He received his M.B.A. from The American Graduate School of International Management (Thunderbird) and holds a B.A. in Finance from the University of Miami.

MS. PATRICIA GHANY – 60 years of age
Ms. Patricia Ghany is the Chief Financial Officer at Esau Oilfield Supplies Co. Ltd., a leading supplier of pipes, valves and pipe fittings to the energy sector in Trinidad and Tobago and Latin America. With over 30 years' experience in various aspects of the Oil & Gas sector, Ms. Ghany is proficient in the areas of Procurement, Finance, Business Development and Project Management. Ms. Ghany has been an active leader in the American Chamber of Commerce of Trinidad and Tobago for over 25 years, and has held positions of President, Vice President, and Treasurer. In addition to her corporate leadership, she is also a Consultant in Cross-Cultural Management, Diversity and Team Building, and Family Business Advising. Ms. Ghany has diverse board experience in the finance, insurance, education, and nonprofit sectors. She is a Board member of Guardian Holdings Ltd, Guardian General Insurance Ltd., Guardian Group Trust Ltd., Dialogue Solutions Ltd and The Women in Family Business Network. Ms. Ghany's professional journey reflects a commitment to excellence, diversity, and sustainable growth in both business and community initiatives.

Guidelines for Shareholders' Pre-Registration and Online Attendance at Guardian Holdings Limited Annual Meeting 2025

CONVENING OF ANNUAL MEETING 2025

The Annual Meeting of Shareholders of Guardian Holdings Limited for 2025 will be held in the Atrium, Guardian Holdings Limited, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago, on Monday 12th May 2025, at 1:00 p.m., in a hybrid format. Shareholders may attend the meeting in person or via live webcast.

PRE-REGISTRATION

To attend the meeting online, Shareholders must pre-register during the period 28th April 2025 to 11th May 2025 via the following steps:

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

Once you are confirmed as a Shareholder or proxy on record as of 8th April 2025, you will receive a confirmation email with a Zoom username and password to attend the meeting via a live webcast on 12th May 2025.

ATTENDANCE AT ANNUAL MEETING 2025 ON 12th MAY 2025

Shareholders on the register as of 8th April 2025 who have pre-registered will be able to login to attend the live webcast of the Annual Meeting of the Shareholders of Guardian Holdings Limited.

- You do **not** need to create a Zoom account to attend the meeting on 12th May 2025, but you must download the Zoom app, as voting can only be done through the app.
- Click on the Zoom link provided in your confirmation email (example: https://otago.zoom.us/j/123456789) (this is not the actual link, just an example).
- If prompted by a pop-up window to open the Zoom app, select **"Allow."**
- Enter the **Meeting I.D.**
- Enter your **full name** (first name and surname).
- Enter your **password.**

MEETING PARTICIPATION RULES

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

Guidelines for Shareholders' Pre-Registration and Online Attendance at Guardian Holdings Limited Annual Meeting 2025 (continued)

For security reasons:

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

VOTING PROCESS

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

TECHNICAL REQUIREMENTS

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

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

Management Proxy Circular

THE COMPANIES ACT, CH. 81:01
[SECTION 144]

Name of Company: GUARDIAN HOLDINGS LIMITED
Company No.: G – 967 (C)

I. **Particulars of Meeting:**
Annual Meeting of the Company to be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago on Monday 12th May 2025 at 1:00 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast.

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

III. **Any director's statement submitted pursuant to section 76 (2):**
No statement has been received from any Director pursuant to Section 76 (2) of the Companies Act, Ch. 81:01.

IV. **Any auditor's statement submitted pursuant to section 171 (1):**
No statement has been received from the Auditors of the Company pursuant to Section 171 (1) of the Companies Act, Ch. 81:01.

V. **Any shareholder's proposal submitted pursuant to sections 116 (a) and 117 (2):**
No proposal has been received from any Shareholder pursuant to Sections 116 (a) and 117 (2) of the Companies Act, Ch. 81:01.

Date	Name and Title	Signature
7th April 2025	Krystal Baynes- Hoseinee Corporate Secretary	

Consolidated Financial Highlights

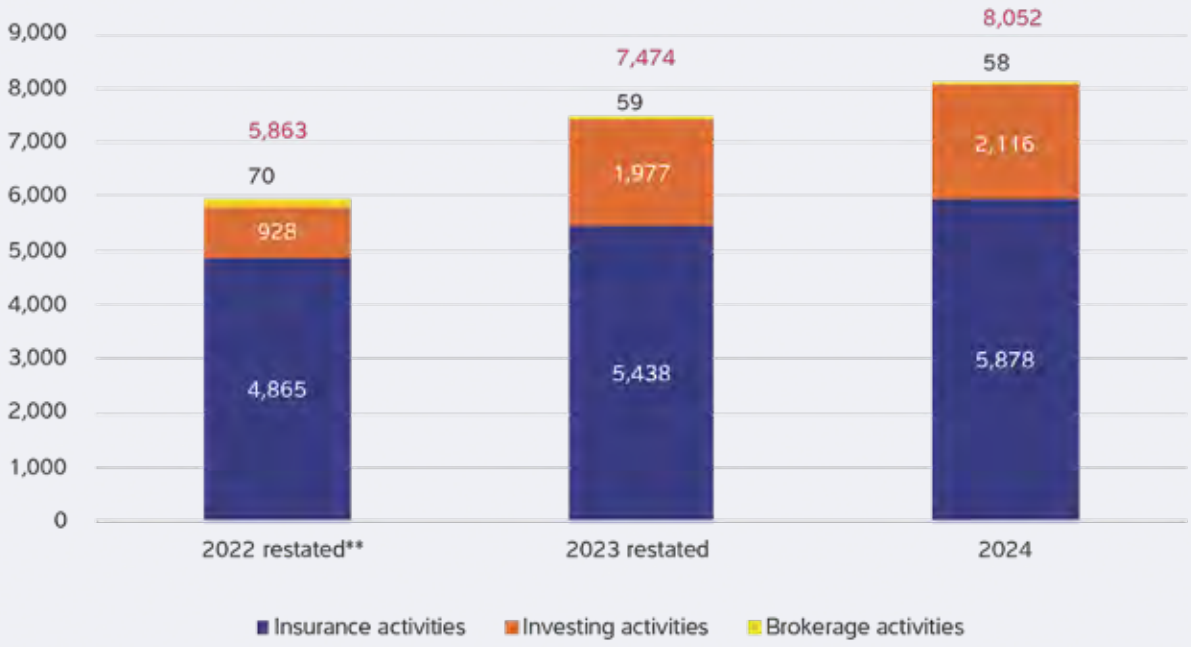
	2024	2023 restated*
Revenue		
Life, Health and Pension business insurance revenue	$2,935 million	$2,695 million
Property and Casualty business insurance revenue	$2,943 million	$2,743 million
Revenue from insurance operations	$5,878 million	$5,438 million
Revenue from investment activities**	$2,116 million	$1,977 million
Revenue from brokerage activities	$58 million	$59 million
Total revenue	$8,052 million	$7,474 million
Results		
Profit attributable to owners of the company	$850 million	$645 million
Earnings per ordinary share	$3.66	$2.78
Financial position as at December 31		
Total capital & reserves	$4,587 million	$3,777 million
Shareholders´ equity	$4,574 million	$3,765 million
Net asset value per share	19.71	16.23
Dividend		
Total dividend for the year per ordinary share	80 cents	75 cents
Dividend cover	4.58	3.71

Conversion Rates	**Average rate**	**Year end rate**
Trinidad and Tobago dollar to one US Dollar	6.7415	6.7474
Trinidad and Tobago dollar to one British Pound	8.9863	8.9010
Trinidad and Tobago dollar to one Euro	7.7783	7.3271
Trinidad and Tobago dollar to one Jamaican Dollar	0.0425	0.0428
Trinidad and Tobago dollar to one Netherlands Antillean Guilder	3.7662	3.7695

* Certain comparative amounts in the Group's consolidated financial statements have been restated,reclassified or re-presented.

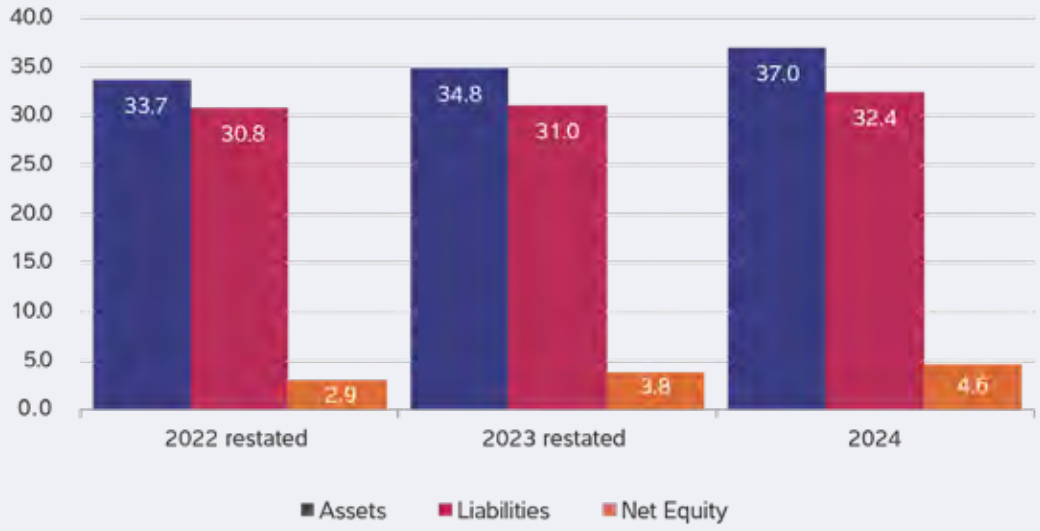
** Revenue from investment activities excludes net impairment movements and investment contract benefits

TOTAL REVENUE (TT$ MILLION)*

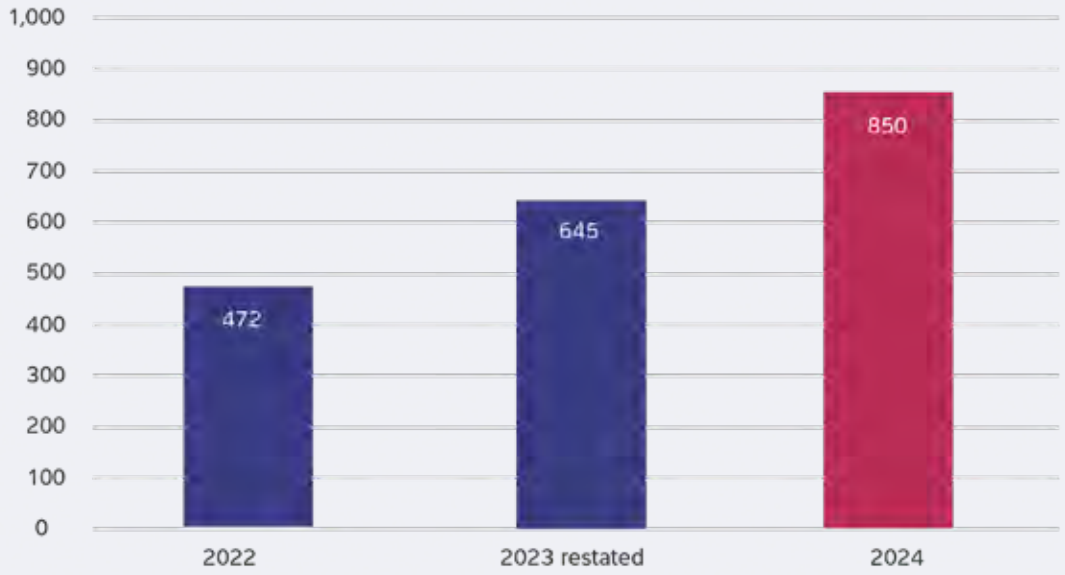


* Total Revenue from Continuing Operations
** 2022 financial results were restated in 2023 in accordance with IFRS 17

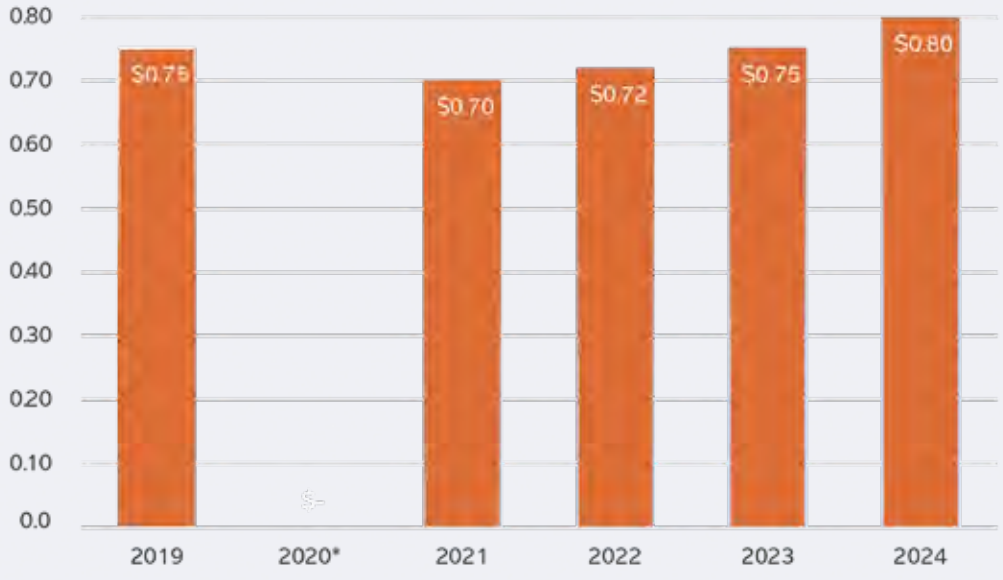
FINANCIAL POSITION (TT$ BILLION)



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

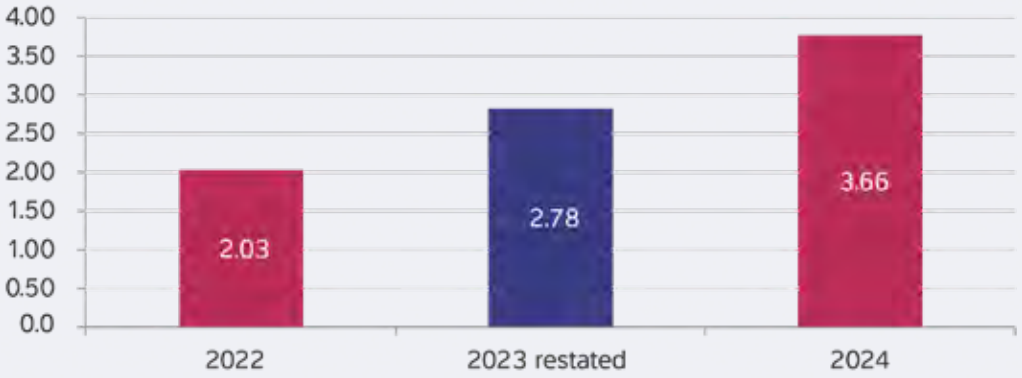


DIVIDENDS PER SHARE (TT$)

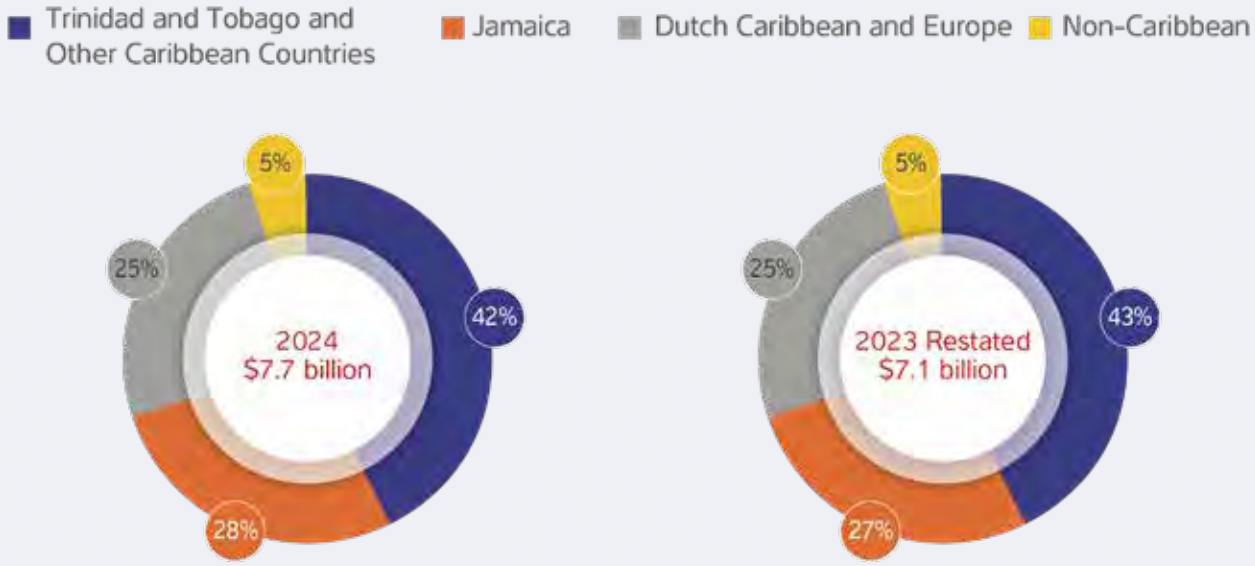


* No dividends paid due to COVID-19 and regulatory restrictions from operating territories

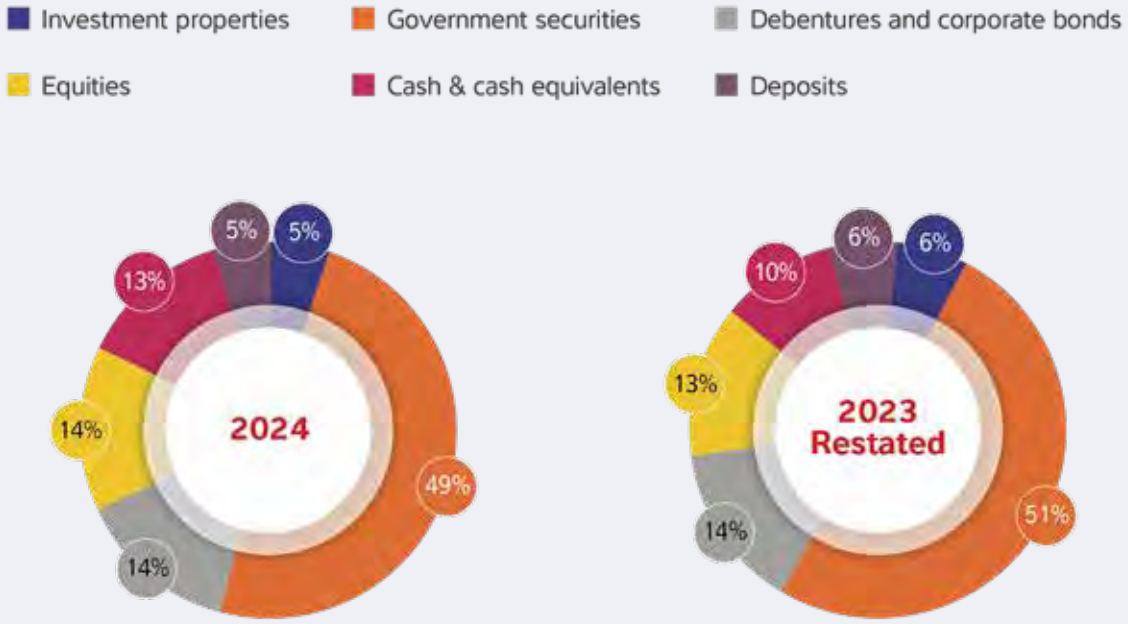
REPORTED EARNING PER SHARE (TT$)



GEOGRAPHIC DISTRIBUTION OF REVENUE (EXCLUDING REALISED AND UNREALISED GAINS/LOSSES)



CONSOLIDATED INVESTMENT MIX



OUR **VISION,** GUIDED BY




ou

Our Vision, Guided by You.

Chairman's STATEMENT

Dear Shareholders,

In the words of Warren Buffett, "Time is the friend of the wonderful company." Every crisis presents opportunities, but only the "wonderful" companies are able to withstand the shocks associated with these crises and capitalise on the resulting opportunities.

That has been Guardian Group's experience since our founding in 1847 — and especially over the past few years as we have navigated:

- A once-in-a-century global pandemic
- Unprecedented impacts of climate change on catastrophe risk
- IFRS 17, considered by many to be the biggest change to the insurance industry in decades

The Guardian Group, a company that provides insurance and risk management solutions as well as wealth management solutions across the Caribbean, sits at the intersection of these "once-in-a-generation" shocks. The region counts on us to help withstand these shocks and manage these risks — and that is the opportunity for your "wonderful company".

Your management team has navigated the challenges. For the pre-pandemic 2019 financial year, your company reported Profit Attributable to owners of the Company of $692 million and ended with Net Equity of $4.0 billion. Post-pandemic and following the IFRS 17 implementation, for the 2022 financial year, your company reported Profit Attributable to owners of the Company of $472 million and ended the year with Net Equity of $2.9 billion, declines of 32% and 27%, respectively.

When the world changes, "wonderful companies" adapt. We made difficult but necessary changes. Execution has not been easy or perfect, but the results tell the story. For the 2024 financial year, we reported Profit Attributable to owners of $850 million and ended with Net Equity of $4.6 billion — increases of 80% and 58%, respectively, versus 2022 (23% and 16%, respectively, versus 2019). In other words, we have not only recovered from the "bottom", we have recovered past pre-pandemic and pre-IFRS 17 levels.

In recognition of these strong results, I am pleased to announce a final dividend of TT$0.57 cents per share for our valued shareholders.

Robert Almeida

CHAIRMAN



We have withstood the shocks and now must seize the opportunities ahead. The region needs more effective solutions to manage risks and build wealth – that is the business of Guardian Group. The region also needs to attract capital — Guardian Group must lead on that front as well. Success will require us to:

1. Provide the most effective and efficient risk and wealth management solutions; and
2. Be an attractive investment opportunity to global investors.

We will continue our focus on efficiency, especially given advancements in digital technology and artificial intelligence, to provide globally cost-effective solutions to our clients and globally attractive returns to our investors. Our aspiration is to be as attractive to global investors as Apple or Berkshire Hathaway. Implicit in that aspiration is that our employees will be globally employable, and our customers will receive globally competitive risk and wealth management solutions.

We invite you to join us at the Annual General Meeting on 12th May, 2025, at the Guardian Group Corporate Centre — either in person or via our live webcast — as we continue the next chapter in your "wonderful company's" journey.

On behalf of the Board of Directors, I thank you for the trust and confidence you have placed in us. We understand the great responsibility that comes with this trust and commit to doing our best to steward your "wonderful company" and realise these aspirations.

Our Vision, Guided by You.

CEO's STATEMENT

Dear Valued Stakeholders,

As we reflect on 2024, it is with great pride that I share the story of a truly remarkable year for our organisation, a year defined by resilience, growth and strategic progress. Against the backdrop of challenges such as Hurricane Beryl, we demonstrated our ability to adapt, innovate and thrive, achieving strong financial performance and operational excellence by weathering and overcoming these challenges, capitalising on our inherent strengths such as our engaged salesforce and leveraging our strong relationships with reinsurers to effectively optimise our costs to unlock greater value.

I am proud to share the remarkable progress we have made in our strategic journey that began in 2022, when we outlined our five-year vision through three strategic horizons:

- Horizon 1 focused on perfecting and protecting our core operations by modernising our technological infrastructure and implementing best-in-class processes;
- Horizon 2 aimed at accelerating growth in our existing businesses through innovation and market expansion; and
- Horizon 3 envisioned pursuing the next "S-curve" of growth by exploring new industry and geographical boundaries.

In 2024, we continued to make significant strides towards achieving our goals for each horizon, which has positioned us well for sustainable growth and long-term value creation for our stakeholders.



Ian Chinapoo

GROUP CHIEF EXECUTIVE OFFICER / EXECUTIVE DIRECTOR

Enhancing Efficiency and Capital Management

In the past year, our commitment to operational excellence resulted in streamlined processes, reduced costs and improved service delivery. The Life, Health and Pension segment achieved a considerable reduction in claims turnaround times in Q4 2024, driven by automation enhancements and in the Property & Casualty segment, electronically signed certificates were introduced, offering greater convenience to our customers and contributing to our ambition of going paperless.

Additionally, we have made significant investments in the design and implementation of corporate governance infrastructure to strengthen capital efficiency and optimisation. These measures include strengthening our Group Treasury and Investor Relations functions and establishing active Group Asset Liability and Capital Management Executive Committees. When combined with our investment in our Group Programme Management Office, we have strengthened our strategic execution capabilities, enabling us to allocate and leverage all our resources more effectively and achieve sustainable growth across the enterprise. We continue to build confidence in our robust and ever-evolving governance infrastructure, underpinned by best-in-class policies and practices. This commitment, coupled with a sharper focus on disciplined execution of our strategic priorities, ensures that we remain agile, accountable and well-positioned to deliver sustainable growth and long-term value for our stakeholders.

Divesting Thoma

One key strategic capital action undertaken in 2024 was to divest our insurance brokerage business in the Netherlands, Thoma Exploitatie B.V. ("Thoma"). The decision to divest Thoma was driven by our strategic focus on refining our core operations and enhancing shareholder value. While Thoma had been a valued and successful part of our business, we recognised that its sale would enable us to streamline operations and better allocate resources toward high growth opportunities. The transaction was conducted through a closed sale process and aligned with Guardian Group's broader strategy of optimising capital efficiency and our decision to invest in areas where we can deliver the most impact. The sale to PIB Group Limited (PIB Group) marked the beginning of a new chapter for Thoma, while allowing Guardian Group to record a significant gain on sale from the transaction. This will be more fully disclosed in our Q1 2025 financial statements publication.

Despite the divestiture of Thoma, our commitment to growth in the Dutch market remains steadfast. We will continue to expand our presence in the region through Guardian Group Netherlands and our strategic partnership with PIB Group. This collaboration ensures that we remain well-positioned to serve clients in the Netherlands while leveraging PIB's expertise and resources to enhance service delivery. By strengthening our core insurance operations in the Netherlands, we aim to drive sustainable growth while maintaining resilience in an evolving market landscape.

Innovating Our Product Offerings

In 2024, we continued to push the boundaries of innovation in our product offerings, ensuring that we meet the evolving needs of our diverse customer base. A standout achievement was the launch of GuardianLink, an online portal in Jamaica that allows customers to purchase life insurance plans digitally. Additionally, our partnership with the Ministry of Culture, Gender, Entertainment and Sports led to the introduction of the Jamaica Entertainers and Creatives Insurance Plan, providing tailored coverage for the creative sector in that market and allowing for greater financial inclusion in a previously underserved market. Work also advanced in the development of other innovative products to be launched in 2025, including expanding the Entertainers and Creatives Insurance Plan to other markets across our culturally diverse and expressive region. These solutions underscore our commitment to inclusivity and our mission to extend financial protection to all segments of society, ensuring that we remain at the forefront of the industry.

Committing to Environmental, Social and Governance (ESG) Principles

Guardian Group reinforced its commitment to Environmental, Social and Governance (ESG) principles in 2024, integrating sustainability and corporate responsibility into the core of our operations. We appointed a Vice President of ESG to drive greater focus and accountability in this critical area, strengthening our ESG governance structure and embedding ESG thinking across our operations. Our efforts included taking steps to align with internationally recognised ESG and sustainability reporting frameworks, such as the IFRS Sustainability Disclosure Standards. Our environmental initiatives focused on further integration of climate risk mitigation strategies into our reinsurance and underwriting activities. This included advancing the development of our parametric products which provide rapid financial relief in the wake of climate-related disasters for targeted underserved groups including farmers and fisherfolk. Socially, we expanded our microinsurance offerings

to reach more underserved communities. Throughout the year, we also continued to foster strong stakeholder engagement. We invested in meaningful interactions with our community, our customers and our own employees, recognising these key stakeholders in our sustainability journey. By involving staff in volunteer initiatives and social impact activities, we reinforced a shared sense of purpose while deepening our community partnerships and reinforcing our commitment to inclusive and sustainable development. Governance improvements included enhanced data protection measures and compliance with new regulations. These initiatives underscore our dedication to creating lasting value for our stakeholders and ensuring that sustainability is at the heart of how we do business.

Delivering Strong Financial Performance

Guardian Group has continued to demonstrate robust year-on-year financial performance. We have brought extreme focus to growing our core businesses, investing our time and financial resources into activities that have the greatest impact on customer experience and financial return for 2024 and the years to come. Our financial result for the year is evidence of our core business growth, showcasing the Group's resilience and ability to navigate a dynamic economic environment, while aggressively pursuing strategic objectives, embracing challenges and opportunities as and when they arise.

- Our total revenue for the year reached TT$8.1 billion, representing an 8% increase from TT$7.5 billion in 2023. This growth was driven by strong performance across all business segments, including Life, Health & Pension, Property & Casualty and Asset Management. Specifically, our insurance revenue amounted to TT$5.9 billion, while investment income totalled TT$1.4 billion.

- Despite inflationary pressures on our operating cost structures and increased expenditure to support commercial activities, we successfully contained current year expenses to only a 2% increase over the prior year.

- We achieved a profit attributable to equity holders of TT$850 million, up from TT$645 million in 2023.

- Earnings per share (EPS) for the year increased to TT$3.66 from TT$2.78 in 2023.

- Our Return on Equity (ROE) for 2024 increased from 19% in 2023 to 20% in 2024.

We remain committed to delivering strong financial performance and creating long-term value for our shareholders, customers and communities.

Building Our People and Our Communities

In 2024, Guardian Group deepened its commitment to corporate social responsibility through a dynamic range of programmes that promoted health and wellness, academic development, leadership development and innovation, while uplifting communities across the region. Signature initiatives such as the SHINE 5K and 10K Charity Walk and Run in Trinidad and Tobago, which raised over TT$500,000 for children's charities, and the expansive My Guardian Group Walk & Run in the Dutch Caribbean under the theme "Going the XMILE" with 10,000 participants, exemplify how we continue to harness the power of community for good. We also reaffirmed our dedication to the fight against cancer through events such as Walk for the Cure in Barbados and contributions to cervical cancer research in Jamaica, while promoting early detection and public awareness.

Beyond health and wellness, Guardian Group made lasting contributions to academic development and innovation. From our strategic support of youth training initiatives and the National Secondary School Entrepreneurship Competition in Trinidad and Tobago, to scholarships, literacy campaigns and Read Across Jamaica Day, we demonstrated our unwavering belief in the power of education to drive transformation. In Jamaica, Guardian Life Limited marked its 25th anniversary by hosting the Guardian Group Foundation Scholarship and Grant Awards, honouring top-performing students who completed their Primary Exit Profile (PEP) and high school graduates entering tertiary institutions. The programme continues to provide national scholarships and grants for the children of policyholders and employees. Volunteerism was also at the heart of our efforts, with impactful initiatives such as our National Day of Caring contributions in Trinidad and Tobago, Labour Day activities across Jamaica, coastal clean-ups and widespread hurricane relief following Hurricane Beryl through regional support. Our beloved Shoebox Project, celebrated under the theme "A Season of Smiles - Your Small Gift, Their Big Smiles," brought holiday cheer to over 1,000 children regionally, reinforcing the core value that drives us. These acts of care and compassion reflect the spirit that drives us forward—putting people first. Our story continues with you, as we remain committed to making a lasting, positive impact in every community we serve.

Guardian Group also prioritised employee engagement and satisfaction, continuing our efforts to create a generative culture that values collaboration and innovation. We implemented various staff engagement activities, including appreciation days and wellness initiatives. Notable HR initiatives included leadership training programmes such as the ExecOnline Leadership Development Programme, as well as technical and product training to support customer retention and new business sales. Employee engagement activities remained a priority, providing ongoing opportunities to address employee concerns, enhancing the work environment and promoting overall employee well-being. These efforts reflect our dedication to improving our employee experience as we continue to invest in our motivated, high-performing team.

Our Strategic Outlook and Direction

Guardian Group's strategic outlook focuses on embracing an enterprise owners' mindset, protecting our core businesses and pursuing our opportunities for growth to ensure we provide a globally attractive return to investors. As we navigate 2025 and beyond, Guardian Group remains steadfast in its mission to foster peace of mind through innovative products and exceptional service. With Horizon 1 and Horizon 3 having already been addressed at many levels, we are now intensely working on Horizon 2, accelerating growth through innovation and market expansion, positioning us to unlock even greater opportunities for our stakeholders.

For our Life and Health business, key initiatives include improving the quality of our investment income (within our risk appetite), enhancing sales force effectiveness, refining product offerings, improving customer experience and diversifying revenue streams. We will continue to address the Caribbean's under-insurance challenge by raising awareness and empowering individuals with financial protection. In terms of our Pension business, the mandatory general pension scheme in the Dutch Caribbean continues to present growth opportunities for Guardian Group. We are focused on building assets under management, engaging clients with tailored solutions and supporting long-term financial security for retirees there as well as across the region. Our strategy for Property

and Casualty leverages our reinsurance capacity and our technology-driven innovation. Investments in automation, predictive analytics and artificial intelligence will enhance operational efficiencies, customer satisfaction and geographic reach. In terms of Financial Services, we remain focused on client engagement, digitalisation, product optimisation, third-party business expansion, merchant banking growth and relationship-building.

Whilst we already see significant volatility and uncertainty in the global markets to date in 2025, Guardian Group will remain focused on our core drivers for success, prioritising operational excellence across all business segments while deepening our commitment to innovation. Our re-imagined business operating practices will drive performance across all segments, including expanding digital capabilities for improved customer engagement; leveraging data analytics for personalised insurance solutions; strengthening regional partnerships; and developing tailored solutions aligned with regulatory requirements. By focusing on innovation alongside disciplined strategy execution, while leveraging key achievements from 2024, we are confident in inspiring excitement among stakeholders as we unlock new opportunities for sustainable growth.

Addressing our shareholders, Guardian Group's ultimate strategic end game, to grow your "wonderful company" as shared by the Chairman, is clear: to grow distributable earnings predictably and sustainably, enabling a progressive dividend policy that reflects both performance and prudence. So, how will we win?

1. **Underwriting Discipline is Our First Line of Offence**
   We are laser-focused on underwriting profitability—not just growth for growth's sake. Across both life and non-life segments, we have tightened underwriting standards, repriced under-performing lines, and exited volatile segments where risk-adjusted returns no longer stack up. Loss ratios are improving and technical margins are expanding—right where we want them.

2. **Expense Efficiency and Digital Enablement**
   We recognise that the best margin improvement is often the least glamorous: process simplification and cost containment. We are leveraging automation and straight-through processing to lower expense ratios. These savings flow directly into improved distributable earnings, compounding annually.

3. **Investment Income: Making Every Basis Point Count**
   We must ensure our asset-liability matching is tightly coupled and our investment portfolio is positioned to capitalise on higher interest rates without stretching for yield. We are reallocating toward higher-quality fixed income with stable carry, tactically increasing allocation to alternative assets where risk-adjusted returns justify it. The result: a more resilient income stream that supports both earnings and capital.

4. **Optimising Capital—Not Just Preserving It**
   We are managing our capital with precision through our Capital Warehouse. Through reinsurance optimisation, improved product mix and proactive risk transfer, we are in the process of releasing capital to reinvest in growth and return to shareholders. We are also strengthening our solvency position, giving us room to absorb shocks and grow dividends sustainably.

5. A Clear Dividend Philosophy
   Our dividend strategy must reflect both earnings capacity and capital strength. We aim to maintain a payout ratio that rewards shareholders while retaining flexibility for reinvestment. As distributable earnings grow, so too will the dividend—measured, progressive and backed by fundamentals.

Looking Forward

Insurance is a long game and we are playing it to win. Our focus is unshakable:

- Drive profitable underwriting and lower volatility.
- Maximise risk-adjusted investment income.
- Enhance capital efficiency and return metrics.
- Translate that into predictable, growing dividends for our shareholders.

You can expect clear communication, deliberate execution and a dividend policy you can trust—not just for this year, but for the years ahead.

Thank You

Once again, I offer sincere thanks to those who stand with Guardian Group. To our customers and shareholders, please know that the Guardian team values your trust, loyalty and advocacy over the years. You always encourage us to search for the next level of performance, whatever the challenges. To all Guardian team members, your phenomenal efforts and dedication in contributing your time and skills to serve our customers are inspiring and humbly appreciated. To our parent and subsidiary board directors as well as our regulatory partners, your steadfast engagement, wisdom and guidance to our management teams are truly valued and respected. We have benefitted from your vast experience and knowledge, putting us on solid ground as we continue this journey of sustained growth, innovation and shared prosperity. Together we look forward to building a brighter future for our clients across all regions we serve.


Together,
we protect
what matters

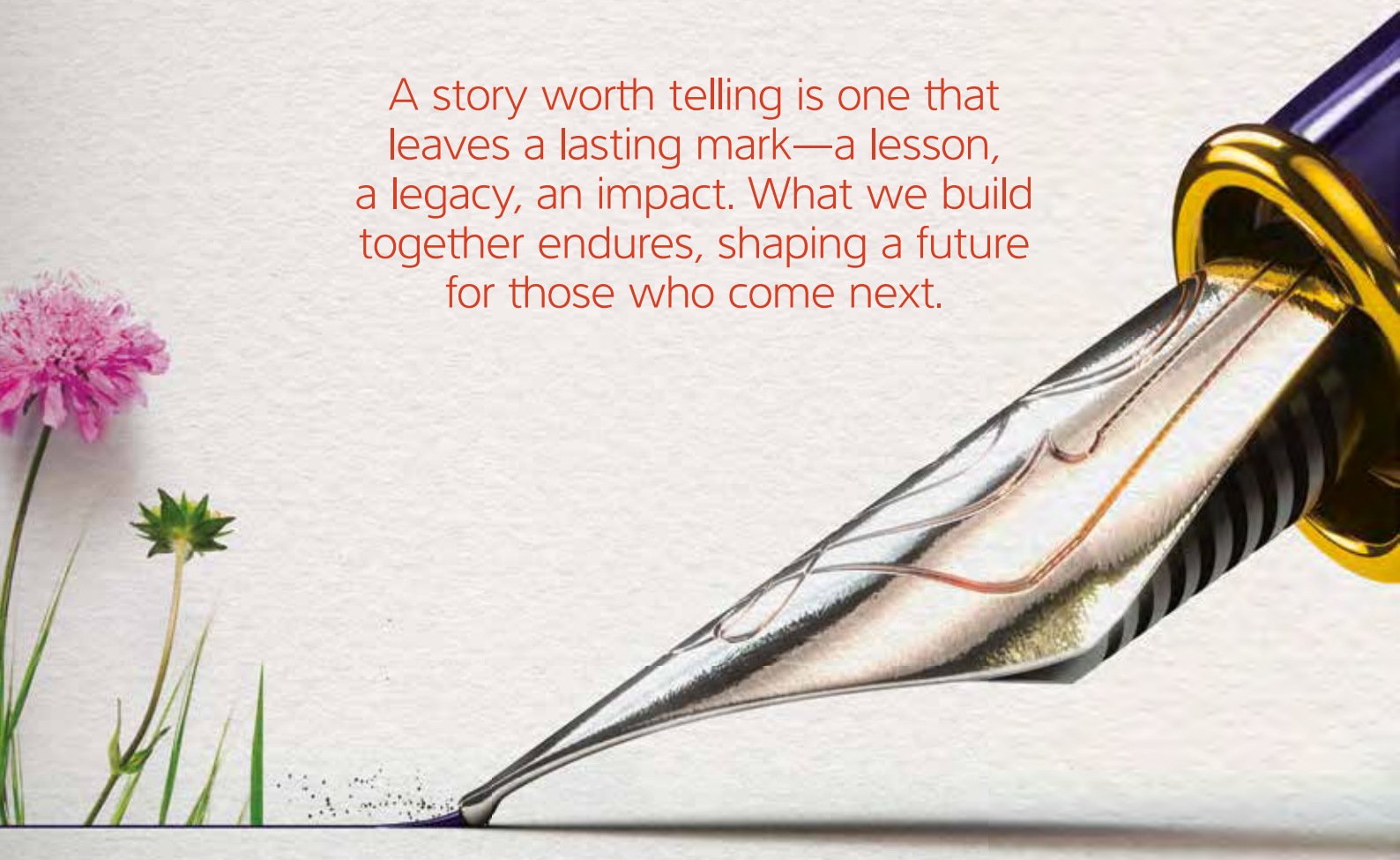


Chapter 1

ESG

Writing a Safe and Sustainable Future With You

A story worth telling is one that leaves a lasting mark—a lesson, a legacy, an impact. What we build together endures, shaping a future for those who come next.



Making ESG who we are at Guardian Group

At Guardian Group, managing risk goes beyond financial stability and making profits. For us, it is also about the well-being of our people and our planet, creating lasting value for our employees, shareholders, customers and communities.

As a leading insurer and asset manager, we understand the undeniable connection between a resilient Environment, a thriving Society and strong Governance. We aim to take it beyond just a framework and firmly establish Environmental, Social and Governance (ESG) principles within our DNA. In 2024 we continued to "Make ESG Who We Are" and deepened our commitment by appointing a Vice President, ESG. The newly created role is designed to drive greater focus and accountability in this critical area and is expected to strengthen our ESG structure and embed ESG thinking across our operations. By making ESG who we are, we are shaping a future for our Group that aligns with the evolving needs of our stakeholders and the world we all share.

In 2024, the Group's ESG Committee, chaired by the Group CFO and supported by the VP, ESG, continued implementing its ESG plan. This cross-functional committee, comprising executive and senior management from across the Group, reports to the GHL Board and is overseen by the Group CEO.

In June 2024, the members of the ESG Committee along with Guardian Group Executives participated in ESG training led by representatives from the United Nations. The session was aimed at strengthening ESG understanding and focused on key ESG fundamentals and the strategic importance of ESG, particularly in the context of the Insurance/Financial Services industry.



Sustainability lies at the intersection of Innovation and Responsibility

ESG Reporting

As we look ahead to 2025, we acknowledge and embrace opportunities to align the Group with internationally recognised ESG and sustainability reporting frameworks. While we are still in the early stages of a formalised ESG management approach, we have already taken meaningful steps to be aligned with the IFRS Sustainability Disclosure Standards developed by the International Sustainability Standards Board (ISSB)—specifically, IFRS S1 (General Requirements for Disclosure of Sustainability-Related Financial Information) and IFRS S2 (Climate-Related Disclosures).



Double Materiality Assessment

With the support of ESG consultants, we will conduct a Double Materiality Assessment (DMA) in 2025. The DMA is a process that involves an assessment of critical sustainability issues from two perspectives:

1. Financial Materiality – How sustainability factors (e.g., climate change, social issues, transition requirements etc.) impact the Group's financial performance, risks and opportunities.
2. Impact Materiality – How the Group's activities affect the environment, society, and stakeholders.

While The ISSB's IFRS Sustainability Disclosure Standards (IFRS S1 & S2) primarily focus on financial materiality, the Corporate Sustainability Reporting Directive (CSRD) requires companies to adopt a double materiality perspective, incorporating both financial and impact materiality considerations. As a Group with operations across multiple jurisdictions, Guardian Group will opt to consider both frameworks as we move forward in our ESG journey.

Guardian Group Netherlands & Corporate Sustainability Reporting Directive (CSRD)

With operations domiciled in the EU, our Guardian Group Netherlands (GGNL) entity must comply with EU regulations, including sustainability reporting. In 2024, GGNL met the existing CSRD compliance and reporting thresholds. The DMA process began in Q4 2024, with a final list of agreed-upon topics expected by Q2 2025.



Environmental Stewardship: Our Commitment to a Greener Future

Managing Climate Risks

Climate change continues to play a significant role in the increasing frequency and intensity of natural disasters around the world. The Caribbean region in particular, is vulnerable to hurricanes, floods and rising sea levels, all of which have devastating effects on life and property. As an insurer and asset manager, the Group plays an important role in advancing climate risk mitigation and adaptation efforts that can lead to improved recovery and enhance financial stability.

The Group must consistently evaluate the risks related to extreme weather events to ensure adequate product coverage, pricing and reinsurance protection. In 2024, we continued to leverage advanced data analytics to better understand and mitigate the impact of these risks on our portfolio and clients.

The Group's Property and Casualty (P&C) line of business monitors climate risk and its corresponding impacts. The P&C climate risk assessment involves collating our entire database of insured risks across our regional geographic footprint. Our portfolio is then stress-tested, using advanced scientific risk models that simulate hundreds of thousands of scenario combinations of hurricane and flood events that can potentially impact insured clients. The simulations also cater for situations where the frequency and severity of these events increase over time due to climate change, allowing the business to better predict how portfolios may be impacted in the future. The output of this quantitative climate risk assessment is reviewed to ensure that it falls within accepted risk limits. The assessment is then used as the basis for reinsurance coverage, thereby ensuring that the Group's own reinsurance protection is adequate.

Our P&C underwriting teams across the various territories also actively work with policyholders and support industry-wide efforts to educate clients on how they can protect their insured assets against severe weather events. A significant part of this initiative includes educating the public on sum-insured adequacy, especially at annual renewals, as well as during the seasons of increased severe weather activity. Educational campaigns are also utilised to provide tips and suggestions on hurricane preparedness, circulated at the start of each hurricane season.

Integrating ESG within Product Design – Environmental

We feel strongly about integrating ESG principles into all aspects of our business, including the design of our products.

In 2024, we concentrated on progressing our parametric insurance product, as illustrated below. The incorporation of social principles in product design is further detailed in the Social section of this Report.

Looking ahead to 2025, we plan to identify and pursue opportunities to deepen ESG integration within our product design process. Our objective is to ensure that our offerings not only respond to the changing needs of our customers but also actively support climate resilience, promote financial inclusion, and uphold strong standards of ethical risk management.

Parametric Product

One of the avenues the Group has explored as part of its climate adaptation methods is a parametric product, where payouts are triggered by predefined, weather-related parameters (e.g. a certain level of rainfall or wind speed) rather than by assessing actual losses and where payouts are made regardless of the occurrence of damage. The result is faster claims payouts and more simplified claims processing, allowing for more timely support and expediency of service delivery.

In 2022, our P&C business joined the Climate Risk Adaptation and Insurance in the Caribbean (CRAIC) project team to enhance parametric insurance/micro-insurance in the Caribbean. Since then, we have developed a parametric product that will soon be available to customers and is specially geared towards the more vulnerable in society. The initial target market includes fisherfolk, farmers and produce vendors. In Q4 of 2024, discussions were also held with key external parties and potential partners to explore opportunities for increased market penetration and to broaden opportunities for these underserved client groups. The aim is to facilitate greater financial inclusion while helping these vulnerable groups to build resilience and sustain their livelihoods in the face of climate change.

Submissions for product approvals were made to regulators across five territories including Jamaica, St. Lucia, Belize, Grenada and Trinidad and Tobago. So far, approval was received from the Jamaican and St. Lucian regulators. The intent is to make the product available in all territories where Guardian General has a presence.

Reducing Our Footprint – Minimising Impact, Maximising Sustainability

The Group has recognised the need to reduce our environmental footprint and operate more sustainably. Through digital transformation, waste reduction initiatives, enhanced energy efficiency and the adoption of greener practices, we have set out to drive meaningful change.

In March 2024, the Group ESG Committee kick-started the Plastics & Waste Reduction Working Group, which undertook the following activities:



Global Recycling Day

In March 2024, the Group recognised Global Recycling Day, a worldwide initiative aimed at raising awareness about the importance of recycling and promoting sustainable waste management practices. Employees were reminded of the importance of reducing, reusing and recycling and once again encouraged to use the recycling bins available to staff. Staff also had the opportunity to interact with various local businesses that were on-site at the Group's head office in Westmoorings, Trinidad and Tobago, showcasing their products and shedding light on how they embrace sustainability and have integrated recycling into their business models.



World Environment Day

In June 2024, the Group marked World Environment Day by distributing 350+ tree seedlings across our Trinidad and Tobago and Jamaica locations to promote reforestation and sustainable land use.



International Coastal Clean-Up & World Clean-Up Day

Guardian Group employees in Trinidad and Tobago and Curaçao collected over 500 pounds of garbage, made up of plastics, glass and miscellaneous waste. In Trinidad and Tobago, our team joined the Institute of Marine Affairs as part of the International Coastal Clean-Up Initiative to clean up Hart's Cut Bay in Chaguaramas while in Curaçao, our team participated in World Clean-Up Day efforts, organised by the Curaçao Clean-Up Foundation.



Reducing Our Footprint – Minimising Impact, Maximising Sustainability (continued)



In 2024, FATUM also began greening its fleet with the purchase of an electric vehicle (EV) for delivery and messenger purposes. Investments in EVs are part of our climate risk mitigation efforts and promote the transition to green energy in the public space.





The Group also continued with the installation of solar panels in the Dutch Caribbean, with an investment to date totalling approximately US$148,000. The solar panels generate approximately 9,500 kWh per month, with an estimated savings of US$74,000 per year, decreasing reliance on the national grid while reducing the Group's environmental footprint and lowering the Group's operational costs.

OUR SOCIAL RESPONSIBILITY

PEOPLE PARTNERSHIP AND PURPOSE





In Honour, In Hope

Guardian Group
wears Pink for a Purpose across the region



GUARDIANS
WEARING PINK
ON FRIDAYS
IN OCTOBER.

Throughout October, Guardian Group once again united across the region in recognition of **Breast Cancer Awareness Month.**

In a collective show of support, we honoured the fighters, celebrated the survivors and remembered those we have lost to the disease.

Every Friday, employees across all territories proudly wore pink as a visible symbol of solidarity – raising awareness and reinforcing the importance of early detection and preventative care. This meaningful annual initiative continues to bring our teams together, shining a light on the strength, resilience and hope that define the fight against breast cancer.



CHAMPIONING THE

Fight against Cancer



Guardian Life of The Caribbean Limited

proudly reaffirmed its commitment to the fight against cancer by once again partnering with the Barbados Cancer Society (BCS) as a gold-tier sponsor of the 2024 Walk For The Cure.

Guardian Life actively participated in the event by hosting an information booth, where they engaged with participants to raise awareness about the importance of life insurance, particularly in offering protection against critical illnesses like cancer. Their focus was on educating attendees about the value of having the right coverage to safeguard their health and financial well-being during challenging times.

SUPPORTING

Cervical Cancer Research

Guardian General Insurance Jamaica Limited's contribution to the Jamaica Cancer Society



JCS Executive Director (Ag.) Michael Leslie receives the cheque from GGJ President Karen Bhoorasingh.

Guardian General Insurance Jamaica Limited proudly donated J$1.8 million to the Jamaica Cancer Society (JCS) in support of cervical cancer research.

The funds were raised through the sale of QueenGuard policies in 2023, with J$1,000 from each policy pledged towards cervical cancer prevention and care.

Since its launch in 2019, QueenGuard, a policy designed specifically for female drivers, has enabled Guardian General to contribute over J$3 million to the JCS for cervical cancer research. This initiative reflects our ongoing commitment to supporting vital health initiatives and making a meaningful impact in the fight against cancer.

SUPPORTING Children's Charities THROUGH SHINE 5K & 10K

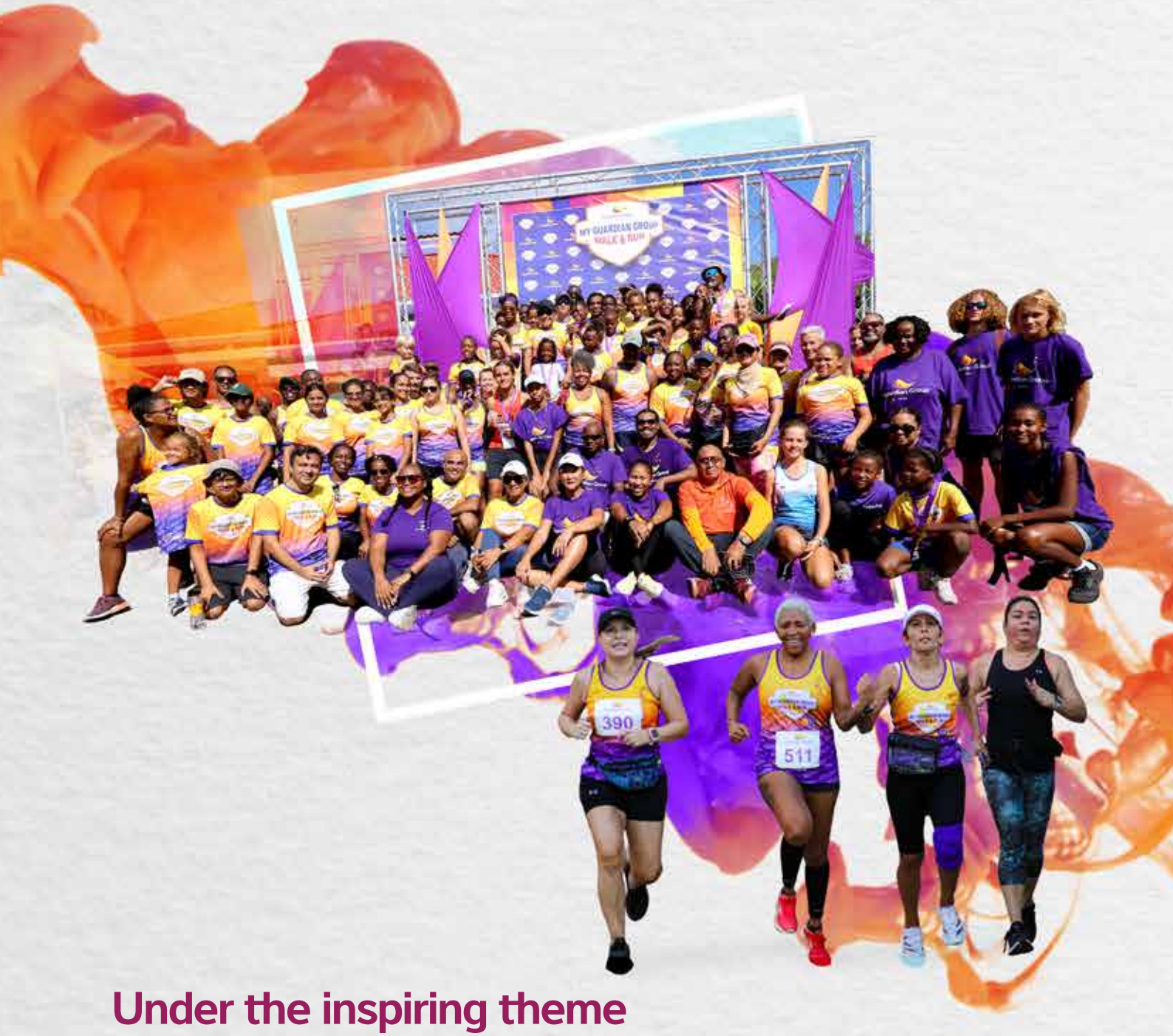


Guardian Group's SHINE 5K and 10K Charity Walk and Run continued to serve as a meaningful expression of our commitment to social responsibility.

The event attracted over 5,000 participants, who showed unwavering support despite challenging weather conditions. Through their collective efforts, more than TT$500,000 was raised in aid of children's charities across Trinidad and Tobago.



These funds directly support programmes focused on improving the well-being and future prospects of vulnerable children. The event's success was made possible through the generous support of our corporate sponsors, community partners, and dedicated participants. Their continued involvement underscores the shared commitment to making a positive and lasting impact in the lives of children and families throughout the region.



Under the inspiring theme "Going the XMILE", the Guardian Group Foundation brought together approximately 10,000 participants across Aruba, Bonaire, Curaçao, and Sint Maarten.

Promoting Health and Wellness Across the

Dutch Caribbean

Guardian Group Dutch Caribbean hosted its largest annual event, uniting communities across all Dutch Caribbean islands through movement and health awareness.

Participants walked, ran and celebrated the importance of healthy living, community connection and wellness. This flagship event continues to reflect our commitment to fostering healthier, stronger communities throughout the Dutch Caribbean islands.





Group Head, Marketing and Communication, Ayesha Boucaud-Claxton (second from left) and Senior Manager Group Marketing and Communication, Tricia Clarke (second from right), distribute football and basketball gear to Police Youth Clubs. PC Emmanuel Nurse of Hearts and Minds (third from left) and sports broadcaster and former Trinidad and Tobago national goalkeeper, Shaka Hislop (third from right), were also present.

PROMOTING HEALTH AND WELLNESS THROUGH SPORT

As part of our commitment to youth development and community engagement, Guardian Group proudly partnered with former Trinidad and Tobago national goalkeeper and renowned sports broadcaster Shaka Hislop, to support the next generation of athletes through sport.

In partnership with Shaka Hislop's U.S.-based Second Half Sports Foundation, Guardian Group facilitated the shipment and donation of lightly used sports gear from U.S. Clubs to the Trinidad and Tobago's Police Service's Hearts and Minds Community Outreach Programme. This initiative reached youth in underserved communities across the nation, providing access to resources that help unlock their potential.

The Hearts and Minds programme offers young people opportunities to participate in positive, enriching activities that foster teamwork, discipline and personal growth, while promoting success both on and off the field. Guardian Group remains committed to initiatives that create meaningful impact and strengthen the communities we serve.

Guardian General proudly sponsored the second-place prize of TT$10,000 in the Bournes Road Community Small Goal Football Competition – a vibrant display of community spirit and sporting talent.

The competition saw a surge in participation, with more teams taking to the field and showcasing exceptional skill, teamwork and passion for the game. Guardian General remains committed to supporting initiatives that foster youth development, community engagement and the positive impact of sport.



The top tier teams face off at the finals – Team Basic and Just for Youths.



Branch Manager at Guardian Life of The Caribbean Limited, Amado Marcano (left), solidified the Youth Tournament partnership with BFA General Secretary Ashley Scott-Williams.

The 2024 BFA Guardian Group Youth Football Tournament

As part of our ongoing commitment to fostering youth development. Guardian Life of The Caribbean Limited proudly supported the Barbados Football Association (BFA) by providing financial assistance for the 2024 BFA Guardian Group Youth Football Tournament.

The tournament featured a series of competitive matches across the Under-9 to Under-17 categories, showcasing the talent and potential of young footballers. Guardian Life's sponsorship underscores our dedication to the development of the next generation of athletes, ensuring that they have the opportunities to thrive and succeed.

PROMOTING

Active Living

Guardian General and BAMSAC support seniors at the Pennsylvania Games





Guardian General Insurance Limited's Team Leader Cheryl St. Hill presents a cheque to her colleague Judy Anne Mascoll.

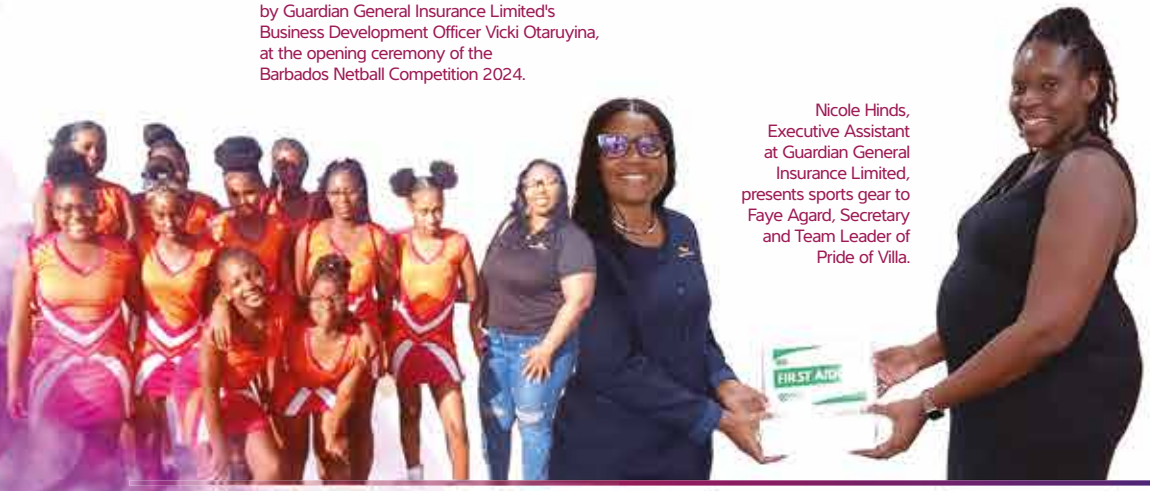
Guardian General Insurance Limited was proud to support the Barbados Masters and Seniors Athletic Club (BAMSAC) as they represented Barbados at the Pennsylvania Senior Games in the USA in July 2024.

Among the athletes was Judy Anne Mascoll, an Office Assistant at Guardian General, who showcased exceptional talent and dedication during the competition. Her performance not only brought pride to her country but also reflected positively on Guardian General, embodying the values of excellence and commitment that we uphold as a company.

SUPPORTING

Community and Empowerment

Guardian General Insurance Limited and the Pride of Villa Netball team



The Pride of Villa Junior Team, accompanied by Guardian General Insurance Limited's Business Development Officer Vicki Otaruyina, at the opening ceremony of the Barbados Netball Competition 2024.

Nicole Hinds, Executive Assistant at Guardian General Insurance Limited, presents sports gear to Faye Agard, Secretary and Team Leader of Pride of Villa.

Guardian General Insurance Limited is proud to celebrate a 27-year legacy of supporting the Pride of Villa Netball Team, a community-based team from the district of Brittons Hill. Founded with the vision of providing young women with a positive outlet to discover and develop their talents through sport, the team has become an integral part of the community.

Our long-standing partnership reflects our ongoing commitment to empowering individuals and promoting health and wellness through sport, ensuring that young women have the opportunity to excel and contribute to their communities.

Championing Community Wellness

GUARDIAN GENERAL (OECS) PROMOTES

Health, Recovery and Youth Development in Grenada

Guardian General Insurance (OECS) Limited

reaffirmed its commitment to health and wellness in Grenada through two meaningful initiatives that focused on preventative care, recovery and youth development.



Left to Right: Mr. Ronald Hughes, Chairman of The Board at Guardian General Insurance (OECS) Limited (far left), in the company of other corporate benefactors at the official presentation of the cheque towards the rehabilitation of the Carlton Home.

Now in the third year of a three-year Memorandum of Understanding (MOU), Guardian General Insurance (OECS) Limited continued its impactful partnership with the Grenada Co-operative Bank Limited (GCBL), providing financial support to several charitable initiatives. Central to this collaboration was the re-establishment of the Carlton Home — Grenada's only treatment facility for substance abuse — offering a lifeline for individuals on the path to recovery and reintegration.

Further strengthening community ties, Guardian General Insurance (OECS) Limited team members actively participated in GCBL's annual 'Pump It Up' fun walk. Alongside thousands of Grenadians, they helped raise vital funds and awareness for health-related causes, reinforcing Guardian General's advocacy for preventative care and active lifestyles.

In parallel, Guardian General Insurance (OECS) Limited proudly co-sponsored the 14th Annual Waggy T. Super Knockout Football Tournament — its thirteenth year of continuous support for this major sporting event. The tournament not only nurtures young football talent but also serves as a powerful platform for promoting physical well-being and encouraging healthy lifestyle practices among youth.

Together, these initiatives reflect Guardian General's ongoing dedication to empowering communities through health-focused partnerships, reinforcing the belief that well-being — whether through recovery or recreation — is essential to living easy.



Left to Right: Tournament officials with Guardian General Insurance (OECS) Limited's Managing Director Nigel Adams (seated far left) and Wayne 'Waggy T.' Redhead, Managing Director of MegaForce Pomotions and visionary of the tournament (seated centre).

Guardian Group's Disaster Relief Efforts

Supporting Communities Affected by Hurricane Beryl



Ayesha Boucaud-Claxton makes a presentation to Bronia Lyder, Purchasing Manager, Living Waters Community. In the background are relief items donated by Guardian Group's employees.

When Hurricane Beryl left a trail of devastation across the Caribbean, Guardian Group responded swiftly to support affected communities in Jamaica, Grenada, and Carriacou. Through our partnerships with the N.C.B. Foundation in Jamaica and the Living Waters Community in Trinidad and Tobago, we provided financial and material aid to assist with recovery efforts, reaffirming our commitment to standing with our communities in times of crisis.

In addition to corporate support, Guardian Group employees in Trinidad and Tobago came together to donate essential supplies, including water, cleaning products, baby goods and non-perishable food items. This collective effort showcased the power of compassion, demonstrating how, even in the face of adversity, our teams remain dedicated to making a tangible difference in the lives of those in need.

At Guardian Group, we recognise that resilience is built through solidarity and support, and we remain committed to helping communities recover and rebuild in the wake of natural disasters.

Guardian Group supports United Way's National Day of Caring



Demonstrating our continued commitment to community development and corporate social responsibility, Guardian Group employees proudly participated in United Way's National Day of Caring (NDOC) 2024.



Our team focused on enhancing the learning environment at Maraval R.C. Primary School in Trinidad and Tobago. Approximately thirty volunteers dedicated their time and skills to renovating the school's music and staff rooms, creating more functional and inspiring spaces for both students and teachers.

Through this initiative, Guardian Group continues to support education and community upliftment, reaffirming our belief in the power of volunteerism to create meaningful and lasting impact.





CHAMPIONING Environmental Sustainability

International Coastal Clean-Up Day

As part of our commitment to environmental sustainability, Guardian Group proudly joined the Institute of Marine Affairs to observe International Coastal Clean-up Day 2024 at Hart's Cut Bay, Chaguaramas.



Over **50 Guardian Group employees** volunteered their time and effort to collect **531 pounds of waste**, including plastics, glass and other debris, from the coastline. This initiative reflects our ongoing dedication to protecting our natural resources and preserving the environment for future generations.



Through efforts like these, Guardian Group remains committed to creating cleaner, healthier spaces that enrich our communities and contribute to a more sustainable future.



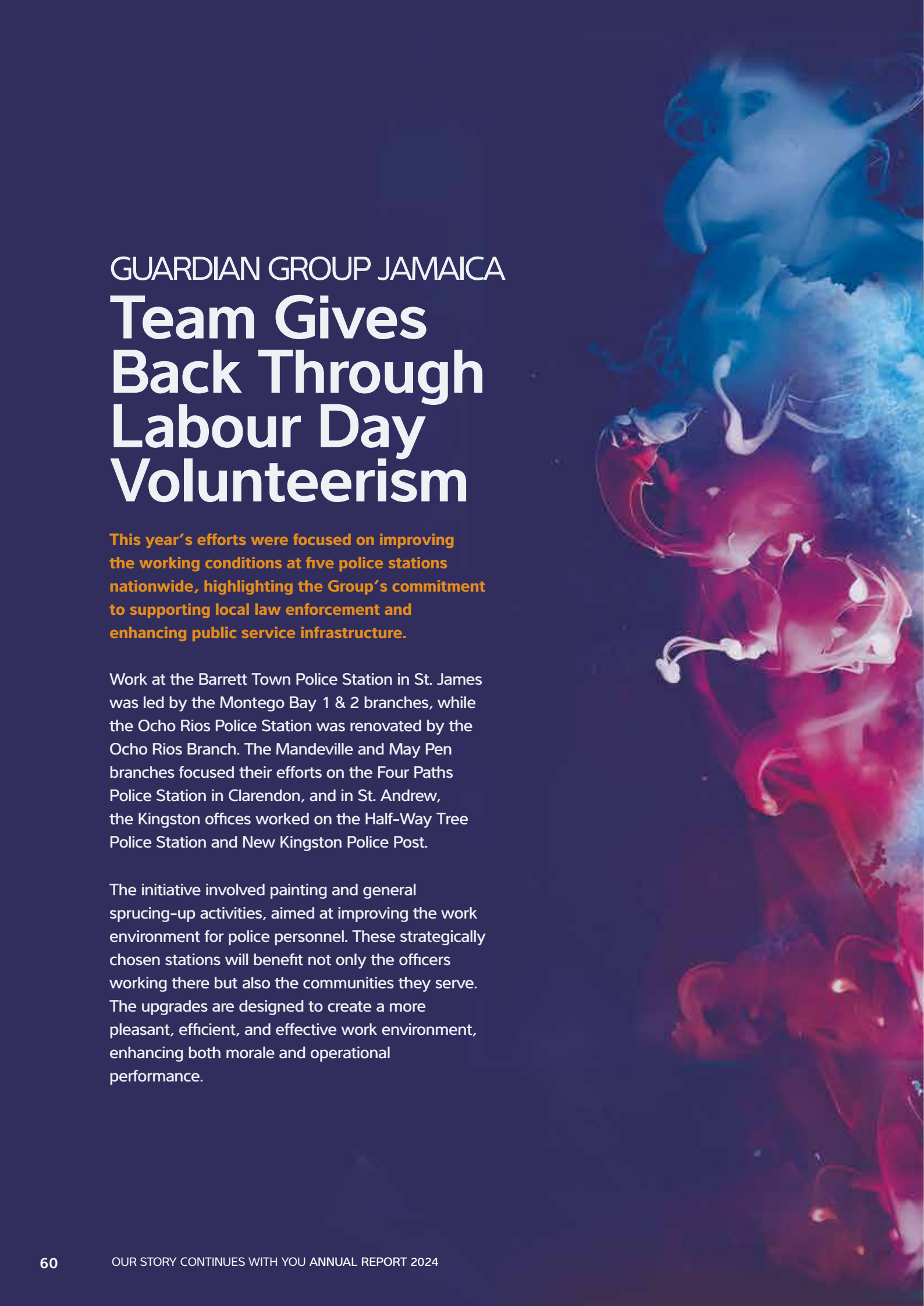
GUARDIAN GROUP JAMAICA

Team Gives Back Through Labour Day Volunteerism

This year's efforts were focused on improving the working conditions at five police stations nationwide, highlighting the Group's commitment to supporting local law enforcement and enhancing public service infrastructure.

Work at the Barrett Town Police Station in St. James was led by the Montego Bay 1 & 2 branches, while the Ocho Rios Police Station was renovated by the Ocho Rios Branch. The Mandeville and May Pen branches focused their efforts on the Four Paths Police Station in Clarendon, and in St. Andrew, the Kingston offices worked on the Half-Way Tree Police Station and New Kingston Police Post.

The initiative involved painting and general sprucing-up activities, aimed at improving the work environment for police personnel. These strategically chosen stations will benefit not only the officers working there but also the communities they serve. The upgrades are designed to create a more pleasant, efficient, and effective work environment, enhancing both morale and operational performance.





In a strong demonstration of community spirit and corporate responsibility, Guardian Life Limited and Guardian General Insurance Jamaica Limited invested **J$1,500,000** in 2024 Labour Day activities across the island.

The festive season is a time for sharing, caring and spreading happiness. At Guardian Group, this cherished regional tradition comes to life through our Shoebox Project—an initiative aimed at making the holidays unforgettable for children who need it most. In 2024, the project was carried out under the inspiring theme, "A Season of Smiles – Your Small Gift, Their Big Smiles", reflecting Guardian Group's continued commitment to creating positive change and fostering meaningful connections in the communities we serve.

Spreading Joy Through The Guardian Group Shoebox Project



Across the region, employees and advisors rallied together to pack and distribute more than 1,000 shoeboxes filled with toys, school supplies, essentials, and small treasures — bringing joy and holiday cheer to children, from toddlers to teens.

In Trinidad and Tobago, 446 shoeboxes were delivered to several charitable organisations, thanks to the generosity of our employees and the support of D'Best Toys.

In Jamaica, team members from Guardian Life Limited and Guardian General Insurance Jamaica Limited brought smiles to young faces across the island, distributing over 350 gifts to children in six children's homes.

In Barbados, our team extended care to the Nightingale Children's Village, a group of state-run homes managed by the Child Care Board, ensuring the children there felt the warmth of the season.

In the Dutch Caribbean, Guardian Group Fatum celebrated a decade of participation, delivering 291 shoeboxes to children from Kolegio Sur Herman Joseph, t Klimrek, and Fundashon Mi Famia, creating unforgettable moments of joy.

Additionally, Guardian General Insurance (OECS) Limited brought festive cheer to the orphans at the Father Mallaghan Home for Boys, filling shoeboxes with essential items and gifts that delivered smiles and warmth during the holiday season.

The Shoebox Project continues to be a cornerstone of Guardian Group's regional CSR initiatives, reflecting the power of collective kindness and our deep-rooted commitment to uplifting lives - one shoebox and one smile at a time.



Blood donor Rena Levy (left) receives a gift from Nadine Pottinger, Guardian Life Limited Assistant Vice President, Employee Benefits Sales.



Guardian Life Limited Expands

Annual Blood Drive in Celebration of 25 Years

In celebration of 25 years of service and in alignment with our corporate social responsibility mission, Guardian Life Limited expanded its annual blood drive in 2024 to include both employees and members of the public. Held under the theme "Someone Lives When You Give", the initiative extended to Montego Bay for the first time, alongside our ongoing efforts in Kingston.

A total of 46 pints of blood were collected during the one-day drive, supporting the National Blood Transfusion Service (NBTS) in strengthening the nation's blood supply. By opening a donation station at our Montego Bay office, we increased accessibility to this life-saving initiative and reaffirmed our long-standing commitment to public health and community care.

Transforming the Future with Entrepreneurship and Innovation

Guardian Group continues its commitment to shaping the future of young entrepreneurs through our ongoing support of the National Secondary School Entrepreneurship Competition (NSSEC).

Over 600 secondary school students participated in this dynamic, simulation-based competition, learning the essentials of business management and entrepreneurship.

Our sponsorship reflects our firm belief in the transformative power of innovation, leadership and entrepreneurship to drive change, and we are thrilled to be part of this programme that empowers young minds with some of the skills and knowledge to bring their innovative ideas to life.



Ayesha Boucaud-Claxton, Group Head, Marketing and Communication, presents awards to various Guardian Group category winners.

Winners of the Innovator's category St George's College

Winners of the Masterminds category, Waterloo Secondary School

Winners of the Trendsetters category, Scarborough Secondary School

Enhancing

Accessibility to Education

Guardian Group Foundation's Support For The

Braille Machine Drive



Left to right:
Michael Waite, Insurance Advisor, Guardian Life Limited;
Jodi-Ann McFarlane, Senior Operations Manager, Digicel Foundation;
Annette Atkinson, Senior Manager, Group Marketing and Communications Guardian Group Jamaica;
Charmaine Daniels, CEO and Ewort Atkinson, Board Director, both from Digicel Foundation

In a heartening demonstration of collaboration and compassion, the Guardian Group Foundation made a meaningful contribution to the Digicel Foundation's Braille Machine Drive, donating three Braille machines valued at US$3,000.

These machines are much more than just equipment; they are essential tools that empower blind students to learn and thrive alongside their sighted peers. This donation reflects our commitment to inclusive education and underscores our dedication to supporting initiatives that ensure access to learning for all, regardless of ability. Through this contribution, we continue to uphold the core values of corporate social responsibility, helping to make education accessible to every student.

The Honourable Dr. Nyan Gadsby-Dolly, Minister of Education (third from left), is joined by Guardian Life of The Caribbean Limited President Samanta Saugh (second from right); Professor Mike Sharples, Emeritus Professor of Educational Technology, The Open University, UK (extreme right); Dr. Brian Cockburn, Acting Deputy Principal, The University of West Indies, St. Augustine Campus (second from left) along with awardees and other Guardian Life of The Caribbean Limited and UWI staff.



CELEBRATING

Excellence in Education:

Guardian Life of The Caribbean's sponsorship of the University of the West Indies' Premium Teaching Awards 2024



This annual event celebrates outstanding achievement in tertiary-level teaching, research and student-centered innovation across UWI's campuses.

The awards were established to recognise faculty members who demonstrate excellence in instructional delivery, curriculum design, mentorship, and academic leadership — especially in ways that elevate the student learning experience. In 2024, the theme focused on "The Artificial Intelligence Education Era," acknowledging educators who have successfully begun integrating AI tools into their teaching methodologies while upholding the core values of integrity, curiosity and creativity.

This year's distinguished recipients were:

Dr. Yomica Powder-George
Lecturer, Faculty of Science and Technology,

Dr. Letetia Addison
Senior Fellow in Mathematics and Statistics Education, and

Dr. Freddy James
Deputy Dean of Graduate Studies and Research,
Faculty of Humanities and Education.

These educators were honoured for their transformative approaches to teaching, their commitment to inclusive and dynamic learning environments and their pioneering use of AI to enhance both student engagement and academic outcomes.

Guardian Life of The Caribbean Limited's sponsorship of this event is part of Guardian Group's broader CSR commitment to health and wellness — including intellectual wellness, leadership development, and innovation in education. By supporting the Premium Teaching Awards, Guardian Life reinforces its belief in the power of transformative teaching and the value of celebrating educators who inspire progress across the Caribbean.

Promoting Academic Development

Guardian Group
Jamaica's Participation In

Read Across

Jamaica Day



In a concerted effort to promote literacy and inspire a love for reading among Jamaica's youth, Guardian Life Limited and Guardian General Insurance Jamaica Limited participated in Read Across Jamaica Day, held annually on May 7th.

This island-wide initiative encourages students to develop a passion for reading, laying the foundation for academic success and personal growth.

Guardian Group Jamaica contributed books and stationery valued at approximately J$500,000 to schools across the island. This investment underscores the company's belief in the transformational power of literature and its ongoing dedication to nurturing the next generation of leaders.

Supporting Education through Scholarships and Grants



Guardian Life Limited President Meghon Miller Brown (centre) with Guardian Group Foundation Top Performers, from left, Saige Brown, Guardian Life Limited Policy Holder Top Girl; Adrianna Cover, National Top Performing Girl; Aiden Cummings, National Top Performing Boy and Amir Francis, Guardian Life Limited Policy Holder Top Boy.



Guardian Life Limited Vice President of Corporate Resources Debby Livingstone presents a certificate and tokens to Staff PEP Scholarship awardee Marissa Myers.

Guardian Life Limited celebrated 25 years of operations with the staging of its Guardian Group Foundation Scholarship and Grant Awards

In line with the event theme, 'Performance on Purpose', the ceremony honoured top-performing students who completed their Primary Exit Profile and high school graduates entering tertiary institutions. Awardees were presented with trophies, certificates, backpacks, and stationery supplies.

Each year, the Guardian Group Foundation provides scholarships to the national top-performing boy and girl in Jamaica, alongside grants for the children of policyholders and employees. In 2024, the Foundation's scholarships and grants — including renewals — totalled J$6 million.



Supporting Education through Culture and the Music

Guardian Life of The Caribbean Limited was honoured to partner with the Christ Church Foundation School for the Pan Pon De Hill Steelpan Festival in April 2024.

Through Guardian Life's support, students now have their own steelpan instruments, further contributing to the band's ongoing success. This partnership reflects our commitment to empowering students to realise their fullest potential, fostering both musical talent and personal development. Guardian Life remains dedicated to supporting initiatives that help students leverage their skills and knowledge for future success.



Shenae Murray, Business Development Officer, Guardian Life of The Caribbean presenting to Lowrey Worrell, Director of the Christ Church Foundation School Steel Orchestra, Music Teacher and Event Producer of Pan Pon De Hill Steelpan Festival



Guardian General Insurance Limited's Cherry-Ann Oughterson, Director for the Drop-A-Pack Purple Foundation, receives a cheque and back-to-school items from her colleague Nicole Hinds.

Ethan Taylor, accompanied by his father Robert, accepts a cheque from Guardian General Insurance Limited's Executive Assistant Nicole Hinds.

Supporting
Vulnerable Families

Guardian General Insurance Limited's Partnership With The Purple Love Foundation

Guardian General Insurance Limited proudly supported the Drop-A-Pack Purple Love Foundation during their Back-to-School Summer Drive and Luncheon.

Founded by Cherry-Ann Oughterson, a valued team member, the Purple Love Foundation is dedicated to assisting vulnerable families and individuals across Barbados. The Back-to-School Summer Drive provided essential items, including uniforms, backpacks, books, and other necessities, ensuring that children were well-prepared for the school year ahead. To add a special touch, the children were treated to a 'Luncheon of Love', making the event both meaningful and memorable.

Investing In
Youth Talent

Guardian General Insurance Limited proudly supported 19-year-old Ethan Taylor with a donation as he embarked on a football scholarship at State Fair Community College in Sedalia, Missouri, USA.

Ethan's dedication and passion for football have earned him the opportunity to further his career and pursue studies in Sports Therapy. This donation reflects Guardian General's commitment to nurturing talent and investing in the future of young people. It also underscores our ongoing efforts to give back to the communities we serve and to support individuals with exceptional potential.



Guardian Group's Vice President – Environmental, Social and Governance, Shinelle Grant-Sealey (left), is all smiles as Patricia Marseille, a supply chain executive at The Walt Disney Company (right), makes a presentation to a participant of the Planting Seeds AI Workshop. Ms Marseille was the event's keynote speaker.

Empowering Future Innovators:

Guardian Group's Support for the

Planting Seeds

AI Training Workshop

Guardian Group proudly served as a strategic sponsor of the Planting Seeds AI Training Workshop, held in collaboration with The Walt Disney Company. This innovative programme introduced young people aged 10 to 18 years to the transformative possibilities of artificial intelligence (AI) and its role in shaping the future of work.

By supporting this initiative, we reinforce our commitment to academic growth, leadership development and innovation, helping to prepare the next generation for success in an increasingly dynamic and tech-driven world. We are honoured to be part of initiatives that empower young people with the skills and knowledge they need to thrive in the future.

Driving Customer-Centered Innovation

Kontent'i Mirabo Holiday Campaign

At Guardian Group, innovation means finding fresh, meaningful ways to connect with our customers and add value to their lives. In 2024, Guardian Group Fatum proudly celebrated the third season of its dynamic holiday campaign, Kontent'i Mirabo — an initiative launched in October 2022 to reimagine the festive experience for our community.



Through this campaign, customers who purchased travel insurance were automatically entered for a chance to win enhanced travel experiences — including luxury accommodations, car rentals and unforgettable excursions.

Kontent'i Mirabo stands as a bold example of customer-focused innovation, transforming a traditional insurance purchase into an exciting, emotionally resonant experience. By merging everyday protection with aspirational travel rewards, the campaign redefines how insurance can engage, inspire and deliver joy.

This forward-thinking approach reflects Guardian Group's commitment to Innovation, using creativity and digital engagement to deepen relationships, enhance customer satisfaction, and create lasting community impact — one journey at a time.



Mr. Roger Eversley, Executive Agent at the David Cave Branch presenting the cheque to Mrs. Clarine Cave, Director and Project Manager, Partners That Care International

EMPOWERING

Tomorrow's Leaders

Guardian Life Supports Partners That Care International

Guardian Life of The Caribbean Limited reaffirmed its commitment to Leadership Development through its continued support of impactful community initiatives.

The group provided financial assistance to Partners That Care International (PTCI) — a non-profit organisation focused on empowering youth and addressing the needs of vulnerable families.

PTCI's programmes are rooted in mentorship, skills development and community outreach — helping young people build the confidence, resilience, and leadership skills they need to thrive. By supporting these efforts, Guardian Life is investing in the next generation of changemakers, nurturing their potential and equipping them to lead with purpose and integrity.

This partnership exemplifies Guardian Life's belief that leadership starts with opportunity — and that lasting community transformation begins by uplifting those with the greatest potential to drive it forward.



INVESTING IN

Leadership and Community Transformation

Guardian Life Limited made a contribution of J$10 million to Project STAR (Social Transformation and Renewal)

a national initiative focused on driving social and economic development in Jamaica's most underserved communities.

This partnership reflects Guardian Life's unwavering commitment to Leadership Development — recognising that meaningful, long-term change begins with empowering individuals and communities to lead their own transformation. Project STAR, created by the Private Sector Organisation of Jamaica (PSOJ) in collaboration with the Jamaica Constabulary Force (JCF), is built on a community-first model, consulting directly with residents to identify local needs and connect them with targeted resources and services.

By supporting Project STAR, Guardian Life is helping to unlock the leadership potential within vulnerable communities, strengthen local capacity, and provide pathways to social mobility and economic resilience. This initiative is a powerful example of Guardian Group's belief in inclusive progress, shared responsibility, and the role of strategic partnerships in building a better, more empowered future for all.

Our Employees – The Heart of Our Sustainable Future

At the heart of our people strategy is the belief that our employees—our greatest assets—are the foundation of our success. We remain resolute in integrating professional ambition with personal well-being, fostering inspiration and drive.



Create a High-Performance Culture

Performance Management – Driving Excellence and Empowering Success

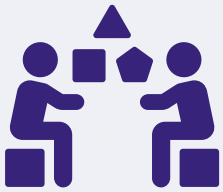
In 2024, the HR team redesigned the Group's performance management model to better meet the needs of a high-performing organisational culture. We want to unlock the full potential of our employees while recognising top performers, and creating a work environment where every team member finds purpose and growth. This is achieved by aligning individual aspirations with the broader enterprise strategy through clear and meaningful goal-setting.

Performance Management – Driving Excellence and Empowering Success (continued)

The redesigned system centred on a philosophy that performance is not just about meeting targets but also about growth, engagement, and alignment. We introduced a modern, employee-centric framework designed to:



Foster a High-Performing Culture: By emphasising continuous feedback, we seek to create an environment where excellence is nurtured and employees are empowered to exceed expectations.



Unlock Full Potential: The system integrates development plans and personalised coaching opportunities, ensuring that each employee has the tools and support she or he needs to thrive.



Recognise Top Performers: Through transparent and equitable recognition programmes, we move towards celebrating those who drive results and embody our organisational values.



Align Personal Goals with Enterprise Strategy: By linking individual objectives to strategic priorities, we seek to ensure that every contribution propels the organisation closer to its vision.

As part of the initiative we engaged and sensitised the entire organisation on the new performance philosophy. This included workshops, interactive sessions and digital resources that emphasised the importance of meaningful conversations, goal-setting and feedback.

Cultivating Skills, Unlocking Potential

From role-specific technical training to broader business-skills development, these investments empower employees to build their expertise and contribute meaningfully to the organisation's strategic objectives. Leadership development remained a priority in 2024, ensuring our leaders are equipped with the tools to lead with impact. We facilitated development programmes through ExecOnline, an online learning business institution, equipping employees with the necessary skills to excel and drive organisational success.

Improve The Way We Attract and Retain Talent

Inculcating A Generative Culture – Doing For All In A Way That Best Serves All

As part of embedding a generative culture, the Group encourages employees to experiment and share ideas. Building on the groundwork laid through Culture Articulation Workshops held in the prior year, our efforts in 2024 shifted from dialogue to decisive action. Business units implemented targeted initiatives to instil high-trust, collaborative environments where teams could innovate. We believe that this type of culture is particularly important as an ESG-focused Group, as it inculcates sustainable innovation and ethical, employee-driven change.

Leaders embraced this cultural evolution, focusing on embedding new behaviours while phasing out unproductive practices. The shift has equipped our teams to navigate dynamic markets with agility and confidence, aligning their efforts with the Group's vision. The outcomes underscore our shared commitment to a culture of co-creation—empowering our people to exceed expectations and deliver groundbreaking solutions for our customers.

Fostering an Inclusive and Equitable Workplace

Talent Acquisition

In 2024, we revolutionised our talent acquisition process to create a more robust approach for sourcing and securing top talent. By strategically expanding our candidate sourcing channels and forging new partnerships, we tapped into a broader, more diverse talent pool that reflects the communities within which we operate and the clients we serve. This deliberate effort has enriched the quality and inclusivity of our recruitment pipeline, ensuring we attract a spectrum of talent that brings unique perspectives and strengths to our organisation.

To further elevate the fairness and rigour of our recruitment process, we introduced science-based assessments as a cornerstone of our selection strategy. These assessments, grounded in objectivity, provide actionable insights into candidate capabilities. They also help to eliminate potential biases and avoid discrimination, allowing for a fairer and more inclusive hiring process, mitigating against discrimination based on race, age, gender, religion, sexual orientation or political affiliation.

Pay Equity

We also completed specialised external training to align our job evaluation process with international standards. This training strengthened our ability to consistently and objectively assess and classify roles across Guardian Group. A Job Evaluation Committee was set up to ensure that the methodology is applied fairly and uniformly to support talent management and foster equity in compensation and career growth.

In partnership with an external consultant, we conducted a regional compensation assessment to benchmark our pay against industry standards and market trends. As a leading employer in the region, the findings will help us attract and retain top talent as we secure long-term success and remain competitive in the markets we serve.

Improve The Way We Attract and Retain Talent

Fostering an Inclusive and Equitable Workplace (continued)

Diversity, Equity and Inclusion

At Guardian Group, we believe that fostering a diverse, equitable, and inclusive workplace is essential to long-term success and a strong organisational culture. Diversity, Equity and Inclusion (DEI) is an important area of focus as we continue to shape our strategic priorities. In the year ahead, we will build on our efforts to better understand our current state, identify meaningful actions, and embed inclusive practices into how we lead, hire, and grow. Our focus includes — but is not limited to — gender representation, ensuring equitable access to opportunities, and cultivating a culture where all voices are heard, respected, and valued.

We take pride in the strong representation of female talent across the organisation. As of year-end 2024:



WOMEN IN LEADERSHIP
62%

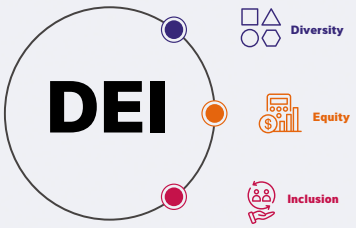


WOMEN IN MANAGEMENT
67%



WOMEN IN THE WORKPLACE
73%

Employee Group	Male %	Female %
Executives	38%	62%
Managers & Senior Mgrs	33%	67%
All Other Employees	26%	74%
Total	**27%**	**73%**



While we celebrate these achievements, we remain committed to fostering a workplace where all individuals — irrespective of gender — have the opportunity to thrive. In addition, we recognise the value of generational diversity and the different perspectives and experiences it brings. Our workforce spans multiple generations:

UNDER 30 YEARS
24%

30-50 YEARS OLD
54%

OVER 50 YEARS OLD
22%

Balanced representation — across gender, age and other dimensions of diversity — strengthens our ability to innovate and make better decisions.

As we continue to advance our DEI journey, we remain focused on building an inclusive, supportive, and dynamic environment that attracts and empowers diverse talent across the region.

Improve The Way We Attract and Retain Talent

Fostering an Inclusive and Equitable Workplace (continued)

Giving Employees a Voice

A critical part of creating a generative culture is giving employees a voice. Efforts were made throughout the year to facilitate meaningful conversations and create avenues for two-way communication between leadership and staff. The 2024 Employee Engagement Survey served as a critical means for staff to confidentially share feedback about their employee experience. Feedback from the survey will be used to inform future initiatives and interventions and shape the desired workplace that best serves the needs of our valued human capital.

The Group is actively working towards the establishment of a People Council in 2025, which will provide a unified framework for embedding organisational values, addressing employee concerns, promoting well-being and enhancing staff engagement. It will ensure that employees' voices are heard at all levels of the organisation and considered in decision-making processes that impact them and foster meaningful engagement between executive management and employees.

Future-Proofing Our Organisation With Strong Succession Strategies

At Guardian Group, our succession planning strategy is designed to develop future leaders through targeted talent development and strategic role alignment. We proactively invest in our people to strengthen organisational resilience and position ourselves for sustained success in an evolving business landscape.

In 2024, we prioritised the development of a robust talent pipeline by focusing on:

- Role Identification: Aligning roles with business strategy and organisational impact
- Role Categorisation: Prioritising roles within key business functions
- Role Assessment: Evaluating roles based on strategic importance, continuity impact and replacement difficulty

The process also included the integration of formal evaluations of current incumbents through Saville and Holdsworth Limited, a globally acclaimed provider of science-based assessments. The insights gained, enabled us to craft personalised development plans, addressing skills gaps and building competencies to better facilitate career progression and succession across the Group.

These efforts will enable us to build a talent framework that not only meets today's demands but also anticipates and adapts to future challenges, driving sustained organisational success.

Enhance Employee Well-being

Protecting People, Promoting Well-Being, Driving Excellence

In 2024, we made significant progress in our Health and Safety programme by reinforcing the importance of regulatory compliance and aligning our practices with international best standards.

Key Achievements

- **Enhanced Policy Development**
  We undertook a comprehensive review of our Health and Safety Management System (HSMS). As part of the exercise we:

  - Refined our health and safety policies and procedures to align with national regulations and best practices.

  - Developed and standardised policies and procedures to establish a clear framework for maintaining a safe and healthy work environment, and ensure consistency, compliance and proactive risk management.

- **Training and Awareness**
  In 2024, we provided targeted health and safety training initiatives, including:

  - Safety Wardens: Our wardens received first aid, CPR, automated external defibrillator use and emergency response procedures, equipping Guardian's designated wardens to respond effectively during critical situations.

  - Health and Safety Committee & Managers: These essential health and safety change agents received in-depth sessions focused on HSMS awareness, risk assessments, and incident investigation, equipping them to lead safety initiatives across the organisation.

  - Voluntary Ergonomic Training Programme: Participants received guidance on body mechanics and workstation setup, to promote safety, well-being, and productivity.

  - New Hire Orientation: Our new hires were exposed to comprehensive health and safety training to integrate them into the culture, as well as emphasise their role in maintaining a safe workplace.

  These initiatives reinforce our commitment to instilling a culture of safety and ensuring our workforce is equipped to proactively address health and safety challenges that may arise.

- **Health & Safety Risk Assessments**
  Risk assessments were conducted for Guardian Group facilities in Trinidad and Tobago and Jamaica towards identifying and mitigating potential hazards to ensure safe working environments for employees and stakeholders.

  We also ensured the safety of staff at organisational events with the introduction of event-specific risk assessments into our corporate operations, further embedding health and safety considerations into every aspect of our business activities.

Develop HR Infrastructure for a Better User Experience

Leveraging HR Technology – Smarter Systems, Seamless Experience

In 2024, our organisation took a significant leap forward in enhancing the Human Resources (HR) technology landscape with the start of the HRIS Optimisation Initiative. The initiative spans five years, strategically designed to achieve 100% HR system utilisation while placing a strong emphasis on delivering a world-class digital employee experience.

The initiative began with a pilot redesign of the recruitment module within our Trinidad and Tobago business units, which served as a foundation to refine the module, ensuring its effectiveness and adaptability. Following its success, the project is set to expand to all other islands in 2025. The HRIS Optimisation Initiative will remain a focal point in 2025, with plans to incorporate additional modules and functionalities that enhance workforce engagement and HR productivity.

Complementing the optimisation initiative, we also launched the HR Data Culture Initiative in 2024. Recognising the critical role of data in driving informed decisions, a comprehensive suite of HR dashboards was developed, which supports strategic decision-making across various HR functions, including Industrial Relations, Health, Safety and Environment, Recruitment, Performance and Goals Management and more. This initiative is a long-term commitment to fostering a data-driven culture within HR. Our team will continuously enhance existing dashboards and develop new ones to meet the evolving needs of the business.

Another key milestone in 2024 was the configuration of our HR Service Desk, set for launch in 2025. This platform will serve as the backbone of HR service delivery, streamlining employee support and providing valuable insights for data-driven HR workforce planning and HR service delivery analytics. By centralising and optimising HR services, the HR Service Desk is poised to significantly enhance efficiency and responsiveness.

These initiatives represent our commitment to leveraging cutting-edge technology to transform HR operations. By prioritising innovation and employee-centric solutions, we are laying the groundwork for a future where HR is seamlessly integrated into the digital workplace, empowering our employees and supporting our strategic goals.

Digital Enablement and Advanced Analytics

Guided by our 'Innovate at the Edge' principle, we leverage modern cloud technologies and seamlessly integrate them with our backend systems to deliver scalable, secure and agile solutions through our online Customer Experience Portal. In 2024, a suite of new features and self-service capabilities were released. These upgrades allow our customers to more seamlessly access their Life, Health and Pension (LHP), Property and Casualty (P&C) and Investment portfolios and help to enrich the customer experience of both individual and corporate customers.

We are excited about the work being done by our Chief Product Officer´s Unit, which was formed in April 2024 and focuses on product strategy and development while leveraging data analytics capabilities. The Unit, which also comprises our Advanced Analytics Team, provides Group-wide support, facilitating the sharing of ideas, continuous learning and overall optimisation of resources. The Advanced Analytics team comprises highly skilled data scientists, engineers and analysts with combined industry experience of more than 40 years.

This team successfully completed and refreshed key projects using our vast database:

Client Retention – a machine learning model to identify patterns that will allow our companies to understand customer behaviours and enable us to improve customer interactions and satisfaction.

Producer Analysis – visualisations that assist our leaders with monitoring capabilities of our sales force and allows us to see which are our top agents or brokers. This allows us to find ways to enhance their performance and interactions with clients.

Macroeconomic Analysis – we are capturing key macroeconomic metrics that help guide us based on trends in the current environment. These indicators allow us to be more proactive in our strategies.

Looking ahead, we are harnessing our modern data technology stack to power advanced analytics models, enabling a more personalised and impactful Customer Experience. With plans to roll out new and sustainable products, additional sales capabilities and further support our operations with responsible AI advancements, we are committed to staying at the forefront of innovation and operational excellence while delivering exceptional service.

Integrating ESG Within Product Design – Social Considerations

As part of our continued efforts to provide insurance solutions to vulnerable groups, we offer access to essential health, life and personal accident insurance for underserved and at-risk populations in Jamaica through our Guardian Life Limited operations.

Jamaica Entertainers and Creatives Insurance Plan

Effective 1st November, 2024 as part of a historic move, the Ministry of Culture, Gender, Entertainment and Sport in Jamaica signed an agreement with Guardian Life Limited to provide access to free Group Life and Personal Accident insurance coverage for members of the creative, media and entertainment sectors. Under the newly launched Jamaica Entertainers and Creatives Insurance Plan (JECIP), 400 small businesses and nearly 4,500 individual representatives of the sectors whose data is currently on the Ministry's National Registry of Entertainment and Creatives Industries Practitioners will be provided with Group Health, Group Life and Personal Accident insurance coverage.



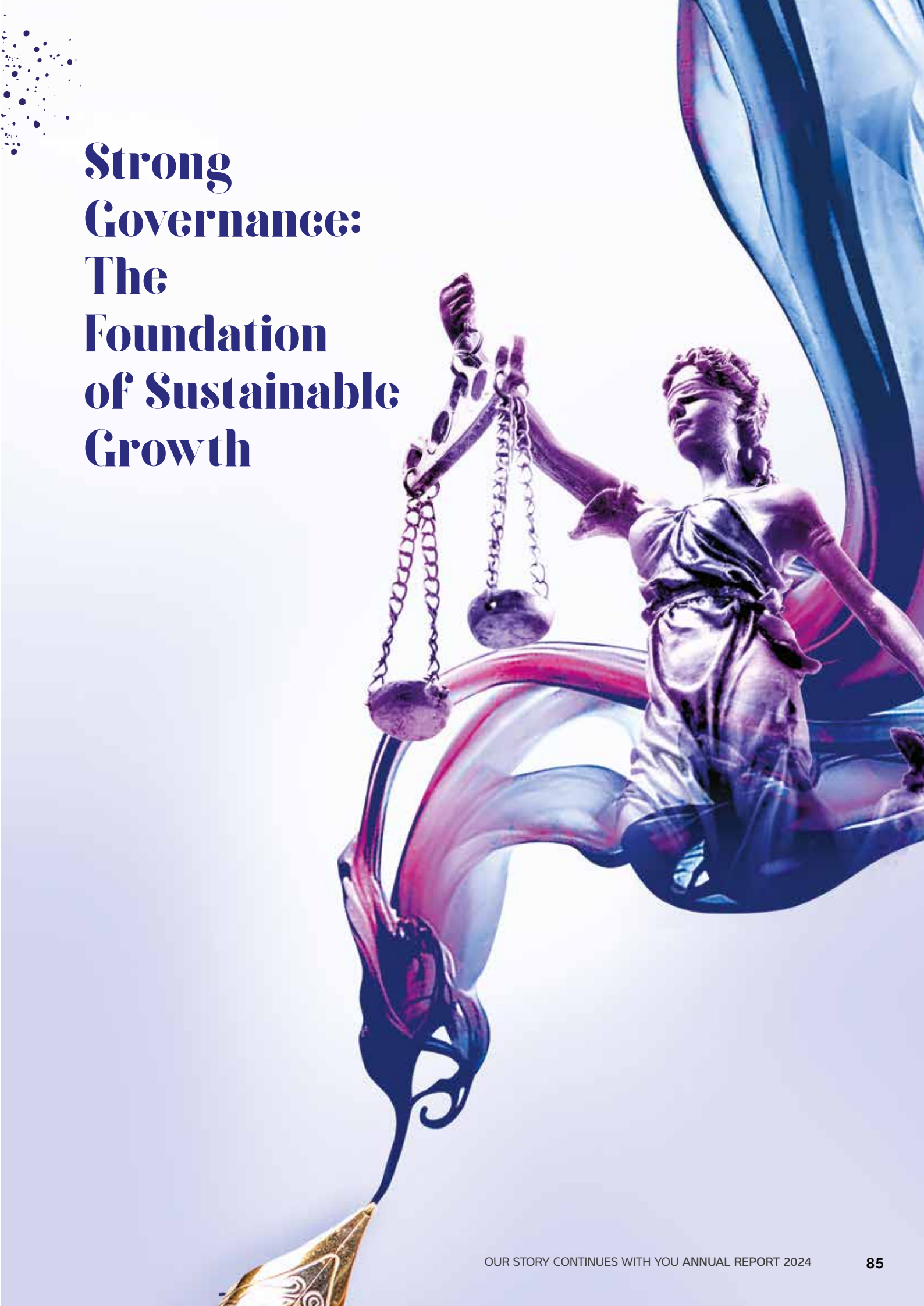
Eric Hosin (seated left), Group President, Life, Health and Pension of Guardian Group and Olivia 'Babsy' Grange (seated right), Minister of Culture, Gender, Entertainment and Sport sign the contract for the Jamaica Entertainers and Creatives Insurance Plan.

Fisheries and Agriculture Multi-Advantage (FAMA) Plan

Underwritten by Guardian Life Limited, the FAMA Plan provides comprehensive coverage, including Health, Life, Personal Accident and Critical Illness protection for registered farmers and fisherfolk and their eligible dependents in Jamaica. This initiative highlights our dedication to supporting vital sectors in the country by offering accessible and meaningful insurance coverage.

These product offerings align with our ESG efforts geared towards promoting inclusivity, reducing financial disparities and enhancing social welfare. Supporting vulnerable groups not only aligns with the social pillar of ESG but also further drives our thrusts to foster equity and resilience within the communities we serve.

Strong Governance: The Foundation of Sustainable Growth



Corporate Governance

Guardian Holdings Limited continues to build on its promise to deliver optimal performance for the security of our valued stakeholders by enhancing the sturdy governance framework that has resulted in the success of our company for the past 178 years. The growth and continued success of our Group is reflected in the way we have consistently converted our stated ideals into effective and profitable real-world governance.

We challenge ourselves to enhance our governance systems, which shows that we are committed to transparency, accountability, ethical leadership and prudent oversight and management.

Here are a few highlights of what we achieved in 2024:

- Refreshed the composition of all Subsidiary Boards
- Reviewed and updated all Corporate Governance Policies
- Implemented a new Corporate Governance Framework
- Renamed the Corporate Governance Committee to the Corporate Governance and Nomination Committee
- Updated and reassessed the skills and competency of the Boards of all major subsidiaries
- Updated and revamped the Board Remuneration Policy
- Reviewed the Board Diversity Equity and Inclusion Policy
- Revamped the Director Recruitment, Nomination and Succession Planning Process

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

GHL's corporate governance excellence is the primary responsibility of the Board and is overseen by the Corporate Governance and Nomination Committee (CGNC), which has delegated responsibility to ensure that the Group's governance practices are well articulated, consistently applied and solidly integrated into the culture and ethos of the business.

We continue to view Environmental, Social and Governance (ESG) as a means to strengthen the way our corporate governance is experienced by our customers, investors, employees and the local communities.

GHL adopted and adheres to the principles of good governance delineated in the Corporate Governance Code of Trinidad and Tobago (as revised) within the parameters of global governance best practice, which are the basis for the Group's corporate governance reporting.

Principle A – Governing Body Effectiveness

The Board of Directors of GHL comprised eleven directors as at December 31, 2024, ten of whom are Independent Non-Executive Directors and one Executive Director. The biographies of all our Directors are accessible on our website.

Principle A – Governing Body Effectiveness (continued)

Role and Leadership of the Board of Directors

Non-Executive Chairman
Robert Almeida



- Leads the Board and ensures accountability to shareholders and stakeholders
- Sets the governance standards
- Oversees strategic direction

Lead Independent Director
Charles Percy



- Principal liaison between the Chairman and the Independent Directors
- Presides over all meetings of Independent Directors
- Coordinates the activities of the other Independent Directors
- Participates in the Evaluation of the Chairman

Group CEO and Executive Director
Ian P. Chinapoo



- Leads the management of the Company's business
- Leads the implementation of the resolutions and policies of the Board of Directors

Board of Directors Meetings

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

NUMBER OF MEETINGS IN 2024

5

KEY ATTENDEES

- Group Chief Executive Officer
- Group Chief Financial Officer
- Group Chief Strategy Officer

INDEPENDENT DIRECTORS

5

Board Reporting

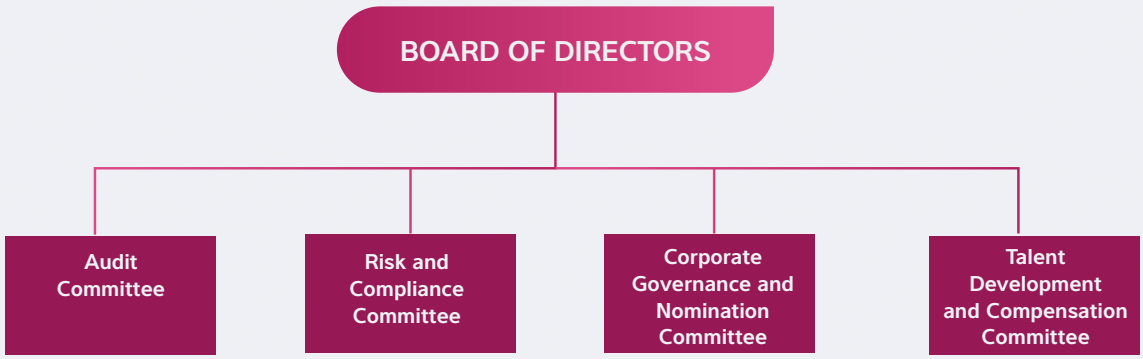
The Board agenda is developed by the Chairman in consultation with the CEO, Corporate Secretary and other Directors and contains standard items including strategy, business performance and stakeholder engagement matters. Other key matters reserved for the Board are capital management, mergers and divestitures and acquisitions, pursuant to the Statement of Board-Reserved Powers. Though meetings generally have set timeslots, adjustments are made as needed to ensure that adequate time is allocated for meaningful discussion on critical matters. The Corporate Governance Policy sets the standard for the quality of the information provided to the Directors, requiring that such information be relevant, concise, timely, well organised and supported by the necessary context. It informs Directors about the material aspects of the Company's business, performance and prospects. In pursuance of meaningful participation by all Directors at Board meetings and to allow Directors adequate time to review and reflect on the information, Directors receive Board papers one week in advance of meetings.

Board Succession

As part of the implementation of the Governance Framework, the Board has instituted nine-year terms for Independent Directors. This ensures that the Board is regularly refreshed and continues to be composed of people with the right mix of skills and diversity of age, gender, geography and ethnicity. The CGNC maintains strong oversight of succession for all Directors, including the Chairman. Through the recruitment, nomination and succession planning process, the CGNC maintains a pool of potential candidates that are screened, interviewed and otherwise assessed for suitable placements for planned and unplanned vacancies, to ensure a smooth transition of roles and optimal continuity in business operations.

Board Committees

The Board has four standing committees to assist with the discharge of its responsibilities in a review and advisory capacity in accordance with recognised principles of corporate governance.



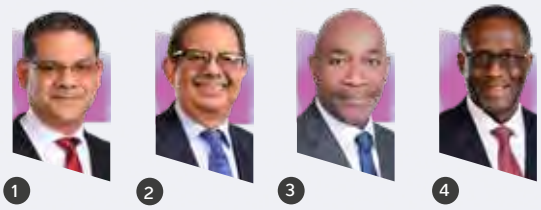
Every committee is governed by a charter that sets out its responsibilities and the requirements for its composition. The Charters of the respective committees can be accessed on the Company's website. The composition of the committees is reviewed on an annual basis by the CGNC, which makes recommendations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

Charters are reviewed at least biennially by the relevant committee and the Board and all charters were comprehensively reviewed and updated in the last quarter of 2024. All committees report to the Board quarterly and confirmed minutes of committee meetings are circulated to all Directors. The authority of the committees is determined by the Board, subject to any statutory prohibition against delegation. The roles and responsibilities of all committees are considered by GHL to be a key contributor to its robust corporate governance framework and are evidence of the Group's commitment to best practices in corporate governance.

Report of the Audit Committee (AC)

Composition

1) Lance Dominic Rampersad (Chairman)
2) Imtiaz Ahamad
3) Dexter Maitland
4) Charles Percy



Key Responsibilities

- Ensure the integrity of the Group's financial statements
- Verify the Group's external auditor's qualifications and independence
- Monitor the performance of the Group's internal audit function
- Ensure the effectiveness of the Group's internal controls and risk management process

Committee Structure & Meetings

NUMBER OF AC MEETINGS IN 2024

5

KEY ATTENDEES

- Group Chief Financial Officer
- Group Head Internal Audit
- External Auditor

INDEPENDENT DIRECTORS

3

Membership

The AC's charter requires that the AC consists of at least three members of the Board of Directors, a majority of whom must be Independent Directors. In addition to being the chairperson, Mr. Rampersad is the designated financial expert and all other members are financially literate.

Report of the Audit Committee (AC) (continued)

Key Deliberations

- Reviewed the adequacy and effectiveness of the Group's internal control system and the impacts on both the financial and non-financial objectives of the Group
- Reviewed management's corrective actions for any internal control deficiencies
- Reviewed and approved the 2024 Internal Audit Plan
- Reviewed and approved the external auditor's approach to and the scope of their examination of the financial statements
- Assessed whether any circumstance exists that may reasonably affect the external auditor's independence
- Recommended to the Board matters regarding the appointment, compensation and terms of engagement of the external auditor
- Recommended the approval of non-audit services of the auditor
- Recommended to the Board unaudited and audited financial statements
- Convened private sessions among the AC members, external and internal auditors

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

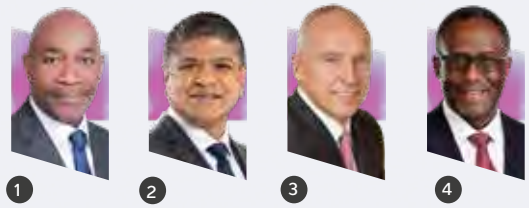
The members are satisfied that the external auditor planned the audit to obtain reasonable assurance that the financial statements are free of material misstatement, present a fair view of the financial position of the Group as at December 31, 2024, and that the results of its operations and cash flows for the year then ended, are in accordance with International Financial Reporting Standards.

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

Report of the Risk and Compliance Committee (RCC)

Composition

1) Dexter Maitland (Chairman)
2) Robert Almeida
3) Michael L. Gerrard
4) Charles Percy



Key Responsibilities

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

Committee Structure & Meetings

NUMBER OF RCC MEETINGS IN 2024

4

KEY ATTENDEES

- Group Chief Risk Officer
- Group Head Compliance

INDEPENDENT DIRECTORS

3

Membership

The RCC's charter requires that the RCC consists of at least three members, a majority of whom must be Non-Executive Directors.

Key Deliberations

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

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

Report of the Corporate Governance and Nomination Committee (CGNC)

Composition
1) Patricia Ghany (Chairman)
2) Dexter Maitland
3) Charles Percy


1


2


3

Key Responsibilities

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

Committee Structure & Meetings

NUMBER OF CGNC MEETINGS IN 2024
4

KEY ATTENDEES

- Group Chief Executive Officer
- Group General Counsel
- Chief Governance Officer

INDEPENDENT DIRECTORS
3

Membership

The CGNC's charter requires that the committee consists of at least three members of the Board of Directors, a majority of whom will be Independent Directors.

Key Deliberations

The CGNC continued to address critical aspects of its mandate, including:

- Enhancing the policy and procedures on Directors' induction and onboarding
- Recommending a Governance Framework for the Group
- Recruitment and succession planning for the GHL Board and subsidiaries
- Consideration of nominations for appointments to all Boards of Directors within the Group
- Reviewed and made recommendations on the composition of the GHL Board and committees
- Conducted succession planning exercises
- Reviewed and recommended to the Board key governance policies and procedures of the Group
- Considered changes to Non-Executive Directors' remuneration
- Supported the evaluation exercises for key subsidiary Boards and committees.

Report of the Talent Development and Compensation Committee (TDCC)

Composition
1) Charles Percy (Chairman)
2) Robert Almeida
3) Patricia Ghany


1


2


3

Key Responsibilities
- Develop the remuneration, performance and incentive awards of senior executives of all Group companies
- Co-develop the Group's human resource and talent development strategy
- Oversee the execution of the Remuneration Policy

Committee Structure & Meetings

NUMBER OF TDCC MEETINGS IN 2024
4

KEY ATTENDEES
- Group Chief Executive Officer
- Group Chief Human Resource Officer

INDEPENDENT DIRECTORS
2

Membership

The TDCC's charter requires that the committee consists of at least three members of the Board of Directors, a majority of whom must be Non-Executive Directors.

Key Deliberations

The committee continued to tackle its tenure critical aspects of its mandate, including:

- Review of the Group CEO's and Senior Executives' performance
- Review of incentive policies for Executives
- Oversee execution of core human resource functions including talent acquisition, performance management, training and development, talent management, organisational health and human resource technology
- Considered succession planning for Senior Executive positions
- Participated in the recruitment process for key Executive vacancies

Remuneration

The Corporate Governance and Nomination Committee has responsibility for assessing and recommending the remuneration of Non-Executive Directors to the Board. The Group Executives' compensation package (including Executive Directors) is overseen by the Talent Development and Compensation Committee. Both committees comprise a majority of Independent Directors and their charters delineate their responsibilities for remuneration executed within the remit of the relevant Remuneration Policy.

Remuneration Policy

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

Non–Executive Directors

Non-Executive Directors are remunerated by means of an annual retainer, the value of which is determined by reference to the anticipated workload, the size and complexity of the Group's operations and prevailing market benchmarks in other publicly traded companies. The recently revised Remuneration Policy introduced a Tiered System for the assessment of Board remuneration, using key criteria to ensure that remuneration remains fair and competitive. The aggregate remuneration for the GHL Non-Executive Directors in 2024 was TT$4,941,040.00.

Executive Directors

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

Principle B – Oversight and Accountability

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

Directors' Training and Development

Emphasis is placed on ongoing training and personal development in keeping with local and global legal, financial and governance trends. The ongoing development of Directors is focused on equipping them to meet their obligations to the various stakeholders who rely on their effective stewardship of the entity towards sustainability. GHL subscribes to the notion that learning is a combination of experiential, social and formal training. As such, the Board's development programme ranges from one-on-one conversations to dedicated discussion fora to share ideas and perspectives. Short reads, interactive videos and formal training sessions were a part of Directors' training in the reporting year, ensuring that the depth and variety of the content was pertinent to the business.

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

During the financial year, GHL Directors participated in the following training and development programmes:

- Introduction to ESG Oversight
- Strategies for Overcoming DE&I Challenges in the Boardroom
- Investor Relations (IR) in the Boardroom – Aligning Directors and the IR Function
- Cybersecurity in the Financial Sector
- Artificial Intelligence and Generative AI
- Corporate Governance - ESG

Skills and Competencies of the Board

Each year, the Directors undertake a self-assessment and peer assessment of their skills and competencies, which is led by the CGNC, to ensure that the Board continues to be comprised of people who add value, which also informs the Board's succession planning.

GHL Board of Directors Skills and Competencies Matrix

NAME	Country of Citizenship	Organisational Leadership	Financial Expertise	Insurance – General	Insurance – Life	Asset Management	Risk Management	Strategic IT Leadership and Digital Transformation	Strategic Planning	Regulatory Affairs and Compliance	Entrepreneurship	Strategic Environmental, Social and Governance (ESG) Leadership	People Development and Compensation Management	TENURE	AGE	GENDER
Bruce Bowen	Jamaica and Canada	Expert	Expert	Basic	Expert	Expert	Expert	Skilled	Expert	Expert	Skilled	Basic	Skilled	0-5 Years	60- 69	Male
Charles Percy	Trinidad and Tobago	Expert	Skilled	Basic	Basic	Basic	Skilled	Expert	Expert	Basic	Skilled	Basic	Expert	5-10 Years	60- 69	Male
Dexter Maitland	United Kingdom	Expert	Expert	Basic	Basic	Expert	Expert	Limited	Expert	Expert	Skilled	Expert	Expert	0-5 Years	40-59	Male
Ian P. Chinapoo	Trinidad and Tobago	Expert	Expert	Skilled	Skilled	Expert	Expert	Skilled	Expert	Expert	Expert	Expert	Expert	0-5 Years	40-59	Male
Imtiaz Ahamad	Trinidad and Tobago	Expert	Skilled	Skilled	Limited	Skilled	Basic	Basic	Skilled	Skilled	Expert	Skilled	Skilled	Over 10 Years	60- 69	Male
Lance Dominic Rampersad	Trinidad and Tobago	Skilled	Expert	Skilled	Skilled	Skilled	Skilled	Basic	Skilled	Skilled	Skilled	Skilled	Skilled	0-5 Years	40-59	Male
Michael L. Gerrard	United States of America	Expert	Expert	Basic	Basic	Skilled	Basic	Basic	Expert	Skilled	Skilled	Basic	Skilled	0-5 Years	60- 69	Male
Michael Lee-Chin	Canada	Skilled	Skilled	Skilled	Basic	Skilled	Basic	Basic	Skilled	Skilled	Expert	Skilled	Skilled	5-10 Years	70 plus	Male
Nicholas Lok Jack	Trinidad and Tobago	Expert	Skilled	Limited	Limited	Basic	Basic	Limited	Expert	Limited	Skilled	Limited	Skilled	5-10 Years	40-59	Male
Patricia Ghany	Trinidad and Tobago	Expert	Skilled	Skilled	Basic	Skilled	Skilled	Basic	Skilled	Skilled	Expert	Basic	Expert	0-5 Years	40-59	Female
Robert Almeida	Canada	Expert	Expert	Basic	Basic	Expert	Expert	Basic	Expert	Basic	Expert	Basic	Basic	0-5 Years	60- 69	Male

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

Director Independence

In recognition of the important oversight role of Independent Directors, the Company has enshrined in its By-Laws the requirement for a minimum of 30 percent independent directorship. The recently approved Governance Framework increased the ratio of Independent Directors to 50 percent and the Board expects to achieve this target before the end of 2025.

Annually, the Board evaluates the independence of its Directors and can confirm that the following five directors, representing 45 percent of the Board, meet the criteria for independence contained in By-Law No.1 of the Company.

Independent Directors

45%



Charles Percy (Lead Independent Director)



Michael L. Gerrard



Patricia Ghany



Dexter Maitland



Lance Dominic Rampersad

Criteria for Independence

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

Commitment of Time

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

Directors' Attendance at Board and Committee Meetings as at 31st December, 2024

DIRECTORS	BOARD Five (5) Meetings	AC Five (5) Meetings	RCC Four (4) Meetings	CGNC Four (4) Meetings	TDCC Four (4) Meetings
Imtiaz Ahamad	4	4	n/a	n/a	n/a
Robert Almeida	5	n/a	4	n/a	4
Ian P. Chinapoo	5	n/a	n/a	n/a	n/a
Michael L. Gerrard	5	n/a	3	n/a	n/a
Patricia Ghany	5	n/a	n/a	4	4
Michael Lee-Chin	5	n/a	n/a	n/a	n/a
Nicholas Lok Jack	3	n/a	n/a	n/a	n/a
Dexter Maitland[1]	5	3[1]	4	4	n/a
Charles Percy	5	5	3	4	4
Lance Dominic Rampersad	5	5	n/a	n/a	n/a
Bruce Bowen[2]	2[2]	n/a	n/a	n/a	n/a

[1] Mr. Dexter Maitland was appointed to the Audit Committee on March 25, 2024.
[2] Mr. Bruce Bowen was elected to the Board on May 2, 2024.

Focus Areas

During the year, the Board continued to focus on its strategic mandate, including risk management, stakeholder engagement and shareholder value-add. Particular emphasis was placed on:

Cybersecurity - Strengthening the internal controls and systems to prevent cyberattacks and minimise the infiltration of cyber criminals by ensuring adequate cybersecurity training and awareness at all levels across the Group.

Succession Planning – Optimising its composition to meet the future aspirations of the Group. Mr. Bruce Bowen was appointed as a Non-Executive Director and the CGNC continued its thrust to build a robust pipeline of Directors for GHL and its subsidiaries.

Financial Reporting – Expending significant time under the primary leadership of the Audit Committee to ensure the robustness of its financial statements under IFRS 17 – Insurance Contracts and providing the support required by management to ensure the effective implementation of the standard.

Corporate Governance – Strengthening the Group's director recruitment and selection process by instituting a stage-gate selection process following the identification of potential candidates, which involved interview and evaluation sessions with some or all of the Group CEO (in his capacity as Chairman of the respective subsidiary), the members of the CGNC and the Group Chairman. These processes were supported by reference checks via various channels along with thorough assessments of the skills, competencies and overall fit of the selected candidate.

Governance Framework – Establishing a high-level Governance Framework that revisited the Holding and subsidiary Board governance structures. The driving force behind this change was the need to better align our governance mechanisms with how the business sets strategy, monitors performance and reports to shareholders. The Governance Framework delineates the roles and responsibilities of the Boards of the Company and of the subsidiaries to ensure that relationships and risks are clear. Following alignment on the high-level framework, subsequent steps involved revamping the Board composition, revising by-laws, mandates and all other governance policies.

Governance Policies and Charters – The review of the Company's governance policies, charters and mandates was initiated to address the following key areas:

Compliance: Ensuring that the governance documents align as far as possible with the requirements of the:

1. Group Governance Framework
2. Trinidad and Tobago 2024 Corporate Governance Code
3. Private Sector Organisation of Jamaica Corporate Governance Code

Best Practices: Updating documents to reflect evolving best practices in corporate governance.

Gap Analysis: Identifying and addressing any inconsistencies or gaps in the Governance Framework to strengthen oversight.

The following documents were reviewed and/or updated during the process:

Charters and Mandates:

- GHL Board Mandate
- Board and Committee Chair Mandate
- Corporate Secretary Mandate
- CEO's Mandate
- Statement of Board Reserved Powers

Focus Areas (continued)

- Audit Committee Charter
- Risk and Compliance Committee Charter
- Corporate Governance and Nomination Committee Charter
- Talent Development and Compensation Committee Charter

Codes and Policies:

- Corporate Governance Principles (now Policy)
- Securities Trading Policy
- Disclosure Policy
- Conflict of Interest Policy
- Code of Conduct and Business Ethics
- Non-Executive and Executive Directors Terms of Appointment

Risk Governance – The focus on enterprise risk management continued in 2024 and the Enterprise Risk Management (ERM) Policy was reviewed and enhanced in the last quarter of the 2024 financial year. In particular the ERM Policy further integrated ESG risks and the ERM Policy can be accessed on the Company's website. In addition to risks associated with business and technology changes, the Board ensured that strategic risks were highlighted and properly ventilated, with adequate advice and support to management throughout. You can read more details on the Group's ERM in the Risk Management section of the Annual Report.

Principle C – Stakeholders and Disclosure

The Board continues to fulfil its material regulatory disclosure obligations within prescribed statutory timeframes against the highest governance standards of transparency and accountability.

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

In addition to the primary stakeholders of the Company, namely policyholders, employees, customers, regulators and shareholders, the Board has also identified the media as a key stakeholder. Management has enhanced the mode of engagement with this key stakeholder group, evidenced by proactive and candid discourse in one-on-one or public settings, which provides the public with insight into the business and leadership of the Group. In 2024 the Company continued the work to provide formal media training to its Executives and other key personnel to enhance the quality of this engagement.

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

The Board adopted a formal Disclosure Policy designed to provide accurate, timely, complete and balanced disclosure of all material matters concerning the Company. This is supplemented by the Group Branding and Communication policies and collectively details the framework within which we engage with key stakeholders. Several other policies support the stakeholder engagement framework for specific groups of stakeholders such as employees, regulators and suppliers and are intended to ensure that the Group fosters and sustains stakeholder relationships.

We continuously keep abreast of the quality of the engagement with our stakeholder groups including regular customer surveys, annual employee engagement surveys and other feedback mechanisms, which are integrated into action plans to improve the experiences of our valued stakeholders. Additionally, grievance

Principle C – Stakeholders and Disclosure (continued)

procedures and health and safety policies are in place for employees as a key stakeholder group.

The Group's Complaints Policy and the mechanism for this feedback provides a sound basis to ensure that the Group has a strong and well-integrated system to receive and address stakeholder sentiments. Complaints from major subsidiaries are reported into the Board's Risk and Compliance Committee, which has oversight of the Enterprise Risk Management Framework that incorporates key stakeholder risk.

Strong regulatory relationships are a core focus of the Board, which understands the vital role of the Company from a local and macroeconomic point of view. Directors continued to be present and available to answer questions at employee and investor fora, cognisant of the valuable role of our stakeholders to the long-term success of the Company. Overall, we ensure that we engage in proactive, regular communication with stakeholders and that feedback is addressed quickly and communicated internally. The Board is committed to facilitating the ownership rights of all shareholder groups, including minority and foreign shareholders and institutional investors, by fostering open communication with its shareholders through the office of the Corporate Secretary.

Provision is made for shareholders to have the opportunity to engage with the Company and participate effectively in annual and special meetings through the provision of proxies. Shareholder meetings are now held in a hybrid format to increase the ability of our widely dispersed shareholder base to attend, vote and participate in the question-and-answer segment of the meeting. External auditors and members of senior management and the Board are available at meetings with shareholders to respond to shareholder questions. In addition to the statutory reporting requirements, each quarter's publication is accompanied by a comprehensive report from the Chairman outlining both the strategic and operational aspects of the Group's business.

The Trinidad and Tobago Central Depository, which performs the Registrar function for the Company, continues to lend support as a liaison for shareholder information and queries.

Material matters are disclosed quarterly through our financial publication and investor fora and annually at shareholder meetings and in our annual report.

Summary of the Key Disclosures in 2024

Appointment and Resignation of Directors	2
Appointment and Resignation of Officers	3
Change in Directors' & Officers' Interest	2
Publication of Financial Results	5
Annual and Quarterly Regulatory Returns, Renewals and Reports	6

Disclosures and other key publications are available on the Company's website.

Principle D – Corporate Sustainability, Ethics and Enduring Value Creation

In 2024, the Board held its second consecutive annual off-site strategy session, during which it engaged in detailed discussions on the strategic goals and objectives of the Group in the short-, medium- and long-term, which was supplemented by quarterly reporting on the status or progress of the various strategic tasks. The Board considered the main levers to achieve the agreed outcome and regularly assessed the socio-economic, environmental and other circumstances of the individual businesses and territories, to ascertain the impact to the Group as a whole. The Business Continuity Plans (BCP) of the various subsidiaries are integrated in the Company´s BCP to ensure sustainability and long-term value-creation.

ESG plays a critical role in our business continuity efforts and additional details on the ESG work of the Group are throughout the Annual Report.

The Group Code of Conduct and Business Ethics Policy and Conflict of Interest Policy set clear expectations for ethical behaviour, which guide decision-making in alignment with the organisation´s values and legal requirements. These documents provide the framework to resolve ethical dilemmas, ensure compliance with laws and regulations and promote integrity, fairness, and transparency which helps to build trust with stakeholders and protect the organisation´s reputation.

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

Board Diversity, Equity and Inclusion

The CGNC began its review of a Board Diversity Equity and Inclusion (DEI) Policy in 2024, which was approved in early 2025. The Policy is a strong pillar of the Company´s recruitment, selection and succession planning process for Directors setting the ´tone from the top´ on ESG leadership. The Board has taken active steps to rectify gaps in its DEI practices, including the enhancement of its practices with respect to the nomination of Directors. In addition to their outstanding qualifications our DEI practices will bring the balance and diversity of thought and perspective that will enhance the leadership of the Board.

Conflicts of Interest

All Directors and employees of the Company are subject to the Group Conflict of Interest Policy, which requires full disclosure of any conflict or perceived conflict of interest and describes the process to manage that conflict. Compliance with the policy is monitored by the CGNC. All Directors submit a Conflict of Interest Declaration annually and at the time when a potential conflict arises in accordance with the Policy.

The Company´s governance framework is supported by a series of Group Governance policies, all of which are accessible on the Company's website.

Corporate Governance (continued)



The Corporate Governance Policy and other key Governance Policies are available on the Group´s website www.myguardiangroup.com.

Risk Management



Every great story has its
twists and turns,
its moments of uncertainty.

But, united in our ability to adapt, evolve and
thrive, through the strength of our
collective vision, we face them with confidence.

Managing Risk, Building Resilience, Unlocking Opportunities

As an insurer and asset manager, we face a diverse range of risks, the acceptance and management of which is inherent in our Group's operations. Adopting an integrated approach, we manage both current and emerging risks ensuring that they are identified, prioritised, assessed, managed, mitigated, monitored and reviewed in line with leading-practice risk management techniques.

In 2024, we continued to be guided by the Group's Enterprise Risk Management (ERM) Framework along with our three-year ISO 31000 aligned Risk Management Plan, which provides clarity and allows for continuous oversight of our overall risk profile. Our approach to ERM also continued to be based on certain core principles that are cascaded throughout all business units, territories and lines of business:

Clear Accountability – premised on delegated and clearly defined authority.

Controlled Risk-Taking – sustainable value creation is central to our value proposition and must be within a clearly defined risk policy and risk control framework.

An Open Risk Culture – promoting risk transparency, responsiveness to change, sharing of experiences, ideas and knowledge, all of which are core to creating a culture of mutual trust and reducing surprises.

Risk Governance

Risk governance is an essential component of our ERM Framework. A number of key parties contribute to the institution of the governance framework and play a critical role in effectively managing risk across the Group. Critical risk management roles are outlined below:

Board of Directors

The Board of Directors sets the tone at the top and drives the establishment of a risk management culture throughout the Group. The Board ensures that policies and procedures are in place to protect the organisation from risks that are inherent and emerging risks.

Board Risk and Compliance Committee (BRCC)

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

Chief Risk Officer (CRO)

The Chief Risk Officer is responsible for oversight of the risk management function and the risk management framework across the Group. The role helps ensure a robust system that supports our strategic objectives and risk-taking appetite.

Business Unit Heads

Business Unit Heads are responsible for the effective identification, assessment, management, monitoring, reporting and control of risk within their areas of responsibility, in accordance with approved Group risk management processes and methodologies.

Risk Governance (continued)

The Group has adopted a 'three lines' approach that serves to create a strong, coherent and Group-wide risk culture.

This model assigns primary responsibility for identifying and managing operational risks to:



Throughout 2024, we continued to adopt a holistic approach to managing a diverse set of risks, ranging from financial, operational, strategic risks inclusive of climate, geo-political, artificial intelligence, cyber security, data privacy and other emerging risks.

Risk Policy & Risk Governance Documentation

The Group's ERM Policy and Framework, which is defined by the Group Board of Directors, articulates the Group's risk appetite and fundamental risk and capital structure principles, including the framework and taxonomies, with an outline of how the Group organises and executes its risk management practices.

In 2024, as part of our ongoing efforts to strengthen enterprise risk management, we reviewed and enhanced the Group's Enterprise Risk Management (ERM) Policy. The updated policy provides greater clarity regarding risk roles and responsibilities and now integrates our approach to managing ESG risks.

We also updated our measurement of the Group's current Risk Maturity level using the Risk and Insurance Management Society's (RIMS) Risk Maturity Model, factoring in the ERM initiatives and improvements made throughout the year. Additionally, the ERM Framework was further enhanced through the development and approval of the Group Recovery Planning Policy, which provides guidance on how the Group's key subsidiaries should monitor their businesses and plan for the detection and response to periods of severe financial stress.

Risk Culture

Our corporate and risk cultures are mutually reinforcing. Our focus in 2024, which intensified as we planned for 2025 and beyond, emphasised promoting a strong risk culture, spotlighting risk awareness, discipline and policy adherence. This focus is integral to our approach to governance and builds on the Group's Code of Conduct as well as on the risk management principles set forth in the Group ERM Policy.

The Operational Risk Management team continued rolling out the Risk Control Self-Assessment (RCSA) Framework across all territories. Coupled with the Group Incident Management Policy, which was developed and approved during the period, this is expected to result in an even more robust control environment and further shape the risk culture. Given the focus on risk culture and awareness, a comprehensive training programme was developed and delivered to the leadership of key subsidiaries, covering areas such as risk appetite, risk governance, risk articulation and the connection between risk management and the achievement of strategic objectives.

Risk Appetite

Our risk appetite statement provides the context for optimising how the Group should deploy its capital, liquidity and other resources with a risk-return view. The Group's risk tolerance establishes clear boundaries for risk-taking as we pursue business strategy and planning. In 2024, the Group updated its Risk Appetite Statement (RAS), outlining the nature and amount of risk the organisation is willing to accept in pursuit of its objectives. The RAS of key subsidiaries was also updated during the period.

Maintaining a balanced approach to risk-taking, aligned with our risk appetite, remains fundamental to our business. We remain on track to achieve the goals set at the beginning of the three-year planning horizon, with a continued focus on improving risk culture and reinforcing overall risk management and risk mitigation.

Compliance as the Cornerstone of Responsible Business

Given that Guardian Group operates within a dynamic financial services sector across diverse regions, Compliance plays a vital role as the cornerstone of responsible business. A robust framework in effectively managing compliance and regulatory risks is critical to the sustainability of our operations. To address this, we have implemented a comprehensive system to monitor compliance obligations and track regulatory developments, ensuring we remain well-informed about legislative and regulatory changes in all our operating regions. Regular collaboration with regulators is a fundamental aspect of our approach, fostering strong relationships and enabling us to provide meaningful feedback to key stakeholders.

Regulatory Developments

In 2024, Trinidad and Tobago saw significant legislative and regulatory changes such as amendments to key laws—the Prevention of Corruption Act, the Proceeds of Crime Act and the Anti-Terrorism Act. These changes were designed to enhance the handling of tax information and improve anti-corruption measures, with a strong emphasis on preventing money laundering and the financing of terrorism in line with the Financial Action Task Force's international standards. Additionally, new data privacy regulations were established to safeguard personal information in alignment with global standards.

Our compliance reporting framework captured all reporting requirements associated with these regulatory changes.

Leveraging Technology

In 2023, significant investment was made in technological upgrades to support our governance, compliance and regulatory obligations and 2024 was no different. We continued this trend by investing in a new platform designed to streamline compliance reporting. This new platform facilitates improved collaboration across compliance, corporate secretarial, legal, tax and finance teams and aims to reduce administrative burdens, streamline reporting processes, assign clear responsibilities and automate reminders for the timely completion of tasks.

Promoting Responsible and Ethical Conduct and Policy Updates

To reinforce our commitment to upholding the highest standards of ethical conduct, we have implemented a comprehensive set of policies that define our expectations for how our stakeholders should operate. These policies include our Code of Conduct and Business Ethics Policy, Conflict of Interest Policy, Anti-Bribery and Corruption Policy, Whistleblowing Policy, Fraud Investigation and Reporting Policy, Compliance Policy, Regulatory Reporting Policies, and Financial Crimes Policy.

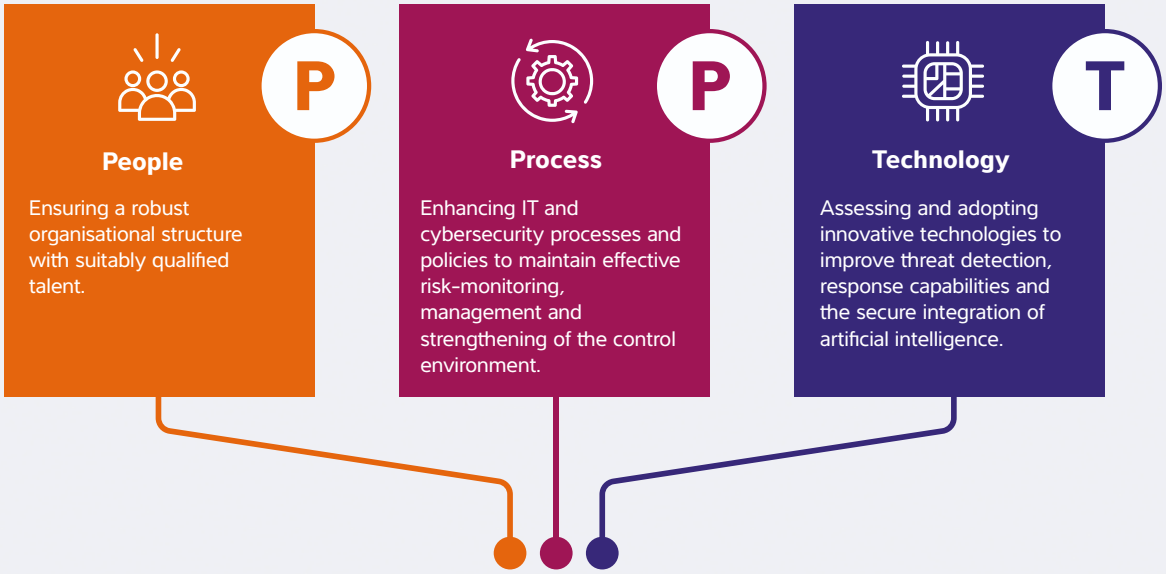
We are dedicated to ensuring that these policies remain relevant and effective by conducting regular reviews and updates. In 2024, we updated our Whistleblowing Policy to align with our enhanced reporting mechanisms and the Fraud Investigation and Reporting Policy. We recognise the importance of clear and consistent communication to keep our policies and programmes current. Through our Compliance Essentials platform, these policies are made accessible to all staff and will be communicated periodically to ensure continuous awareness.

Training

Each year, we conduct mandatory training to ensure that all staff understand our expectations and the legislative responsibilities related to preventing financial crimes. This training is delivered through our Compliance Essentials platform, which includes customised modules for our subsidiaries as well as standardised Group-wide training. The training covers critical areas such as ethical obligations, fraud reporting and the available reporting tools within the Group, including the MyGG_ OpenVoice platform, where staff can report any issues or concerns. In 2024, this training took place in Q4.

Strengthening Cyber Security

As part of our information security management and in line with the Group's strategic objectives, we began executing a new information security strategy in 2024, which is built on aligning financial investments with the following three foundational pillars:



We further aligned our security operations with evolving cybersecurity regulations across the Dutch and English-speaking Caribbean and expanded our information security training programme to include targeted cybersecurity sessions for Executive Leaders and the Board of Directors. These initiatives reinforced our defences and embedded cybersecurity at every level of our organisation, positioning us to drive business growth while supporting broader ESG objectives.

Building on the successes of 2024, we aim to positively enable the Group's ESG impact and improve the resilience of our operations by promoting a secure digital experience for our customers and continued overall resilience of our operations in an evolving threat landscape.

Maximising Value With Data Governance

Data governance is a cornerstone of our digital transformation journey, ensuring delivery of consistent, continued value to our stakeholders. Our approach to data governance enables effective digital solutions and facilitates AI-driven business and service strategies. We empower our teams with data literacy training, fostering a data-driven culture. Through the implementation of robust frameworks and controls, we continuously prioritise accuracy and accessibility of data, providing a solid foundation for innovation and decision-making.

In 2024, our efforts centred on maturing our governance framework — refining our policies and defining processes to improve data quality and privacy management. In terms of data quality, we sought to maximise the potential and value of our data assets. Additionally, we introduced advanced tools to support metadata management, ensure traceability and catalogue our critical data assets, enabling greater transparency and control across our operations.

Strengthening Data Protection Compliance And Pioneering AI Governance

Throughout 2024, we continued to strengthen our commitment to data protection and privacy, enhancing our capability to safeguard personal information. With the help of specialised Data Privacy software that enabled more efficient Data Protection Risk Assessments we were able to establish a comprehensive inventory of personal data processing activities. This technological advancement, coupled with the successful registration of Guardian Life Limited and Guardian General Insurance Jamaica Limited with Jamaica's Office of the Information Commissioner, exemplified our ongoing dedication to maintaining regulatory compliance across our operations.

Our biannual compliance assessment revealed significant improvements in adherence to data protection laws throughout the Group. We have maintained our proactive stance by updating relevant policies, conducting thorough agent and staff training in data protection practices and developing robust document retention and disposal procedures. One step we also plan to take is the development and implementation of an AI Framework and Policy that will guide our responsible adoption and integration of artificial intelligence technologies while carefully managing associated ethical and operational risks.

As we advance in 2025, we remain committed to creating a reliable, robust and transparent data environment that complies with evolving regulatory standards and reinforces confidence in our capabilities. Our aim is to further solidify our position as a future-ready organisation, balancing innovation with the fundamental principle of protecting our customers' data and maintaining their trust.


Strength
in every
shared step

Chapter 2

Leadership

Leading with Purpose, Powered by You

The story of true leadership is written not by one, but by many. Every step forward is guided by the collective strength and vision of those who share the journey with us.







Creating a strong business and building a better world

are not conflicting goals – they are both essential ingredients for long-term success

Chapter 2:
Leading with Purpose, Powered by You



Robert Almeida
Chairman

Ian P. Chinapoo
Group Chief Executive Officer

BOARD OF Directors



The story of true leadership is written not by one, but by many

FROM TOP LEFT TO RIGHT

Imtiaz Ahamad
Bruce Bowen
Lance Dominic Rampersad

Michael L. Gerrard
Dexter Maitland
Charles Percy
(Lead Independent Director)

Patricia Ghany
Nicholas Lok Jack
Michael Lee-Chin

GROUP Executives



Ian Chinapoo
Group Chief
Executive Officer



Keesha Sahadeo
Group Chief
Financial Officer



Krystal Baynes-Hoseinee
Chief Governance Officer
& Corporate Secretary



Sasha Ali-Soondarsingh
Group Head, Internal Audit



Paul Traboulay
Group Chief Risk Officer



Karen Kelshall Lee
Group Head, Compliance



Eric Hosin
Group Head of Life,
Health and Pension



Samanta Saugh
President, Guardian Life
of The Caribbean Limited



Meghon Miller-Brown
President, Guardian Life
Limited



Dean Romany
President, Guardian
General Insurance Limited

Leadership is a continuous conversation. It's shaped by the trust of those we serve, and driven by a shared vision that grows stronger with every step we take together.



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



Miguel Martinez
President, Guardian Asset Management



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



Shera Mungroo
Chief Product Officer



Robert Chen
Group Chief Strategy Officer



Ayesha Boucaud-Claxton
Group Head, Marketing and Communication



Naresh Mongroo
Group Chief Information & Technology Officer



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

Report of the Directors

The Directors have pleasure in submitting their Report for the year ended 31st December 2024.

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

Financial highlights – $ million

	2024	2023 restated
Insurance service result	886	651
Net income from investing activities	1,997	1,914
Net insurance finance expenses	(846)	(788)
Net insurance and investment result	2,037	1,777
Fee and commission income from brokerage activities	58	59
Net income from all activities	2,095	1,836
Operating profit	1,069	842
Profit before taxation	1,100	858
Taxation	(251)	(213)
Profit from continuing operations after taxation	849	645
Profit from discontinued operations after taxation	8	6
Profit for the year	857	651
Profit attributable to owners of the company	850	645
Total Assets	36,959	34,774
Insurance contract liabilities	23,074	22,279
Equity attributable to owners of the company	4,574	3,765

Dividends

An interim dividend of TT$0.23 (twenty- three cents) per share was paid in 2024. At their meeting on 7th April 2025, the Directors declared a Final Dividend of TT$0.57 (fifty-seven cents) per share which will be paid on 7th May 2025, to Shareholders on the Register as at 24th and 25th, April, 2025 in Trinidad and Tobago and Jamaica, respectively. The total dividend for 2024 therefore amounts to TT$0.80 per share.

Directors

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

Mr. Charles Percy, Mr. Michael Liam Gerrard, and Ms. Patricia Ghany, having also been elected for terms expiring at this Annual Meeting, offer themselves for re-election.

The Board of Directors has recommended Ms. Colette Delaney for appointment to the Board at this Annual Meeting for a term of three (3) years, in accordance with By-Law No. 1 of the Company.

The biographies of the directors proposed for election and re-election are contained in the Notes to the Notice of Annual Meeting on page 7 of the Annual Report.

Report of the Directors (continued)

Directors and Significant Interests
These are shown on page 120 and should be read as part of this report.

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

By Order of the Board



Krystal Baynes-Hoseinee
Corporate Secretary
7th April 2025

Interest in Shares of the Company

DIRECTORS' AND SENIOR MANAGERS' INTERESTS

Name	Position	Ordinary Shares as at			
		31 December 2024	%	7 March 2025	%
Mr. Robert Almeida	Chairman	0	0%	0	0%
Mr. Ian P. Chinapoo	Director/Senior Manager (CEO)	156,181	0.06%	156,181	0.06%
Mr. Imtiaz Ahamad	Director	9,358,621	4.03%	9,358,621	4.03%
Mr. Bruce Bowen	Director	0	0%	0	0%
Mr. Michael Gerrard	Director	0	0%	0	0%
Ms. Patricia Ghany	Director	1,761	0%	1,761	0%
Mr. Michael Lee-Chin	Director	143,335,673	61.78%	143,335,673	61.78%
Mr. Nicholas Lok Jack	Director	9,252,171	3.99%	9,252,171	3.99%
Mr. Dexter Maitland	Director	0	0%	0	0%
Mr. Charles Percy	Director	0	0%	0	0%
Mr. Lance Dominic Rampersad	Director	0	0%	0	0%
Ms. Sasha Ali	Senior Manager	0	0%	0	0%
Ms. Krystal Baynes- Hoseinee	Senior Manager	2,376	0%	2,376	0%
Ms. Karen Kelshall Lee	Senior Manager	4,971	0%	4,971	0%
Ms. Greer Quan	Senior Manager	n/a	n/a	0	0%
Ms. Keesha Sahadeo	Senior Manager	0	0%	0	0%
Mr. Paul Traboulay	Senior Manager	331,344	0.14%	331,344	0.14%

Interest in Shares of the Company (continued)

TOP TEN SHAREHOLDERS

	Shareholder Name	31 December 2024 Ordinary Shares	%	7 March 2025 Ordinary Shares	%
1	NCB Global Holdings Limited	143,326,379	61.77%	143,326,379	61.77%
2	Universal Investments Limited	6,528,791	2.81%	6,528,791	2.81%
3	First Citizens Depository Services Limited*	5,208,406	2.24%	5,208,406	2.24%
4	Guardian Holdings ESOP Nominee Limited	4,667,468	2.01%	4,667,197	2.01%
5	RBC Investment Management/RBC Trust Limited	4,077,439	1.76%	4,077,439	1.76%
6	RBC Nominee Services Caribbean Limited	3,497,970	1.51%	3,497,970	1.51%
7	Fortress Mutual Fund Limited	3,363,438	1.45%	3,441,743	1.48%
8	Republic Bank Limited	3,450,260	1.49%	3,430,262	1.48%
9	Trinidad and Tobago Unit Trust Corporation	3,219,055	1.39%	3,219,055	1.39%
10	National Insurance Board	2,440,000	1.05%	2,440,000	1.05%

* First Citizens Depository Services Limited (formerly First Citizens Asset Management Limited)

SUBSTANTIAL SHAREHOLDERS

Shareholder Name	31 December 2024 Ordinary Shares	%	7 March 2025 Ordinary Shares	%
NCB Global Holdings Limited	143,326,379	61.77%	143,326,379	61.77%

EMPLOYEE SHARE OWNERSHIP PLAN (ESOP)

	31 December 2024	%	7 March 2025	%
Ordinary Shares held	4,667,468	2.01%	4,667,197	2.01%

NOTES:

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

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

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

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

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

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

Chapter 2:
Leading with Purpose, Powered by You



CFO's STATEMENT

Figures are quoted in Trinidad and Tobago Dollars.

Keesha Sahadeo

GROUP CHIEF
FINANCIAL OFFICER

2024 was a year of exceptional performance for the Guardian Group, which continued its strong growth trajectory.

We delivered a profit attributable to owners of $850 million for the year ended 31st December, 2024, an increase of $205 million or 32% over the prior year's restated profit of $645 million. The Group's balance sheet metrics and capital levels remain robust.

These results demonstrate our commitment to maximising the value of our diversified business model. The Group remains strongly and strategically positioned to optimise market opportunities and elevate our earning power while navigating an evolving business landscape, sporadic weather events and continued macroeconomic and geopolitical uncertainties.

Solvency and Regulatory Compliance

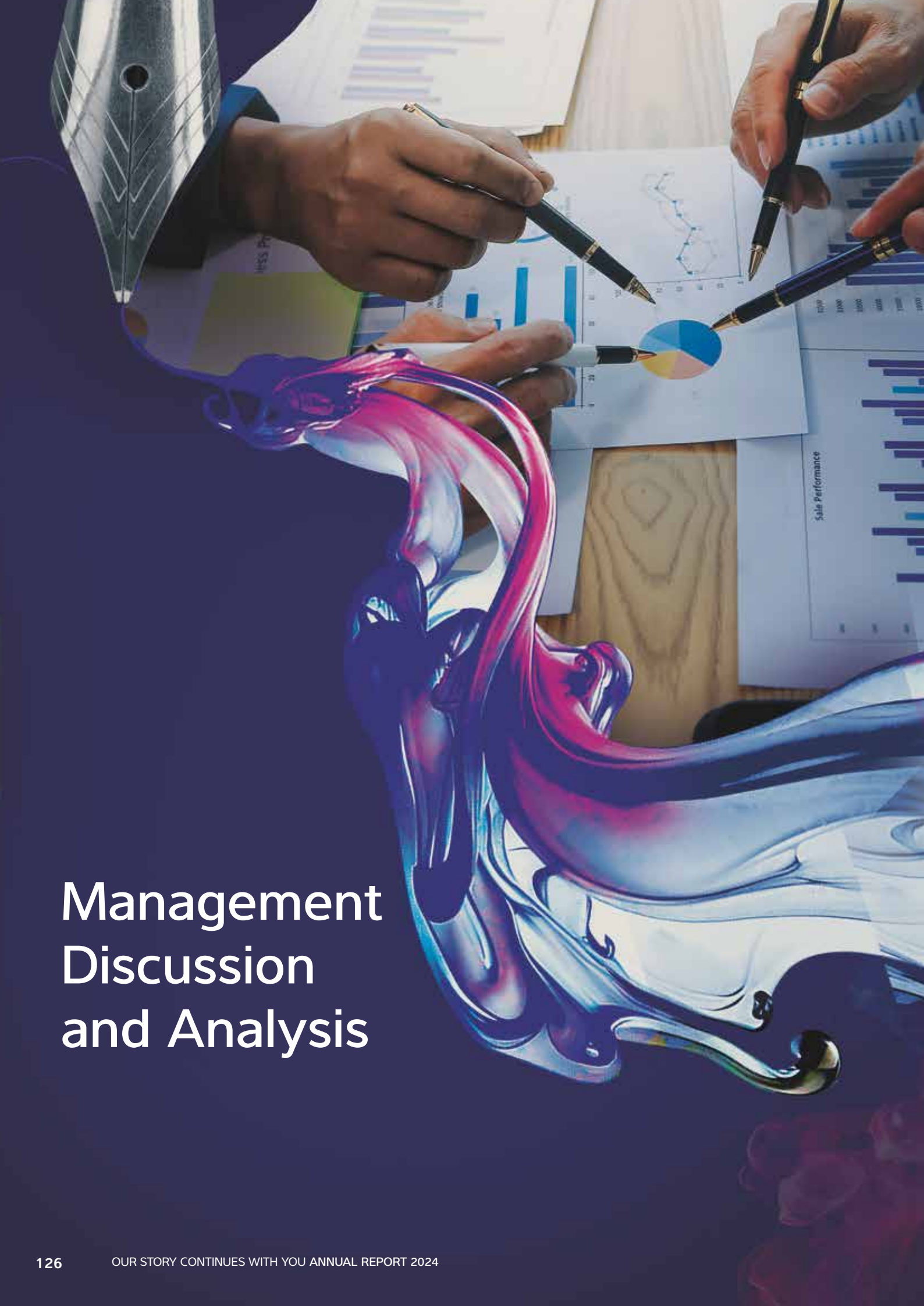
The Group continues to be sufficiently capitalised across the business lines and compliant with all regulatory solvency ratios. We remain diligently focused on compliance in the territories in which we operate, ensuring that each business segment adheres to the standards of compliance and a strong internal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

Gearing

During the year, the Group issued new debt of $400 million to support transformational activities, business growth and other operational activities. As a result, Group debt increased by $390 million from $3,261 million in 2023 to $3,651 million in 2024. The Group was successful in maintaining its gearing ratio at 45%, on par with the prior year's ratio, through offsetting increased debt volumes with equity growth driven by higher earnings.

External Rating

The Group's strong balance sheet was independently re-affirmed by international and regional rating agencies AM Best and CariCRIS, having been attributed bbb- (Good) and CariAA-(Stable) ratings respectively, acknowledging that our risk management practices and balance sheet strength satisfy future payments to both our creditors and policyholders.



Management Discussion and Analysis

Management Discussion and Analysis

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

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

Forward Looking Statements – Cautionary Language

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

Group Overview

Summary Consolidated Statement of Income – $ million

	2024	2023 restated
Insurance service result	886	651
Net income from investing activities	1,997	1,914
Net insurance finance expenses	(846)	(788)
Net insurance and investment result	**2,037**	**1,777**
Fee and commission income from brokerage activities	58	59
Net income from all activities	**2,095**	**1,836**
Other operating expenses	(836)	(818)
Other finance charges	(190)	(176)
Operating profit	**1,069**	**842**
Taxation and Other	(220)	(198)
Profit from continuing operations after taxation	**849**	**644**
Profit from discontinued operations after taxation	8	6
Profit for the year	**857**	**650**
Profit attributable to non-controlling interest	(7)	(5)
Profit attributable to owners of the company	**850**	**645**

Profit attributable to owners of the company amounted to $850 million, an increase of $205 million or 32% over the 2023 restated profit of $645 million. Correspondingly, earnings per share increased to $3.66, from $2.78 in the prior year. Equity value per share increased to $19.71 versus $16.23 in the comparative period. This was driven mostly by increased insurance service results, higher net income from investing activities and increase in share of after-tax profits of associated companies partially offset by higher net insurance finance expenses, higher other operating expenses, higher finance charges and higher taxation. The Life, Health and Pension (LHP) segment was a key contributor for this commendable performance with an after-tax profit of $881 million, up $159 million or 22% over 2023 restated profit of $722 million. In 2024, the Group generated $377 million in new business contractual service margin (CSM), a strong 19% growth over 2023, underscoring continued momentum. Property and Casualty (P&C) segment also reported robust growth with an after-tax profit of $271 million, up $59 million or 28% over prior year profit of $212 million.

The Group restated its prior year's comparative results for the Life, Health and Pension (LHP) segment. The impact of this restatement resulted in a decrease in the previously reported 2023 profits attributable to owners by $51 million or 7% from $696 million to $645 million. Further to implementation of IFRS 17 -Insurance Contracts - in 2023, this prior period restatement was necessary to retrospectively correct both the understatement of incurred claims for certain annuity portfolios and the the misstatement of the liability relating to short-term insurance portfolios in prior periods. The succeeding commentary on the Group's 2024 performance refers to the restated 2023 financial statements.

During 2024 the Group, through its subsidiary Fatum Holding N.V., commenced a closed process to sell Thoma Exploitatie B.V. and its subsidiary companies (collectively, the Thoma Group), which forms a part of the Group's Insurance Brokerage Business segment. On 19th November 2024, the Group signed a Share Purchase Agreement to divest 100% of the shares of the Thoma Group. This transaction was successfully concluded on 24th January 2025 and the resulting gain will be reported in the Group's 2025 financial statements. In accordance with the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the Group classified the Thoma Group as "Held for Sale". As a result, full year net results for Thoma were reclassified to profit from discontinued operations after taxation for the 2024 financial year and the prior year results similarly re-presented. The current year's and prior year's profit from discontinued operations were $8 million and $6 million respectively, representing less than 1% of the Group's profit attributable to owners of the company of $850 million for 2024 and $645 million for the prior year.

Group Overview

The following commentary elaborates on the financial highlights set out on pages 13 to 17 of this report.

The Group's insurance revenue increased by $440 million or 8% to $5,878 million, mainly from continued growth in core business across the Group's diversified product offerings in both the LHP and P&C segments. Insurance revenue from LHP increased by $240 million or 9% over the prior year. Higher revenues were achieved across all LHP products including Traditional Life, Unit-Linked, Annuities, Group Life, Group Health and Individual Health. LHP revenues included a CSM release of $463 million compared to $286 million in the prior period. P&C also reported a year-over-year increase in insurance revenue of $200 million or 7% from Property, Motor and Casualty products, partially offset by a decline in Marine.

The Group recorded insurance service result for the year ended 31 December, 2024 of $886 million, which was an increase of $235 million or 36% compared to $651 million reported in the prior year. Year-over-year, insurance service result from LHP increased by $182 million or 67%, mainly driven by higher insurance revenue achieved from all lines of business. The LHP segment's results also benefited from lower insurance service expenses in the current year from reduced losses on onerous contracts partially offset by a higher level of health claims and directly attributable expenses. This was partially offset by increased net expenses from reinsurance contracts held in the current year driven mainly by a reduction in incurred claims recovery, largely from the Traditional Life business.

Insurance service results from P&C increased by $42 million or 13% in 2024 compared to the prior year. This growth was driven by higher insurance revenues. However, insurance service expenses increased, mainly driven by higher incurred claims and other directly attributable expenses, including claims paid in the third quarter for Hurricane Beryl.

Net expenses from reinsurance contracts held also increased in the current year, caused by the continued tightening of reinsurance markets, resulting in a higher level of reinsurance expenses, especially in the Property book of business.

Net income from investing activities increased by $83 million or 4%, mainly from improved investment income, realised gains and other income. This result was negatively impacted by lower net fair value gains and current year impairment losses. Net fair value gains generated in the prior year included a non-recurring net fair value gain of $174 million related to Guardian Life Limited. This was the result of a model change of financial assets backing life and annuity portfolios being transferred from amortised costs and fair value through other comprehensive income to fair value through the profit and loss. Excluding this prior year one-off net fair value gain of $174 million, the Group achieved a normalised year-over-year increase in net fair value gains and net income from investing activities of $136 million and $257 million respectively. Your Group continues to closely monitor volatile markets and rebalance portfolios, as necessary.

Net insurance finance expenses increased by $58 million or 7% over the prior year, mainly from LHP. Among other items, finance expenses include the flow through of the portion of net income from investment activities that is associated with insurance products with an investment component. For the reporting period, this impact was less favourable to the Group's insurance liabilities; however, the impact was favourable for our clients as they earned higher investment income of $333 million in the current year due to growth in the policyholders' underlying funds, which resulted in higher expenses for the Group.

Other operating expenses increased by $18 million or 2% over the prior year, driven mainly by inflationary impacts on our cost structure and increased expenditure to support our commercial activities. The Group remains focused on reducing controllable costs and seeks further operational efficiencies going forward.

Finance charges increased year-over-year by $14 million or 8%, mainly driven by increased volumes from new debt of $400 million issued in 2024.

Summary Consolidated Statement of Financial Position – $ million

	2024	2023 restated	2022 restated
Investment Securities, investment properties and cash	31,119	29,601	28,693
Other assets	5,578	5,173	5,050
Assets held for sale	262		
Total Assets	36,959	34,774	33,743
Insurance contracts	23,074	22,279	21,642
Financial liabilities	3,661	3,270	3,305
Investment contract liabilities	2,108	2,024	2,022
Other Liabilities	3,482	3,424	3,869
Liabilities related to assets held for sale	47		
Equity	4,587	3,777	2,905
Total equity and liabilities	36,959	34,774	33,743

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

As highlighted above, the Group restated its prior year's comparative results for insurance contract liabilities. Compared to amounts previously reported, the impact of this restatement reduced the Group's total equity for 2022 and 2023 by $34 million and $85 million respectively and increased insurance contract liabilities for 2022 and 2023 by $24 million and $77 million respectively, with remaining impacts on other assets and other liabilities. Subsequent charts presenting the Group's 2024 performance refer to the 2022 and 2023 restated statements of financial position.

Following the Board's approval of the divestment of 100 percent of the shares of Thoma Exploitatie B.V on 19 November, 2024 as discussed above, the Group classified the Thoma Group as "Assets Held for Sale" in the balance sheet as at 31 December, 2024 in accordance with the requirements of IFRS 5. This resulted in the Group reallocating assets previously reported in the cash and other assets categories totalling $262 million from these categories to the Assets Held for Sale category.

Investment securities, investment properties and cash assets increased by $1.5 billion, from $29.6 billion in 2023 to $31.1 billion in 2024 largely driven by increases in cash assets and investment securities. Cash assets increased by $1.1 billion mainly due to higher net cash provided by operating activities and investment securities increased by $0.4 billion mainly from net fair value gains. Other assets increased by $0.4 billion of which the main contributor was loans and receivables.

Insurance contract liabilities include CSM increased by $47 million or 1%, from $3,480 million in 2023 to $3,527 million in 2024. This year-over-year growth was driven by a new business contribution of $377 million, increases from changes in estimates that adjusted the CSM of $112 million, and finance expenses from insurance contracts issued of $70 million. These increases were reduced by CSM release of $463 million and foreign exchange movements of $49 million.

Financial liabilities increased by $391 million, from $3,270 million in 2023 to $3,661 million in 2024, primarily driven by new debt issued in 2024 for $400 million, partially offset by repayment activities during 2024.

Shareholder Metrics – $ million	**2024**	**2023 restated**
Profit attributable to owners of the company	850	645
Comprehensive income attributable to owners of the Company	985	939

	2024	**2023 restated**
Earnings per share	$3.66	$2.78
Book value per share	$19.71	$16.23

	2024	**2023**
Dividends per share declared	$0.80	$0.75
Market value per share (year-end)	$14.95	$18.93

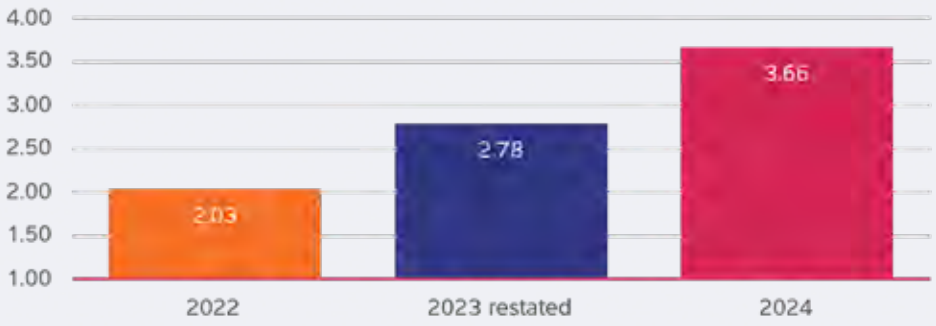
Comprehensive income attributable to owners of the company includes the reported profit for the year plus Other Comprehensive Income (OCI), which are items of income and expense that are not permitted by accounting standards to form part of profit in the Statement of Income. Examples are property revaluation gains/(losses), exchange differences on translating foreign operations, fair value differences or impairment provisions for debt securities measured at fair value through OCI, finance income/(expenses) from insurance contracts issued and actuarial reserve movements for post-employment benefits.

OCI decreased by $158 million, from income of $293 million in 2023 to income of $135 million in 2024, principally due to decreases in finance income from insurance contracts issued, net fair value gains on debt securities at fair value through other comprehensive income, exchange differences on translating foreign operations and remeasurement of pension plans. On the other hand, gains were achieved on property valuations vs. losses in the prior year, actuarial gains on post-employment benefits vs. actuarial losses in the prior year and lower taxation.

The Group also reported increased shareholder value, as earnings per share increased by $0.88, from $2.78 in 2023 to $3.66 in 2024. Equity value per share also increased by $3.48, from $16.23 in 2023 to $19.71 in 2024.

Management Discussion and Analysis (continued)

REPORTED EARNINGS PER SHARE (TT$)



EQUITY VALUE PER SHARE (TT$)



At the end of the year, Group debt increased by $390 million to $3,651 compared to $3,261 million in the prior year. This increase was mainly driven by new debt of $400 million issued in 2024 to fund transformational growth and other operational activities. As a result, finance charges increased by $14 million or 8% over the prior year.

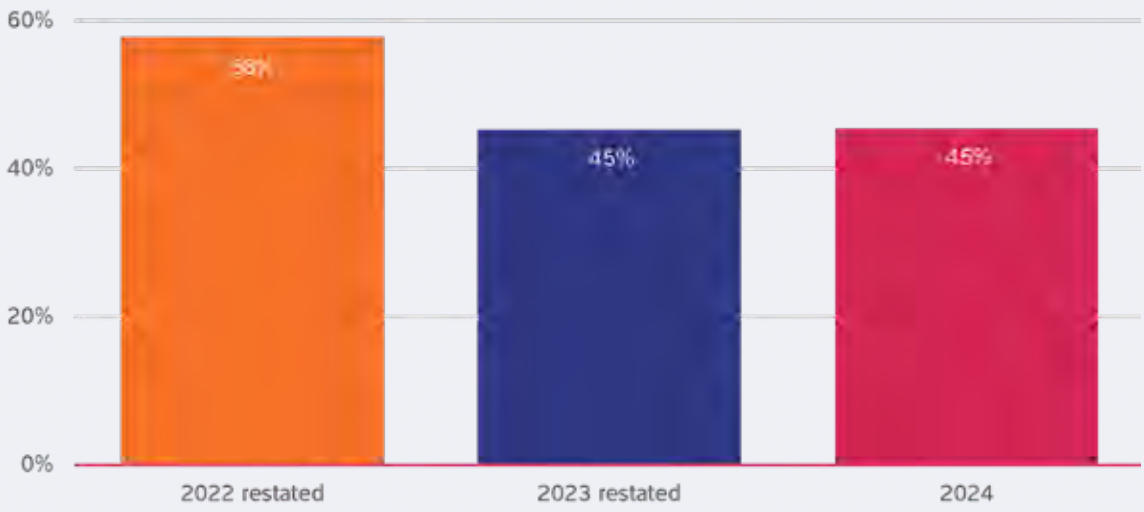
Management Discussion and Analysis (continued)

GROUP DEBT (TT$ MILLION)



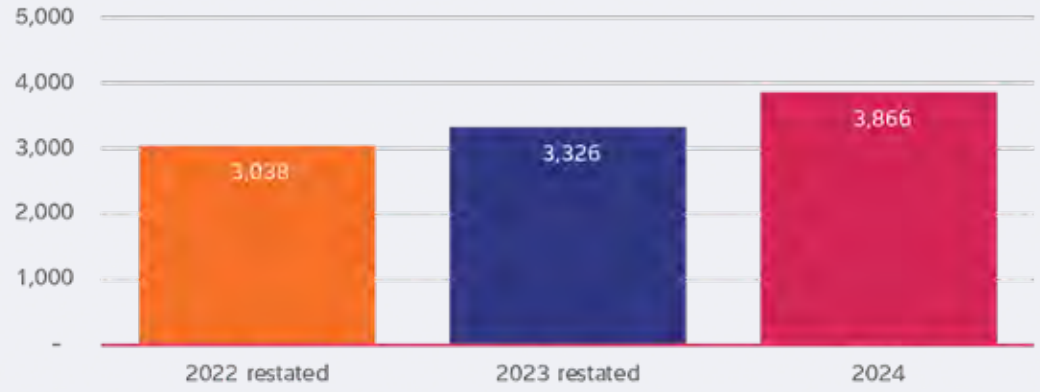
The debt-to-equity ratio (gearing ratio) includes the add-back of CSM to equity. As noted above, CSM represents the unearned profit that the Group will recognise as it provides insurance contract services in the future and exceeded $3 billion in both years. Although the Group's debt increased in 2024 as noted above, the Group was successful in maintaining its 2024 gearing ratio on par with 2023 through increased earnings and growth in CSM.

DEBT-TO-EQUITY & CSM (%)



The working capital balance as at December 2024 was $3.9 billion. This represents a working capital ratio of 1.8, which represents a healthy financial status as it is slightly higher than the prior year's ratio of 1.7, mainly due to a year-over-year increase in other assets.

GROUP WORKING CAPITAL (TT$ MILLION)



The Group values the investment and confidence in our management and operations. Our total dividend for 2024 of $0.80 represents an upward trend in our dividend yield from 4% in 2023 to 5.4% in 2024.

DIVIDEND YIELD (%)



Group Treasury (GT)

This was GT's second year in operation. GT evolved even more in 2024, as we instituted a Group Asset-Liability Committee chaired by the Group CEO to optimise the Group's assets of over $36 billion. Areas of focus include improving investment income, managing volatility, and ensuring appropriate asset-liability matching. Immediate benefits were seen in 2024 with higher year-on-year investment income, dividends to shareholders, and a consistent gearing ratio. This additional layer of governance provides a continued focus on initiatives to increase profitability for dividend growth, deleveraging, and strategic acquisitions in the foreseeable future.

Engagement with Shareholders and Investors

In 2024 we maintained our cadence of quarterly investor presentations through virtual platforms as well as hosted our first in person investor event since pre-covid. These initiatives have strengthened transparency and facilitated more substantive engagement with our investors, shareholders, and key stakeholders.

As we look to 2025 and beyond, we are not just maintaining dialogue—we are cultivating a legacy of openness, shared purpose, and bold transformation. We remain committed to fostering a more connected and informed investment community—one that shares in our long-term vision, drives collective value, and helps shape the future of our Group.

Accounting Developments

The Group actively monitors developments and changes in accounting standards from the International Accounting Standards Board (IASB). In 2024, there were no new standards or amendments/revisions to published standards and interpretations effective that had any significant impact on the consolidated financial statements of the Group.

Conclusion and Overview

As we bring this year's financial review to a close, I want to reaffirm that our performance reflects not only disciplined execution and prudent financial management but also the unwavering commitment of our business units and corporate office. We have navigated uncertainty with focus, delivered results with integrity, and laid the groundwork for sustainable growth.

Our Group remains grounded in principles that don't change: fiscal responsibility, operational excellence, and long-term value creation. We've honored the fundamentals, embraced innovation where it counts, and positioned ourselves to capitalise on both present opportunities and those still emerging.

The numbers tell a story — but behind every figure is a choice, a strategy, a team that made it happen. I thank our Board, executive leadership, finance team, and every individual who helped steer us through the past year.

Looking ahead, we carry forward a strong balance sheet, a sharper strategic lens, and a clear mandate: keep delivering, keep evolving, and keep earning the trust placed in us.

Let's make the next chapter even stronger.

Life, Health and Pension

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

Guardian Life of The Caribbean Limited (100%)

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

Guardian Life Limited (100%)

Jamaica

Bancassurance Caribbean Limited (100%)

Trinidad and Tobago

Fatum Life Insurance N.V. (100%)

Curaçao
St. Maarten
Bonaire
Sint Eustatius
Saba (BES)

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

Aruba

Fatum Health N.V. (100%)

Curaçao
St. Maarten

Guardian Life (OECS) Limited (100%)

Grenada

We continue to operate in the key markets in the Caribbean and are furthering expansion of both products and markets. The use of technology allows us to operate efficiently from both a sales and service perspective, while leveraging the scale of our regional LHP footprint. We continue to be the leading life insurer in the Caribbean.

Distribution

Our primary distribution channel is our tied field force. At the end of 2024, LHP had 838 agents, 4% less than 2023, as we terminated underperforming agents in line with our vision to create a leaner, more profitable field force while endorsing accountable leadership.

The sales force complement is broken down as follows:



Guardian Life of The Caribbean Limited

533



Guardian Life Limited

245



Fatum Life N.V. (Aruba, Curaçao, and St. Maarten)

60

Guardian Life of The Caribbean's Individual Life Sales performance had an encouraging year, ending 2024 with Annualised Premium Income (API) of $267.3 million, a $13.07 million increase compared to 2023. This increase is largely attributable to increased sales in traditional, risk-based products, which is in line with our strategy to grow the most profitable line of business as a long-term carrier in an IFRS 17 environment.

The Employee Benefits line sustained growth throughout the year, ending 2024 with revenue that was $18 million higher than that of 2023. In Jamaica, New Individual Life API settled at J$2.244 billion compared to J$2.272 billion in 2023. Employee Benefits sales fell by 13% from J$8.3 billion in 2023 to J$7.2 billion in 2024. Brokers continue to be our main distribution channel, contributing 63% of our sales revenue for Employee Benefits.

In the Dutch Caribbean, Fatum's performance in 2024 demonstrates steady progress and a strong ability to adapt to changing market conditions, laying a solid foundation for future growth. Enhanced operational efficiency further supported sales performance by shortening turnaround times, strengthening customer service, and expanding the reach of marketing initiatives.

Throughout 2024, the LHP segment remained focused on executing a range of strategic projects aimed at enhancing the customer journey, increasing staff productivity and advancing digital transformation.

PRODUCTS

Life Insurance

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

Health Insurance

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

Pension

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

Business Strategy

The LHP teams continue to focus on perfecting and protecting their core business by investing in people, streamlining processes, and advancing technology and digitisation.

Investment in technology continues via our ongoing project to upgrade our core to one which will allow for greater flexibility, improved accountability, seamless integration, detailed reporting and overall improvements in efficiency and customer experience.

Improving customer experience is a priority for the Guardian Group and we continue to embed enhanced processes within business operations, while maintaining a level of cohesiveness to allow for continuing seamless customer interactions at various touchpoints within the Group. Review and repricing of products to ensure profitability and competitiveness in the marketplace is ongoing throughout all territories to remain competitive while meeting the needs of customers, both new and existing.

Guardian Life Limited in Jamaica launched its online portal, GuardianLink, which allows customers to purchase selected non-underwritten insurance plans. Guardian Life Limited also partnered with the Jamaican Ministry of Culture, Gender, Entertainment and Sports to launch the JECIP Group Life plan for entertainers and creatives.

In the Dutch Caribbean, Fatum's 2024 strategic initiatives also focused on enhancing customer experiences via streamlining operations and increasing automation as well as advancing digital transformation. Optimising investment portfolios and expanding into new markets was actioned together with product alignment reviews. These efforts improved operational efficiency, boosted profits, and laid a solid foundation for future growth.

Fatum deepened its ties with the Dutch Caribbean community by supporting youth, sports, and physical activity, as well as making

Business Strategy (continued)

donations to various NGOs. Key initiatives included sponsoring the 70th anniversary of Aruba's Carnival, supporting Sint Maarten's Carnival at The Dome, and backing the Bonaire Regatta. The annual Guardian Group Fatum Walk & Run attracted over 10,000 participants, promoting an active lifestyle and raising funds for charitable causes. These efforts highlight the company's commitment to social transformation and community well-being.

Competition

Our brand and market presence have been strengthened by maximising returns via the optimisation of our investment portfolio. We also enhanced our customer experience and offered tailored products to our diverse clientele in various channels to reach a broader market. Instrumentalising appropriate technology, we improved operational efficiency and maintained capital adequacy. We expect to further differentiate ourselves in the marketplace and to deliver optimum returns to our shareholders. Our Group provides personalised services that meet the evolving needs of our customers and seeks feedback from customers via focus groups to get more insights. We continue to engage all age groups via a multi-generational approach, and reach out to young people with innovative digital-first solutions and specifically tailored insurance education programmes.

Outlook and Challenges

IFRS 17 is largely attributable to increased sales of traditional, risk-based products in Guardian Life of The Caribbean Limited, which is in line with our strategy to grow the most profitable line of business as a long-term carrier. Business retention and operational efficiency are key areas of focus, as they are essential to positively impact all aspects of our business.

In the Dutch Caribbean, Fatum is actively deploying strategies aimed at increasing product density, cross-sales and digital sales, which are already yielding promising results. The company is repositioning itself towards business platforms with the highest potential for future optimal growth. This repositioning is driven by enhanced operational excellence, expanded market leadership, and a focus on creating greater customer value.

Though LHP continues to encounter some challenges facing high market volatility, fluctuations in financial markets which impact investment returns, economic uncertainty, and pandemic-related risks including the potential impacts of the health crises on business operations, we continue to actively monitor and quickly act on opportunities that arise in an effort to maximise returns for our shareholders.

Legislative/Regulatory Changes

IFRS 17 replaced IFRS 4 Insurance Contracts in 2023 for Guardian Life of The Caribbean Limited and Guardian Life Limited, which resulted in changes to reporting and accounting. However, the regulators and tax authorities in the Dutch Caribbean have not yet adopted the new approach, and this region still follows the IFRS 4 reporting methodology.

In Jamaica, the Data Protection Act became operational on 1st December 2023, with the purpose of protecting privacy rights by regulating the collection, storage, and processing of personal data. Jamaica's Twin Peaks Regulatory System has an expected implementation date of 2026, and the Bank of Jamaica will be responsible for prudential regulation (capital adequacy, liquidity management, risk management, stress testing, solvency) while the Financial Services Commission will focus on market conduct and consumer protection, which is expected to increase oversight and regulatory reporting.

Financial Results

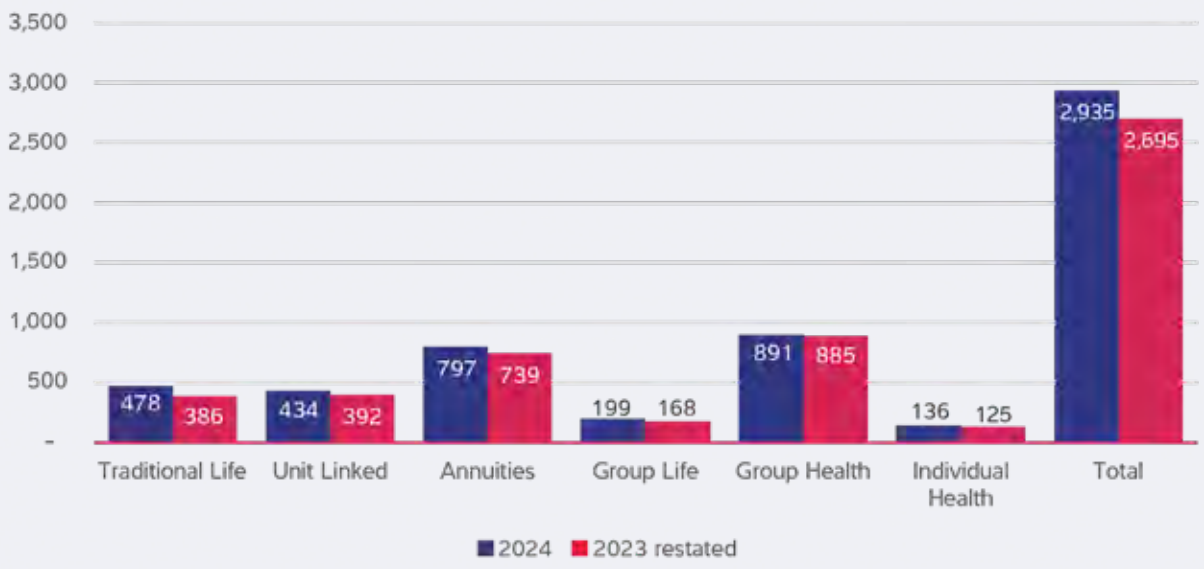
LHP's Profit After Tax increased to $881 million in 2024, which represents an increase of $158 million or 22% over the prior year's results. LHP continues its growth path by delivering great results within the Caribbean market.

Income Statement

Insurance revenue increased by $240 million or 9% to $2.935 billion in 2024, up from $2.695 billion in the prior year. The year-over-year growth in insurance revenue by product is reported in the following graph.

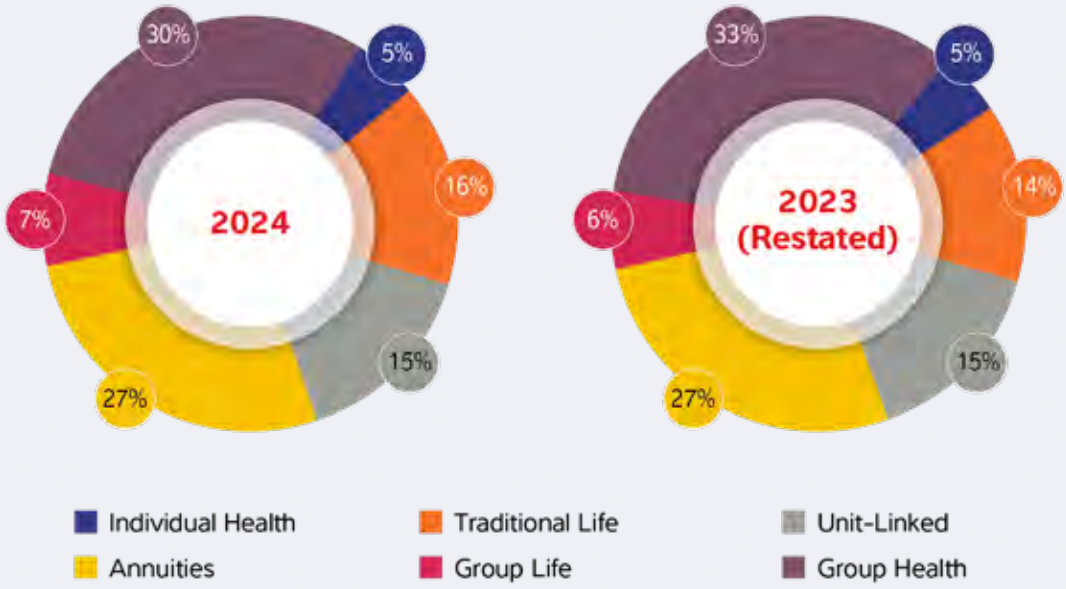
There was revenue growth across each product line for LHP as we continue to sell new policies and retain and service existing business.

INSURANCE REVENUE BY PRODUCT (TT$ MILLION)



The largest contributors of insurance revenue in our diverse product portfolio continue to be Group Health (30%), Annuities (27%) and Traditional Life (16%). The various product offerings cater to different market segments and each have different growth potential and profitability.

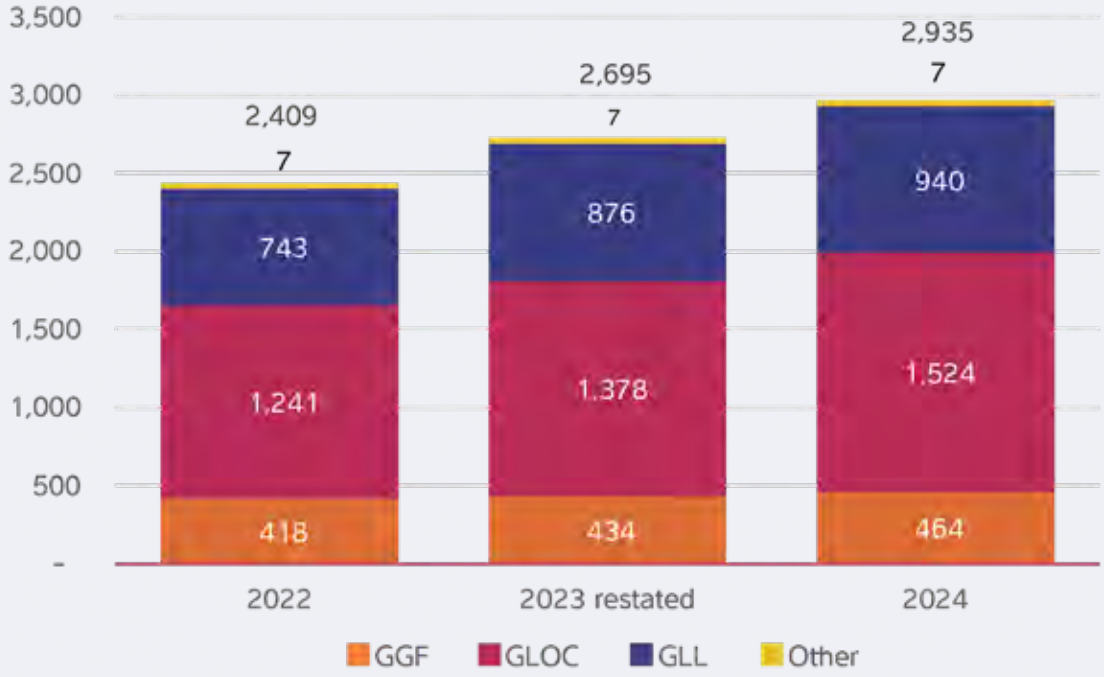
PORTFOLIO MIX OF BUSINESS (%)



Management Discussion and Analysis (continued)

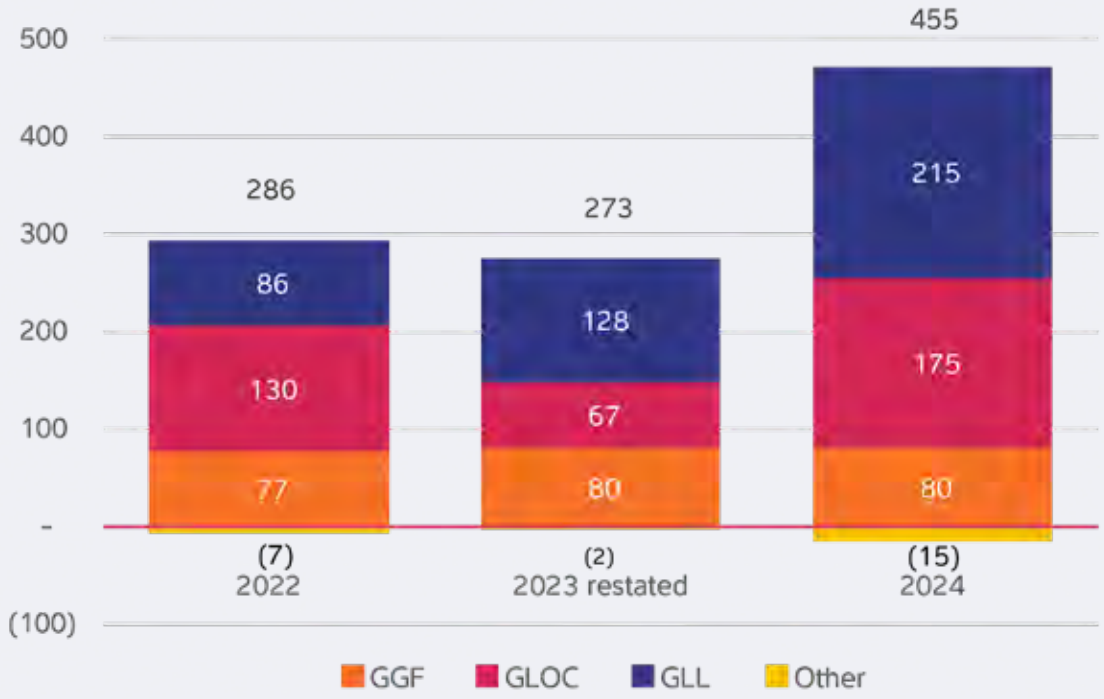
The positive trend continues whereby each business entity experienced growth in insurance revenue for 2024 when compared to the prior year. These positive results were led by Trinidad and Tobago (Guardian Life of The Caribbean Limited), with increases of $146 million and followed by Jamaica (Guardian Life Limited) at $64 million and Curaçao (Guardian Group Fatum) at $30 million, when compared to the prior year's insurance revenue results.

GROUP LHP INSURANCE REVENUE (TT$ MILLION)



The insurance service result increased in 2024 by $182 million to $455 million, which is an increase of 67% when compared to 2023. Guardian Life of The Caribbean Limited and Guardian Life Limited have made great strides in managing insurance service expenses as seen by the increase in insurance service result of $108 million and $87 million respectively when compared to 2023, while Guardian Group Fatum continues to maintain at a steady rate.

GROUP LHP INSURANCE SERVICE RESULT (TT$ MILLION)



Net investment income increased in 2024 by $83 million, which was mainly driven by positive results from actively deploying new and matured cash flows into interest-bearing instruments year-over-year.

Net insurance finance expenses increased by $62 million, mainly on account of investment returns credited to policy contracts from favourable yields on investment activity.

Other operating expenses for the LHP segment remained relatively flat year-over-year due to robust expense management.

Management Discussion and Analysis (continued)

Statement of Financial Position

FINANCIAL POSITION (TT$ BILLION)



The asset base of the LHP segment at the close of the year increased by $2.1 billion to $30.3 billion, a 7% increase from 2023. This was attributed to the net additions and change in fair values, primarily in our equity portfolios. CSM increased by 1.35% compared to December 31, 2023, from $3.48 billion to $3.53 billion. This represents the unearned profit that the LHP segment will recognise as it provides insurance contract services in the future. The growth in CSM of $47 million was driven by new business contribution of $377 million, of which Traditional Life accounted for $208 million, Unit-Linked $88 million and Annuities $81 million as well as $112 million due to favourable changes in estimates that adjust the CSM. This was partially offset by the CSM release of $463 million to the income statement in line with expectations.

Shareholders' equity improved by 24% to $5.8 billion.

Regulatory Capital

The LHP entities' regulatory capital remains well in excess of minimum standards set by their respective regulators.

Credit Rating

A.M. Best has reaffirmed the Financial Strength Rating of A- (Excellent) and the Long-Term ICR of "a-" (Excellent) of Guardian Life of The Caribbean Limited.

Property and Casualty

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

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

Guardian General Insurance Limited (100%)

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

Guardian General Insurance Jamaica Limited (100%)

Jamaica

Guardian General Insurance (OECS) Limited (100%)

Grenada

Fatum General Insurance N.V. (100%)

Curaçao
Bonaire
St Maarten
St Eustatius
Saba

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

Aruba

Guardian Group Nederland N.V.

Netherlands

RoyalStar Assurance Limited – Bahamas (26%)

Bahamas

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

Worldwide

P&C serves the English-speaking and Dutch Caribbean as well as the Netherlands, enabling us to diversify our portfolio and maintain a strong market presence.

We offer a comprehensive suite of insurance products ranging from Property, Motor and Casualty to Marine, Bonding, Crime and Personal Accident. In response to evolving market demands, we have also introduced innovative solutions such as Cyber coverage, Electric Vehicle insurance, and tailored products for emerging sectors. Our expertise extends beyond traditional offerings, allowing us to meet unique and specialised insurance needs. To effectively reach our customers, we distribute our products through a growing network of brokers, agents, and direct channels in the Caribbean, while business in the Netherlands is facilitated through Managing General Agents.

Business Strategy

In response to the dynamic and competitive insurance landscape, Guardian P&C has embarked on a fundamental transformation, centred on a customer-centric ethos. This strategic shift is anchored by three core pillars: personalised customer experiences fostering loyalty, seamless omni-channel interactions, and proactive customer engagement.

Our overarching strategic vision is to accelerate sustainable growth, with a targeted focus on expanding our presence within the Southern Caribbean. This growth will be fuelled by continuous product innovation designed to meet the evolving needs of our customers. Concurrently, we are committed to implementing the customer-centric enhancements, significantly elevating our customers´ journeys. Furthermore, we aspire to solidify our position as the region´s employer of choice, attracting and retaining top talent.

Recognising the critical role of distribution, strengthening producer relationships, particularly with our key partners, is a paramount objective. This initiative will be instrumental in expanding our geographic reach and market penetration.

To underpin these strategic imperatives, P&C will continue to make strategic investments in cutting-edge technologies. This includes the deployment of robotic process automation (RPA), digitisation initiatives, business intelligence platforms, predictive analytics, and artificial intelligence. These investments will deliver substantial business value by optimising operational efficiencies and fostering a more engaging and productive work environment for our employees.

AM BEST Rating

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

Guardian General Insurance Limited: Customer Excellence through Improved Operational Efficiencies

Underwriting excellence. While prioritising underwriting discipline required difficult decisions, particularly within our Trinidad and Tobago Motor portfolio, this focus ultimately led to an improved underwriting profit position year-over-year, despite challenges faced with achieving our new business targets in Trinidad and Tobago.

Claims delivery service excellence. Our Claims team successfully implemented several strategies to improve service delivery to our producers, including assigning staff to specific producers as well as weekly visits by technical officers to resolve stalled and/or problematic cases. Focus was also placed on continuous review and improvement of our procedures, which led to establishing paperless claims processing within our OECS operations. Other initiatives included:

- Ongoing enhancement and integration of claims workflows
- Monitoring Real Time Dashboards tracking workloads, turn-around time etc.
- Active performance management and continuous staff training and development

Guardian General Insurance Limited: Customer Excellence through Improved Operational Efficiencies (continued)

Conducted comprehensive receivables review which:

- Reduced aged receivables, thus improving our cash flow position and strengthening liquidity
- Enhanced accuracy in financial statements, leading to more reliable reporting
- Improved collection processes, insights gained during the exercise highlighted opportunities for us to implement enhanced collection strategies and stricter credit control measures to prevent similar issues in the future.

Guardian General Jamaica: Improving Operational Efficiencies

Our Guardian General Jamaica Limited team focused on improving operational efficiencies throughout the last year. This was achieved by executing the following initiatives:

Deploying customer-centric functionality for our digital portal

This helped us grow our direct portfolio as it allowed clients to:

- Pay premiums for Home and Motor policies online using credit cards
- Make payments on behalf of loved ones
- Track their payments and download receipts

As a result, traffic to the website has increased and we are currently testing the live chat feature.

Restructuring the Premium Receivables team to improve collections which:

- Improved the collection rate by 50%
- Enabled better investment returns
- Improved policy retentions from 75%–79%

Technology-enabled connectivity with Brokers

This allowed the direct transfer of electronic policy transactions from intermediaries, thus facilitating shorter processing times and improving the ease of doing business.

Guardian Group Fatum: Enhancing Digital Efficiency and Customer Experience

The Digital General Insurance Portal has been further optimised to service the Dutch Caribbean, resulting in further efficiencies. The platform has seen significant increases in traffic and sales, reflecting its growing importance in our digital strategy.

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

The continued success of the Digital GI Portal is reflected in the steady growth of new policies over the last three years:

2022: **3,500**
2023: **6,728**
2024: **8,798**

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

We are also planning to launch, in 2025, the My Guardian App, empowering customers with a seamless way to view and manage their entire portfolio of insurance policies with Guardian Group. This initiative marks a major step forward in our commitment to digital innovation and enhanced customer experience.

CLIMATE CHANGE AND CLIMATE RISK INSURANCE

Due to extreme weather events, record-breaking temperatures and biodiversity loss throughout 2024, Property and Casualty insurers experienced heightening pressures from the increasing frequency and magnitude of losses resulting from these occurrences.

With 18 named storms, 11 hurricanes and 5 major hurricanes, the 2024 Atlantic hurricane season was severely destructive. Notably, it was the first since 2019 to feature multiple category 5 hurricanes.

BERYL was the second named storm of the 2024 Atlantic hurricane season. It left a trail of destruction as it traversed the Windward Islands as a Category 4 Hurricane.

Several territories with Guardian interests were affected, including Grenada and its dependent Carriacou, St. Vincent and the Grenadines, and Jamaica.

Of the claims reported, Guardian General Insurance Limited and Guardian General Insurance (OECS) Limited have achieved a claims settlement rate of approximately 82% as of December 31, 2024. Lengthy processes with coinsurance partners and delays in the submission of estimates were factors that protracted the settlement of claims. Regrettably, 28% of the affected risks were impacted by underinsurance.

The fifth named storm and third hurricane of the season was **ERNESTO**, which impacted the Lesser Antilles in August 2024. St. Kitts, the British Virgin Islands and the United States Virgin Islands were the islands that produced approximately two dozen claims. Efforts to resolve these cases are ongoing.

In October, the Turks and Caicos were affected by **OSCAR,** the fifteenth named storm and tenth hurricane of the season. Only three claims were received, two of which were settled.

GRENADA FLOOD – On November 12, 2024, Grenada experienced considerable rainfall. The Met Office at the Maurice Bishop International Airport reported that 69 mm of rain fell within a six-hour period, the equivalent of one

CLIMATE CHANGE AND CLIMATE RISK INSURANCE (continued)

month's average rainfall. Landslip coverage presents an opportunity for review because of circumstances that arose in a couple cases.
Post-event opportunities include public awareness campaigns with emphasis on the importance of insurance and maintaining adequate property values. Additionally, these experiences have enabled us to design additional products and more tailored solutions to benefit our customers, enabling further market growth driven and supplemented by superior claims handling and improved regulatory relationships.

Guardian General Insurance Limited

Month of Loss	Major Loss	Claim Count	Gross Incurred TT$	Net Incurred TT$
July	Beryl	78	17,620,370	6,298,673
August	Ernesto	24	1,861,032	740,031
October	Oscar	3	705,778	211,733
TOTAL		**105**	**20,187,180**	**7,250,437**

Guardian General Insurance (OECS) Limited

Month of Loss	Major Loss	Claim Count	Gross Incurred TT$	Net Incurred TT$
July	Beryl	122	13,310,352	4,023,083
November	Flood	13	1,113,441	679,682
TOTAL		**135**	**14,423,793**	**4,702,765**

COMPETITION AND CHALLENGES

P&C faces a dynamic landscape with numerous challenges. Increased frequency and severity of natural disasters due to climate change led to significant and unpredictable claims. Economic fluctuations impact investment returns and policyholder affordability, while evolving regulations demand constant adaptation and compliance.

Furthermore, competition is fierce, both from traditional players and emerging digital offerings, putting pressure on pricing and customer acquisition. Keeping pace with technological advancements and managing the ever-increasing threat of cyber risks also pose significant hurdles for operational efficiency and data security.

Notwithstanding this, Group P&C has maintained a significant market share across the Caribbean insurance landscape, achieving top-tier performance in almost every major market.

Our position among the top 5 and top 10 market players in key countries is detailed below.

TOP 5 MARKET PLAYERS

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

TOP 10 MARKET PLAYERS

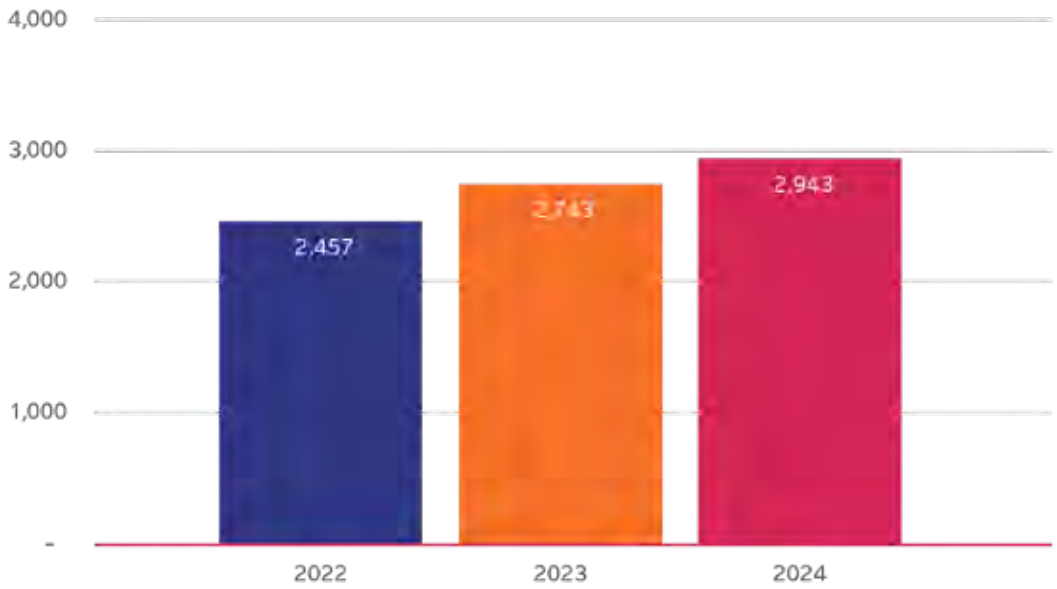
- Bahamas
- Barbados
- Cayman Islands
- St. Kitts and Nevis
- St. Lucia
- St. Vincent and The Grenadines

Through proactive innovation and strategic market share expansion, Guardian Group remains focused on delivering value to our clients via superior customer service and responsible underwriting. Our continuous evolution, aimed at fostering stronger relationships with both producers and direct clients, reinforces our dominant position as the Caribbean's premier insurance provider.

FINANCIAL PERFORMANCE

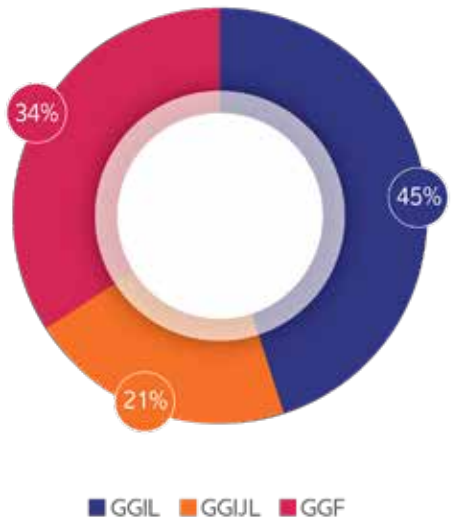
The P&C segment earned $2.943 billion of insurance revenue compared to $2.743 billion in 2023. The growth of 7% or $200 million over the prior period was predominantly experienced in the Property Caribbean business. The P&C business achieved increased property rates across all territories, with more marked increases in the Cayman Islands, Jamaica, Turks and Caicos Islands, Barbados, Bahamas and the British Virgin Islands.

INSURANCE REVENUE TT$ MILLION

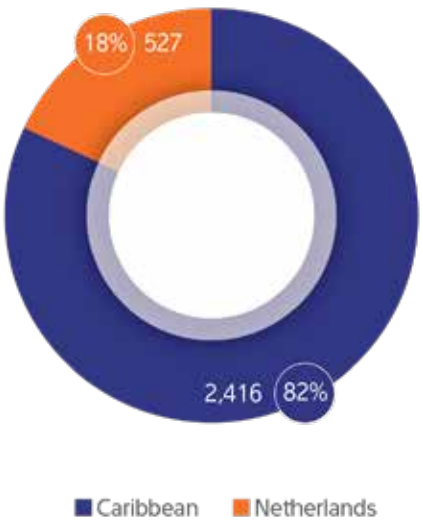


Guardian General Insurance Limited was the leading revenue contributor (45%) to the Group's Property and Casualty division, followed by Guardian Group Fatum (34%) and Guardian General Insurance Jamaica Limited (21%).

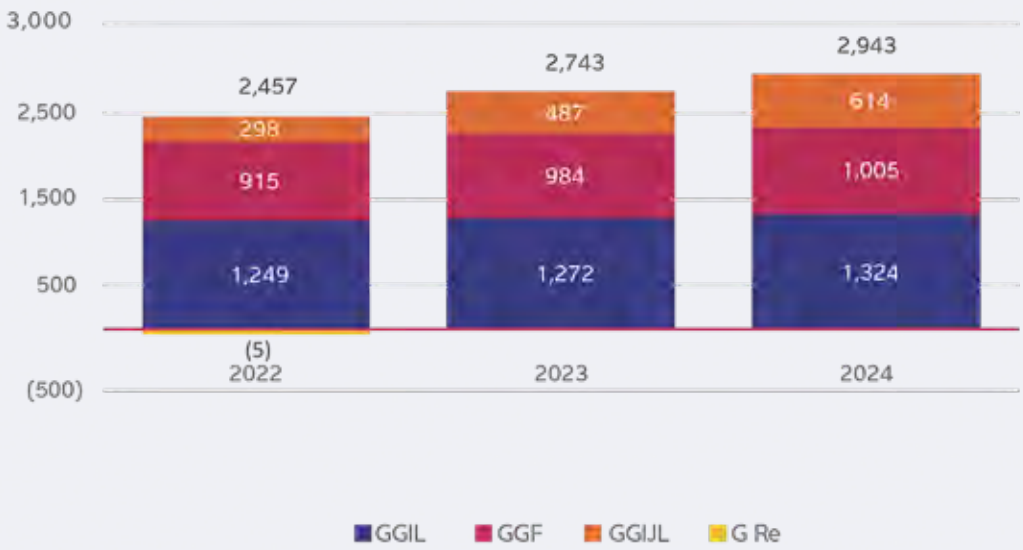
SHARE OF INSURANCE REVENUE BY COMPANY



SHARE OF INSURANCE REVENUE BY TERRITORY



GROUP P&C – INSURANCE REVENUE (TT$ MILLION)



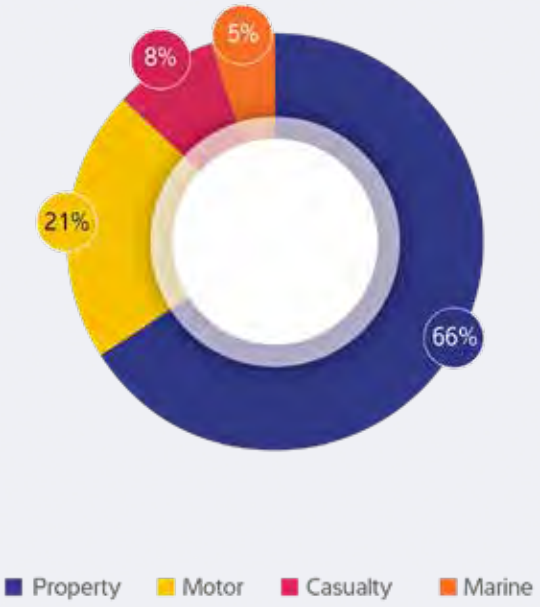
Our Caribbean portfolio continues to represent most of our insurance revenue with an 82% share. Conversely, our Netherlands business in Guardian Group Fatum comprises an 18% share.

In terms of insurance revenue increases between 2023 and 2024, the following table shows the changes:

Company	Dec-23	Dec-24	Increase ($ million)	Percentage Increase (%)
Guardian General Insurance Limited	1,272	1,324	52	4
Guardian Group FATUM	984	1,005	21	2
Guardian General Insurance Jamaica Limited	487	614	127	26
Total	**2,743**	**2,943**	**200**	**7**

Rate adjustments in the Property segment and enhancements to our product lines were key factors contributing to revenue growth at Guardian General Insurance Limited. The portfolio's composition continues to be dominated by Property and Motor business. At the end of December 2024, our Property business covered approximately US$56 billion in aggregate, with Guardian Group Fatum Netherlands representing a 60% share.

PORTFOLIO MIX OF BUSINESS (%)

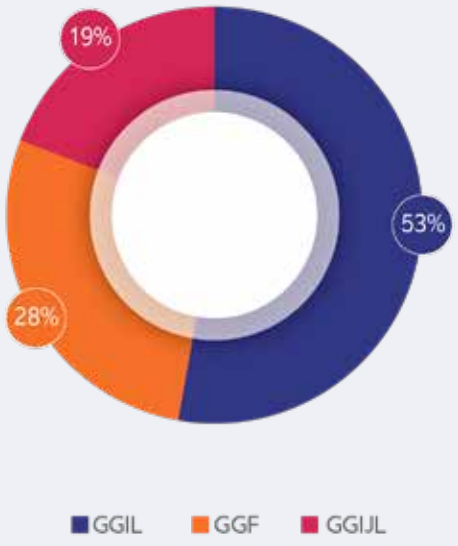


The following table shows the details of the 2024 insurance revenue split by each company as well as each major line of business:

	Property	Motor	Casualty	Marine	Total (TT$) million)	Share
Guardian General Insurance Limited	865	280	73	106	1,324	45%
Guardian Group FATUM	619	242	121	23	1,005	34%
Guardian General Insurance Jamaica Limited	466	103	37	8	614	21%
Total	**1,950**	**625**	**231**	**137**	**2,943**	**100%**

The Netherlands portfolio generated over half of Guardian Group Fatum's insurance revenue. We incentivised Managing General Agents to drive growth in quality business. Guardian Group provides Motor Insurance coverage for over 155,000 vehicles in the Caribbean and 94,000 in the Netherlands. In the Caribbean, Guardian General Insurance Limited holds the largest Motor portfolio share (45%), followed by Guardian Group Fatum (Caribbean) at 34%. Trinidad and Tobago remains our leading Caribbean Motor market.

SHARE OF VEHICLE COUNT BY COMPANY (CARIBBEAN MOTOR MARKET)



Our Guardian Group Property and Casualty balance sheet remains stable with $3.8 billion in assets and approximately $2.1 billion in liabilities.

Moreover, the use of reinsurance allows us to deploy capital in more strategic operational avenues.

FINANCIAL POSITION (TT$ BILLION)



OUTLOOK

Extreme Weather Events linked to Climate Change

The outlook for extreme weather events in the Caribbean remains closely tied to the evolving risks posed by climate change, especially their increased frequency and intensity. This dynamic is shaping the way we approach underwriting, pricing, and risk management in the region.

There is a growing concern over the intensification of hurricanes in the Caribbean. Climate change is expected to contribute to stronger storms, with higher wind speeds and more intense rainfall. This increases the potential for significant damage to infrastructure, driving up insurance claims and reinsurance costs.

To effectively manage these risks, the Group is pursuing a range of strategies to improve risk assessment, pricing, resilience and innovation as part of its risk management and risk adaptation approach.

Enhanced Risk Modelling and Data Analytics

Guardian is leveraging advanced climate models and predictive analytics to better understand and quantify the risks associated with extreme weather events. These models incorporate climate change projections, allowing us to better anticipate future events and adjust pricing accordingly. This, alongside our underwriting dashboard tools developed with Microsoft Power BI (a unified, scalable platform for self-service and enterprise business intelligence), allows us to continuously monitor and assess risks by various criteria.

Reinsurance Partnerships

Guardian Group is continuously engaged in strengthening our relationships with reinsurers to better manage climate-related risks. This closer collaboration allows us to develop tailored reinsurance solutions that reflect evolving climate exposures and a robust structure that facilitates support for our clients long into the future.

Risk Mitigation and Resilience Building

In our continued efforts to promote resilience, we work with policyholders and support industry-wide efforts to educate clients on how they can protect their insured assets against severe weather events. This includes public education campaigns on sum insured adequacy as well as hurricane preparedness campaigns, which not only helps reduce potential claims, but also mitigates the impact of adverse weather events on the broader economy and communities.

Guardian is also collaborating closely with governments, regulators and other policy makers to advocate for improved industry-wide standards. We aim to decrease the protection gap, promote risk reduction and help reduce the region´s overall exposure to climate-related risks.

Product Innovation and Adaptation

To address the increasing frequency and unpredictability of extreme weather events, Guardian is exploring the introduction of parametric insurance policies. These products will provide additional options for our clients' protection, offering faster payouts and more straightforward coverage.

Guardian continues to proactively adapt by investing in technology, leveraging our reinsurance programme and relationships. We are also refining our risk management practices to ensure long-term stability in the market.

Reinsurance Market

The reinsurance market in the Caribbean remains dynamic as we look to 2025, with several key factors influencing pricing, capacity, and underwriting behaviour.

Pricing

Reinsurance rates in the Caribbean are experiencing moderate to stable increases, driven by ongoing challenges related to natural catastrophes, including hurricanes and floods. Following the 2023 and 2024 hurricane seasons, reinsurers continue to adjust their pricing models to reflect increased risk with a focus on catastrophic event exposure.

Capacity

While capacity remains available in the Caribbean market, reinsurers have taken an increased focus on underlying portfolio data and have become increasingly selective in their underwriting. There has been a trend toward limiting exposure in high-risk zones, particularly for risks associated with severe weather events. There is also a heightened focus on adequate and/or increasing rates in line with exposures.

Reinsurers are moving towards imposing stricter terms for certain properties and regions. The outlook for the Caribbean reinsurance market in 2025 suggests moderate price increases. However, the overall stability of the market is largely dependent on the frequency and severity of catastrophic events as well as on continued investment in resilience initiatives across the region.

Guardian maintains a steady but cautious approach to growth with continued focus on competitively managing our risk exposure in response to the region's susceptibility to natural disasters. We also strive to maintain our approach for cultivating and nurturing key partnerships with reinsurers. This will ensure that we remain well positioned to manage any challenges in the ever-evolving reinsurance market. Furthermore, these relationships will be critical in providing Guardian with stability, improved risk management, access to customised solutions and better negotiating power.

Asset Management

The Group's Asset Management Division in Trinidad and Tobago consists of two entities, Guardian Asset Management & Investment Services Limited and Guardian Group Trust Limited.

Guardian Asset Management is a leading provider of innovative investment and financing solutions, dedicated to helping clients build and preserve wealth. Our diverse customer base includes retail, small and medium enterprises, corporate and institutional clients, reflecting our commitment to delivering tailored financial strategies.

Our comprehensive product and service offering includes the Guardian Asset Management Suite of Mutual Funds, Private Wealth Portfolio Management Services, Private Wealth Brokering and Trading Services, as well as Capital Market solutions through our Merchant Bank. We continue to provide value-driven financial solutions that align with our clients' evolving needs.

Business Strategy

Guardian Asset Management remains committed to prioritising customer satisfaction and loyalty, ensuring a positive experience that drives repeat business, builds trust and fuels the company's success and growth.

Aligned to the Group's North Star Focus and Horizons approach, during 2024 Guardian Asset Management had a number of successes and also placed considerable focus on commencing activities that will redound to the benefit of our clients and the organisation in years to come. Below are some of the key pillars that engaged the attention of the company:

Enhancing Customer Experience – Guardian Asset Management remained committed to elevating the customer experience by appointing a Category and Customer Experience Manager to lead strategic initiatives in this area. To better serve and strengthen client relationships, the company relocated its Head Office to Albion Plaza and its Central Trinidad branch to Brentwood Professional Centre, enhancing accessibility and service delivery.

Optimising the Product Suite – As part of its ongoing review of products and services, Guardian Asset Management made regulatory submissions for complementary offerings designed to enhance its holistic client solutions and diversify revenue streams. The company remains focused on optimising its product line-up to deliver greater value, which included a name and investment objective change for the BRIC Fund. Additionally, Guardian Asset Management implemented two rate increases for its Fixed NAV mutual funds during the year, ensuring competitiveness while maximising client benefits.

Capital Optimisation and Business Efficiency – Maximising capital efficiency remains a key priority for Guardian Asset Management, with a renewed focus on ensuring that products and services deliver targeted returns on capital. As the company expands its product offerings, emphasis has also been placed on growing capital-light activities, such as non-discretionary and discretionary private wealth services, with discretionary sales increasing by 115% over 2023. Additionally, Guardian Asset Management has increased its focus on key efficiency metrics and has seen improvement in its operating efficiency and return on invested capital in 2024.

Digital Transformation and Technology Advancement – As part of Guardian Asset Management's commitment to staying at the forefront of digital innovation, the company initiated the first phase of its system replacement project, successfully completing the RFP process and evaluating available solutions. This initiative is designed to enhance operational efficiency and elevate customer

Business Strategy (continued)

satisfaction in the years ahead. Additionally, Guardian Asset Management has developed corporate access to its digital platform, with a planned rollout in 2025.

Leveraging Guardian Group Collaboration – Guardian Asset Management recognises the strategic advantage of being part of the Guardian Group and continues to strengthen collaboration across the Group to drive transaction success. The company is focused on leveraging the extensive network of the Guardian Life of The Caribbean sales force to enhance distribution. To further support this initiative, training programmes have been refreshed to better equip Guardian Life sales agents in promoting Guardian Asset Management's mutual fund offerings, reinforcing this as a key sales strategy for mutual fund growth.

Merchant Banking Success – The Merchant Banking Unit remained focused on executing medium-sized transactions primarily in the local debt capital markets, achieving key financing successes throughout the year. Notably, the unit successfully facilitated a $450 million financing for Guardian Holdings Limited (GHL) and completed its first fully underwritten Government of Trinidad and Tobago transaction without the need for collaboration, with a subsequent follow-on transaction in a similar format. Additionally, the unit provided funding for several smaller corporate transactions, further expanding its impact in the market.

Investing in our Talent – Guardian Asset Management remains committed to its greatest asset—its employees. Throughout the year, the company prioritised strengthening its culture through team engagement, more frequent and transparent communication, and focused on talent development. This strategic emphasis on growth enabled internal promotions as opportunities emerged, strengthening the organisation from within while improving employee retention.

Strategic Acquisition Opportunities – While Guardian Asset Management remains focused on organic growth, the company continues to explore opportunities to expand its regional footprint. In line with this strategy, Guardian Asset Management assesses potential acquisitions both locally and across the region to drive long-term growth and market presence.

Distribution

Guardian Asset Management's sales and distribution structure is supported by an internal sales force and leverages collaboration within the wider Group via agents and external partnerships. We continue to reinforce a collaborative high performing sales culture to build wealth for our clients.

Our distribution strategy is supported first by our office locations. We currently maintain three locations in Port of Spain, Chaguanas and San Fernando. Two of our offices were relocated during the year to enhance access to customers. Second, we strengthen crucial partnerships internally and externally as well as build new partnerships for collaboration. Third, we continuously increase our social media presence to provide clients with investment insights and to build Guardian Asset Management's brand.

Management Discussion and Analysis (continued)

Competition

Guardian Asset Management remains committed to ongoing data analysis to strengthen its market position. In 2024, the company conducted a comprehensive review of the markets in which we operate, maintaining data on product offerings and returns to inform strategic adjustments to its product suite and pricing. These insights ensured Guardian Asset Management remained competitive while aligning offerings with client needs and to support business decision-making and strategy

Outlook and Challenges

Global financial markets remained resilient in 2024, with technology stocks continuing to drive growth in US equity markets. Investor sentiment improved as inflationary pressures eased, and the Federal Reserve implemented a cumulative one-percent interest rate cut over the year. This supportive monetary environment contributed to strong performance in international equities, benefitting Guardian Asset Management's geographically diversified portfolios. Meanwhile, local and regional stock market indices continued to face headwinds, reinforcing the importance of a well-balanced global investment strategy.

Looking ahead to 2025, several factors present both opportunities and challenges. Elections in key global economies introduce potential market volatility, while ongoing geopolitical tensions could impact investor confidence and economic stability. Additionally, the regulatory landscape continues to evolve, with increased compliance requirements that may affect investment operations and financial market dynamics. We will continue to produce timely research through our Private Wealth Market Briefs and Guardian Asset Management Investor Alerts to keep our clients up to date on the latest market developments.

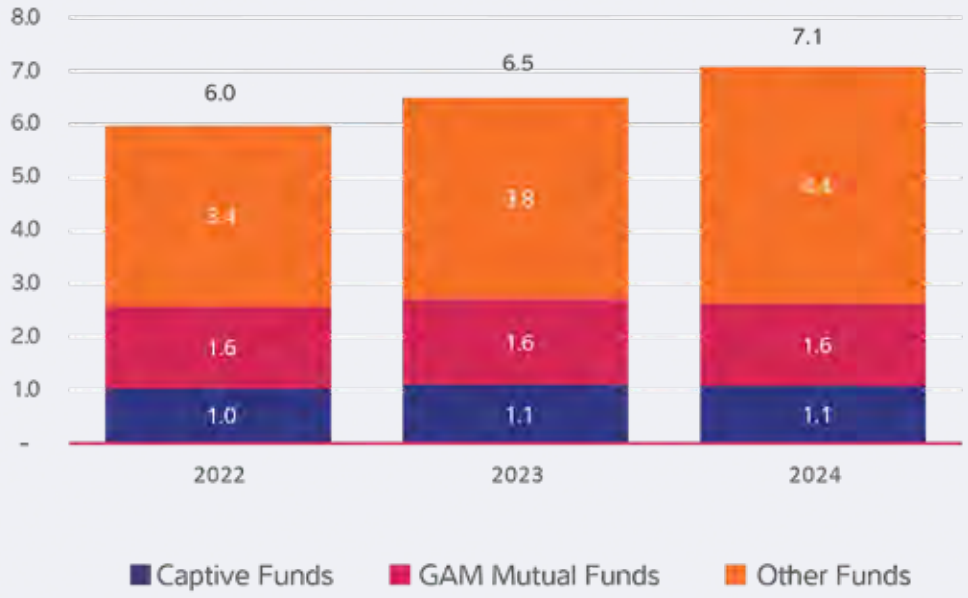
Despite these uncertainties, Guardian Asset Management remains committed to delivering strong investment outcomes for its clients. The limited availability of US dollars in Trinidad and Tobago for investment remains a key constraint; however, we continue to engage proactively with clients to navigate these challenges. Our focus remains on leveraging market opportunities, maintaining a disciplined risk management approach, and ensuring compliance with the evolving regulatory framework to drive long-term value for stakeholders.

Financial Update

In 2024, Assets Under Management (AUM) grew by 10% to $7.1 billion, an improvement over the 9% increase recorded in 2023. Revenue for the year totalled $96.2 million, reflecting a modest 1.8% increase from the prior year. This growth was tempered by fluctuations throughout the year but nonetheless reflects the success of our strategic business approach. Despite the moderate revenue increase, profit after tax rose by 11.3% year-over-year, driven by increased trading activity and expense management. The company remains committed to leveraging market opportunities and enhancing operational efficiencies to sustain long-term profitability.

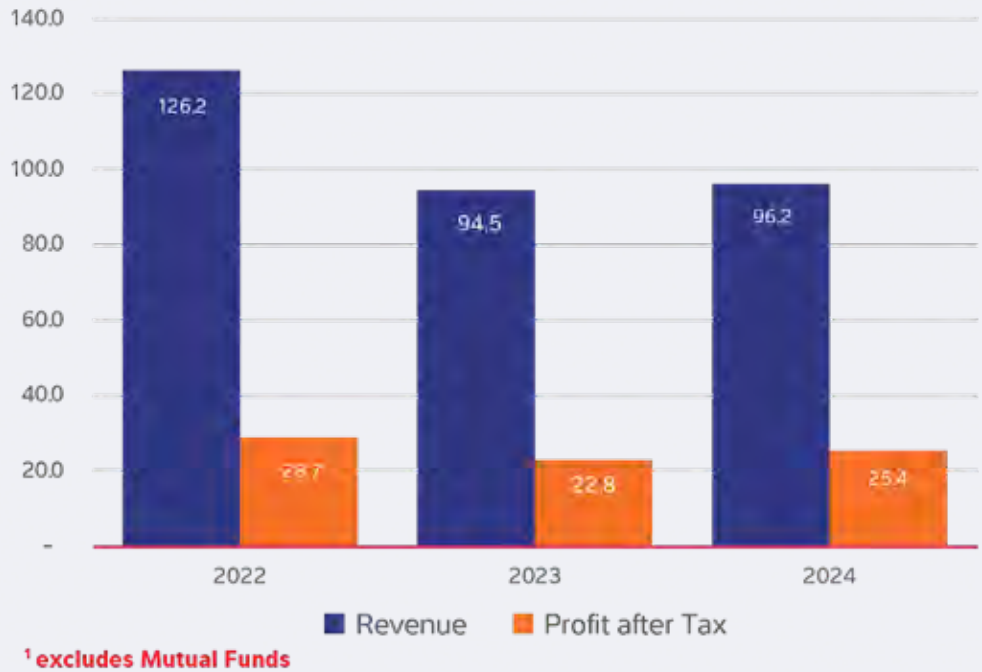
Management Discussion and Analysis (continued)

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



Guardian Asset Management's business lines demonstrated strength in 2024, with Mutual Funds and Private Wealth managed funds increasing by $0.66 billion, representing year-over-year growth of 10%. Meanwhile, Captive business levels remained stable throughout the year. The company continues to focus on strengthening its core offerings and identifying growth opportunities across its business segments.

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



[1] excludes Mutual Funds

Management Discussion and Analysis (continued)

Guardian Asset Management's portfolios in general performed well over 2024, driven mainly by international markets. 85% of our floating NAV funds posted value-added returns relative to their benchmarks, and two funds generated returns in excess of 20%. Our managed portfolios provided attractive returns given more active trading during the year. Our passive genius international portfolios similarly delivered strong returns, most in double-digit territory. Our portfolios with local exposures would have been impacted by the local stock markets. Our TT$- and US$-denominated Income Funds continued to provide steady returns which increased during the year to 1.90% and 2.10% respectively.

The U.S. stock market ended 2024 on a high note, with major indices posting robust gains in the fourth quarter, extending the year-long bull market. This rally was driven by cooling inflation, resilient economic growth, and continued investor enthusiasm for technology stocks, particularly in the artificial intelligence sector.

For the full year, the S&P 500 Index gained approximately 23.3%, marking the second consecutive year of 20%+ returns. The Dow Jones Industrial Average and NASDAQ rose 12.88% and 24.88%, respectively. Ten out of eleven S&P 500 sectors advanced, led by technology, consumer discretionary, financials, utilities, and consumer staples, while the materials sector was the sole declining sector.
Despite the overall strong market performance, volatility emerged in the last quarter, as political uncertainty surrounding Donald Trump's re-election and legal battles weighed on investor sentiment. Market participants grew concerned about potential protectionist policies, mass deportations, and trade tariffs, which could increase market volatility in 2025. Seven of eleven S&P 500 sectors declined in Q4, with materials, healthcare, and energy leading the downturn.

Inflation, which had steadily declined after reaching a four-decade high in 2022, inched up in late 2024. By November, annual inflation rose to 2.7%, drifting farther from the Fed's 2% target. Despite this, the U.S. economy remained resilient, buoyed by steady growth and a robust labour market.

In Trinidad and Tobago, real GDP expanded by 1.5% in Q1 2024, led by resilience in the non-energy sector and a marginal increase in energy sector output, according to the Central Statistical Office of Trinidad and Tobago. However, during Q2 and Q3, natural gas supply constraints dampened energy sector performance. Trade, transportation and storage, and construction remained key growth drivers during the period. The unemployment rate improved, declining from 5.1% in Q1 to 4.8% in Q2, reflecting gradual labour market recovery. Inflation remained contained, with headline inflation rising slightly to 0.5% in November from 0.2% in October. Food inflation edged up to 3.1% in November, compared to 2.45% in the previous month. Private sector credit growth was driven by business lending, particularly in manufacturing, distribution, agriculture, construction, and finance.

Despite signs of recovery in Q4 2024, the Trinidad and Tobago Stock Market did not fare well, with the Composite Index declining 11.6% to close at 1,073.23.

INSURANCE BROKERAGE

Guardian Group has been building its insurance brokerage segment during the last few years. Most recently, we expanded into the English-speaking Caribbean market. Our reach includes the following:

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

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

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

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

Netherlands
Thoma Exploitatie B.V. (100%)
Jager Adviesbureau B.V. (100%)
Thoma Pensioenadviseurs B.V. (100%)
Thoma Assuradeuren B.V. (100%)
Thoma Assurantieadviseurs B.V. (100%)
Risiko Analyse Buro B.V. (100%)
RAB Assuradeuren B.V. (100%)
Kruit & Venema Assuradeuren B.V. (100%)
Kruit Assurantiën B.V. (100%)
Financiele Dienstverlening Snel & Partners B.V. (100%)

Cayman Islands Vanguard Risk Solutions Limited (67.7%)

Management Discussion and Analysis (continued)

Business Strategy

Our Brokerage segment plays a key role in diversifying the Group's operations by eliminating underwriting risk. We remain focused on expanding this business, targeting annual growth of at least 5%.

In the Dutch Caribbean, we have implemented sales-driven transformations to enhance customer experience and drive revenue. We've restructured our organisation to support this, including dedicated Sales Managers for each territory.

Simultaneously, we continue to optimise expense management to maximise returns.

The Netherlands:

During Q4 2024, the Group entered into a Share Purchase Agreement to divest 100% of the shares of the insurance brokerage in the Netherlands, the Thoma Group. The transaction, which was effected through a closed sale process, aligns with the company's strategic priorities to maximise shareholder value.

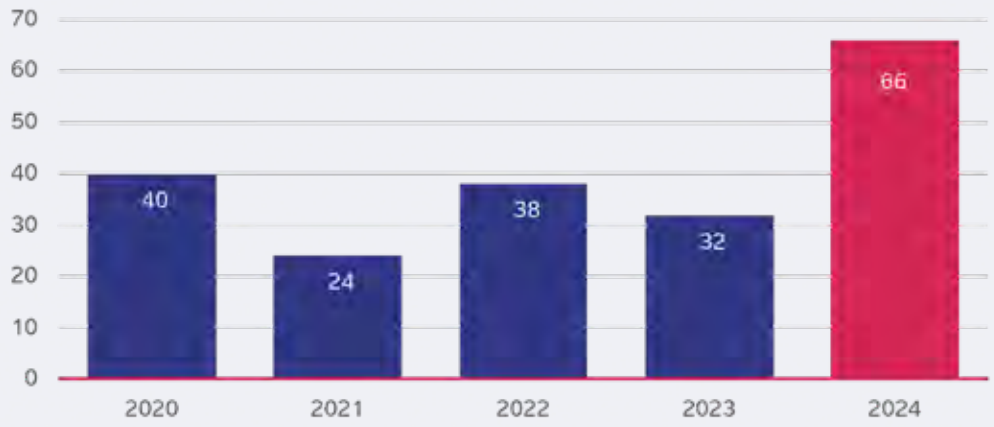
The Cayman Islands:

Vanguard Risk Solutions has continued to derive greater operational efficiencies, leveraging technology. Through its business development professionals, they are developing greater relationships and growing both general insurance and health segments.

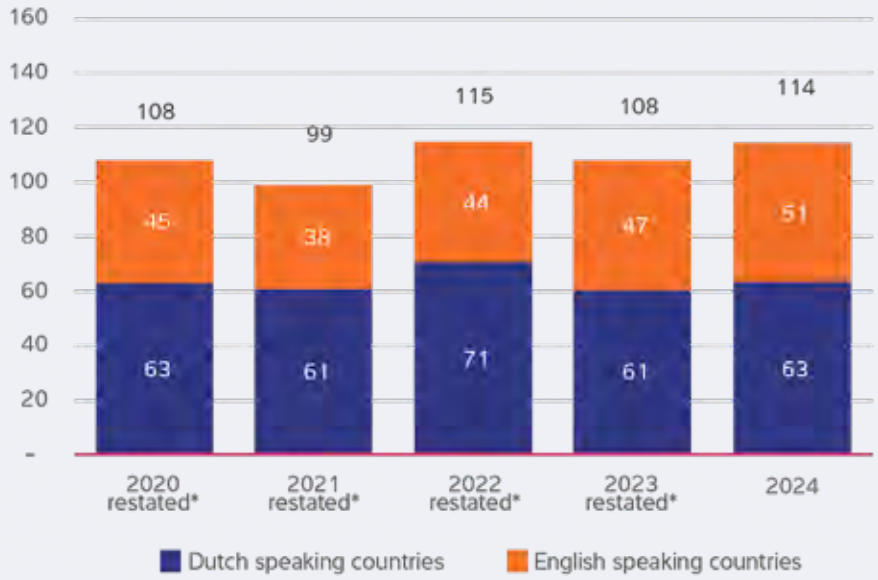
Financial Performance

To be compliant with the rules governing the preparation of Group consolidated financial statements, the Brokerage income disclosed in the Consolidated Statement of Income is net of fees and commissions earned on business placed with fellow subsidiaries engaged in underwriting business. Gross fees and commissions earned on the Brokerage business amounted to $114 million (2023 restated: $108 million).

NET PROFIT (TT$ MILLION)



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



* These periods were restated to exclude the income of Thoma Group

Most of the income from the Brokerage business is generated from our Dutch business and we are looking to expand our other portfolios.

Outlook

Exciting transformation initiatives are underway, aimed at further upgrading our staffing, IT, office infrastructure, and branding.

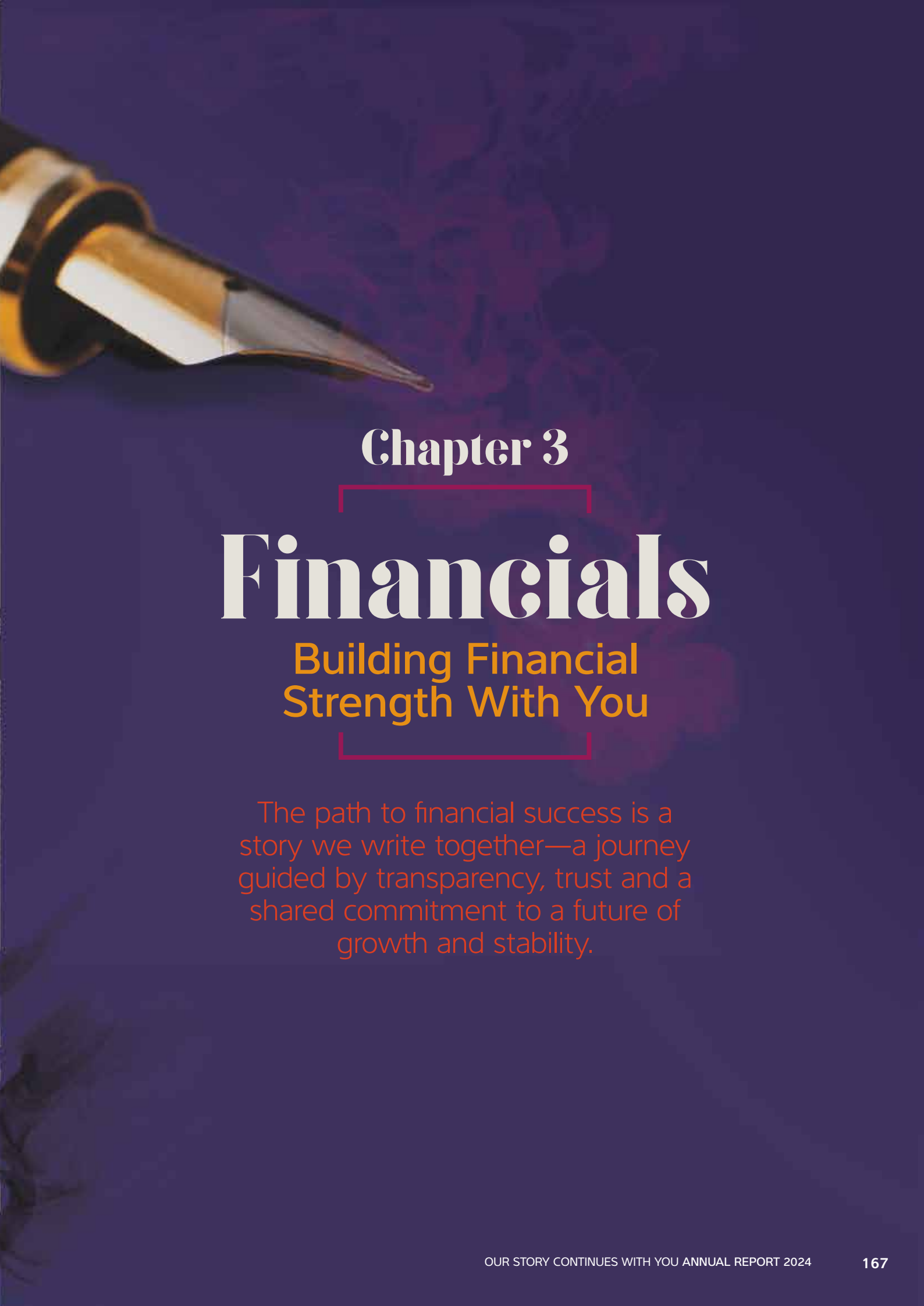
Meanwhile, through Vanguard Risk Solutions, we are strategically scaling our Brokerage business across the English-speaking Caribbean.

Additionally, we are strengthening our operational procedures to ensure adherence to increasingly stringent regulatory guidelines.



Our story told in numbers


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MAY
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Chapter 3

Financials

Building Financial Strength With You

The path to financial success is a story we write together—a journey guided by transparency, trust and a shared commitment to a future of growth and stability.



Financial STATEMENTS

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Guardian Holdings Limited (the Company) and its subsidiaries (the Group) and which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act and Insurance Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

Ian Chinapoo
Group Chief Executive Officer
7 April 2025

Keesha Sahadeo
Group Chief Financial Officer
7 April 2025

Independent auditor's report

To the Shareholders of Guardian Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Guardian Holdings Limited (the Company) and its subsidiaries (together 'the Group') as at 31 December 2024, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, PO Box 550, 11-13 Victoria Avenue, Port of Spain, 100902, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

Our audit approach

Overview



- Overall group materiality: TT$80 million, which represents 1% of total Net Asset Value plus Contractual Service Margin.

- We performed full scope audits for 3 components and audits of certain financial statement line items for a further 9 components.
- Our group audit covered 77% of profit before taxation and 96% of total assets.

- Valuation of insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods - Estimation of fulfilment cash flows.
- Integrity of input data within IT systems requiring complex calculations to determine insurance revenue and insurance service expenses measured under the GMM and VFA approach.

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our group scoping was performed at the legal entity level. The following components were considered individually significant based on risk or size, and were subject to full scope audits for group audit purposes:

- Fatum Holding N.V.
- Guardian Life of the Caribbean Limited
- Guardian Life Limited

For the other 9 components, we identified account balances which were considered to be significant in size or audit risk at the financial statement line-item level and performed audits over the specified classes of transactions or account balances. The Group engagement team performed analytical procedures over the remaining components that were not inconsequential. Our group scoping provided coverage of approximately 77% of profit before taxation and 96% of total assets of the Group.

Our audit approach (continued)

Materiality

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

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

Overall Group materiality	• TT$80 million
How we determined it	• 1% of total Net Asset Value plus Contractual Service Margin
Rationale for the materiality benchmark applied	• We chose total Net Asset Value plus Contractual Service Margin as the benchmark because, in our view, it is an appropriate benchmark against which the performance of the Group will be measured by users. We chose 1% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT$3 million, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Our audit approach (continued)

Key audit matter	How our audit addressed the key audit matter

Valuation of insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods - Estimation of fulfilment cash flows
 	
See notes 2.15, 3(a), 4.1 and 15 to the consolidated financial statements for disclosures of related material accounting policies, judgments, estimates and balances.
 	
As at 31 December 2024, insurance contract liabilities measured under the general measurement model (GMM) and variable fee approach (VFA) methods totalled TT$21.2 billion or 65.6% of the Group's total liabilities. Insurance contract liabilities measured under the variable fee approach and general measurement model consist of:
 	
- Contractual service margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the Group will recognise as it provides insurance contract services under the insurance contracts in the group.
- Fulfilment cash flows (FCFs) which are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. FCFs comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk (risk adjustment).
 	
Measurement of the FCFs requires management judgments in estimating the probability-weighted expected value of present value of the future cash flows, in addition to applying a risk adjustment for non-financial risk.
 	
Estimates of expected cash flows incorporate best estimate assumptions for mortality, morbidity, longevity, expenses, and policyholder behaviour, as well as assumptions for discount rates and the risk adjustment. The assumptions are reviewed and updated at least annually by the Group's Appointed Actuaries.
 	
We considered this a key audit matter due to the judgement applied by management when determining the FCFs and the corresponding high degree of auditor judgment and effort required in evaluating the assumptions described above.
	Our approach to addressing the matter, with the assistance of our actuarial experts, included the following procedures, amongst others:
	
	• Evaluated the accounting policies for any material changes.
	• Updated our understanding of management's end-to-end process and controls supporting the determination of FCFs.
	• Tested the accuracy and completeness of a sample of the data used in the estimates of future cash flows.
	• Assessed the reasonableness of management's best-estimate assumptions with use of our auditor's experts, for mortality and policyholder behaviour (lapse and surrenders), economic assumptions for discount rates, and the adjustment for non-financial risk used in the measurement of insurance contract liabilities by:
	  - Evaluating the Group's internal experience studies for appropriateness by considering published industry studies, market data, entity specific facts and circumstances, our knowledge of the products and the requirements of IFRS 17.
	  - Evaluating whether management's assumptions were determined in accordance with the requirements of IFRS 17.
	• Evaluated a sample of actuarial models used in management's determination of the FCFs by:
	  - Assessing the appropriateness of the model of product features.
	  - Assessing the appropriateness of the application of best-estimate assumptions.
	• Assessed the disclosures within the consolidated financial statements against the requirements of IFRS 17.

Our audit approach (continued)

Key audit matter	How our audit addressed the key audit matter
Integrity of input data within IT systems requiring complex calculations to determine insurance revenue and insurance service expenses measured under the GMM and VFA approach See notes 2.15 and 15 of the consolidated financial statements for disclosures of related material accounting policies and balances. As at 31 December 2024, insurance contract revenue and insurance service expenses measured under the GMM and VFA methods totalled TT$1.7 billion and TT$1.4 billion respectively. Insurance revenue comprises the amounts relating to the changes in liability for remaining coverage (LRC) and insurance acquisition cash flows recovery as described in note 2.15(g). Insurance service expenses include amongst others, incurred claims and benefits, other directly attributable insurance service expenses, amortisation of insurance acquisition cash flows and changes that relate to past and future service. The amounts pertaining to these classes of transactions are calculated and accounted for via various complex IT applications and systems which are responsible for the processing, transformation and output of data. We considered this a key audit matter due to the magnitude of the classes of transactions and the complexity of calculations associated with the transformation of the underlying data.	Our approach to addressing the matter, with the assistance of our specialists, included the following procedures, amongst others: ● Evaluated the accounting policies for any material changes. ● Tested the operating effectiveness of select IT general controls as it pertains to the systems used in calculating insurance revenue and service expenses. ● Inspected management's reconciliation of select data and traced to the underlying source systems to test the completeness and accuracy of data transfer. **Insurance revenue:** - Tested, on a sample basis, the insurance revenue in the period by tracing and agreeing to underlying source documents and the applicable policy administration systems. - Recalculated the unearned profit recognised in profit or loss for the services provided in the period. - Tested a sample of insurance acquisition cash flows recovery by tracing to underlying insurance contracts and recalculating the allocation over the contract boundary period. **Insurance service expenses:** - Tested a sample of incurred claims, benefits and other incurred expenses by tracing to supporting documentation and the applicable policy administration systems including subsequent payments. - Recalculated the amortisation of insurance acquisition cash flows for the period. ● Traced on a sample basis, source data pertaining to insurance revenue and insurance service expenses through the Group's various information technology (IT) applications and systems and tested that configurations used were in accordance with the Group's methodology. ● Tested the underlying IT system logic used to calculate insurance revenue and expenses by using a benchmarking approach.

Other information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

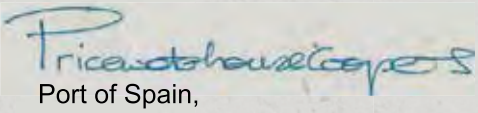
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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



Port of Spain,
Trinidad, West Indies
8 April 2025

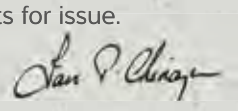
Financial STATEMENTS

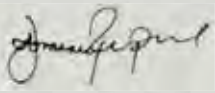
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2024 $'000	Restated 2023 $'000	Restated 2022 $'000
Assets				
Property, plant and equipment	5	637,734	707,850	756,153
Right-of-use assets	6	43,632	60,000	42,480
Investment properties	7	1,559,542	1,554,950	1,590,437
Intangible assets	8	610,633	686,385	668,440
Investment in associated companies	9	326,204	308,775	313,095
Investment securities	10	25,512,188	25,089,815	23,493,672
Loans and receivables	11	2,350,057	1,968,730	1,785,985
Properties for development and sale	12	149,541	167,423	96,122
Pension plan assets	13	80,311	92,994	111,909
Deferred tax assets	14	164,287	159,348	139,297
Reinsurance contract assets	15	795,121	718,363	839,846
Insurance contract assets	15	154,755	103,003	104,537
Taxation recoverable		265,575	200,388	191,600
Cash and cash equivalents	16	4,046,938	2,955,965	3,609,114
		36,696,518	34,773,989	33,742,687
Assets held for sale	17	262,005	–	–
Total assets		36,958,523	34,773,989	33,742,687
Equity and liabilities				
Share capital	18	1,970,090	1,970,043	1,970,043
Reserves	19	(362,854)	(519,878)	(834,065)
Retained earnings		2,966,368	2,314,716	1,757,453
Equity attributable to owners of the company		4,573,604	3,764,881	2,893,431
Non-controlling interest in subsidiary	20	13,238	11,930	11,155
Total equity		4,586,842	3,776,811	2,904,586
Liabilities				
Insurance contract liabilities	15	23,074,425	22,279,019	21,642,128
Reinsurance contract liabilities	15	140,297	130,377	437,408
Financial liabilities	21	3,661,250	3,269,983	3,305,274
Lease liabilities	6	49,951	68,012	54,288
Investment contract liabilities	22	2,107,775	2,023,612	2,021,560
Third party interests in mutual funds	23	1,579,685	1,686,258	1,563,727
Pension plan liabilities	13	29,494	17,433	40,294
Post-retirement medical benefit obligations	24	124,582	122,876	106,438
Deferred tax liabilities	14	345,454	287,432	252,324
Provision for taxation		247,660	186,483	274,000
Other liabilities	25	963,884	925,693	1,140,660
		32,324,457	30,997,178	30,838,101
Liabilities directly associated with assets held for sale	17	47,224	–	–
Total liabilities		32,371,681	30,997,178	30,838,101
Total equity and liabilities		36,958,523	34,773,989	33,742,687

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

On 7 April 2025, the Board of Directors of Guardian Holdings Limited authorised these consolidated financial statements for issue.

Director: 

Director: 

Financial STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2024 $'000	Restated 2023 $'000
Insurance revenue	15	5,878,384	5,438,408
Insurance service expenses	15	(3,686,251)	(3,734,696)
Net expenses from reinsurance contracts held	15	(1,306,290)	(1,052,342)
Insurance service result		885,843	651,370
Investing activities			
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	26	831,035	791,611
Investment income from financial assets measured at fair value through profit or loss	26	598,042	567,020
Net realised gains	27	51,702	3,455
Gain on reclassification of financial assets measured at amortised cost to fair value through profit or loss	3(b)	–	231,169
Loss on reclassification of financial assets measured at fair value through other comprehensive income to fair value through profit or loss	3(b)	–	(57,577)
Net fair value gains	28	345,583	209,533
Fee income	29	83,106	84,730
Other income	30	206,238	147,030
Net impairment (losses)/gains on financial assets	31	(46,902)	2,231
Investment contract benefits	22	(71,412)	(64,869)
Net income from investing activities		1,997,392	1,914,333
Finance expenses from insurance contracts issued	15	(846,095)	(787,051)
Finance income/(expenses) from reinsurance contracts held	15	53	(795)
Net insurance finance expenses		(846,042)	(787,846)
Net insurance and investment result		2,037,193	1,777,857
Fee and commission income from brokerage activities		57,783	58,843
Net income from all activities		2,094,976	1,836,700
Other operating expenses	32	(836,409)	(818,342)
Other finance charges	33	(189,987)	(176,041)
Operating profit		1,068,580	842,317
Share of after tax profits of associated companies	9	30,872	15,259
Profit before taxation		1,099,452	857,576
Taxation	34	(250,995)	(213,039)
Profit from continuing operations after taxation		848,457	644,537
Profit from discontinued operations after taxation	17	8,380	6,071
Profit for the year		856,837	650,608
Profit attributable to non-controlling interest		(6,691)	(5,178)
Profit attributable to owners of the company		850,146	645,430
Earnings per share			
- Basic and diluted	35	$ 3.66	$ 2.78
- Basic and diluted - for continuing operations	35	$ 3.63	$ 2.76

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

Financial STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024
EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	Other reserves 2024 $'000	Other reserves 2023 $'000	Retained earnings 2024 $'000	Retained earnings Restated 2023 $'000	Non-controlling interest 2024 $'000	Non-controlling interest 2023 $'000	Total 2024 $'000	Total Restated 2023 $'000
Profit for the year		–	–	850,146	645,430	6,691	5,178	856,837	650,608
Other comprehensive income/(loss)									
Items that may be reclassified subsequently to profit or loss:									
Exchange differences on translating foreign operations		(55,264)	(38,246)	–	–	62	(64)	(55,202)	(38,310)
Net fair value gains on debt securities at fair value through other comprehensive income		29,806	51,754	–	–	–	–	29,806	51,754
Net change in allowance for expected credit losses on debt securities at fair value through other comprehensive income	31	(1,744)	(14,023)	–	–	–	–	(1,744)	(14,023)
Net gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal		(654)	–	–	–	–	–	(654)	–
Cumulative loss on debt securities reclassified from fair value through other comprehensive income to fair value through profit or loss		–	57,577	–	–	–	–	–	57,577
Finance income from insurance contracts issued	15	195,731	298,910	–	–	–	–	195,731	298,910
Finance income from reinsurance contracts held	15	98	256	–	–	–	–	98	256
Taxation relating to components of other comprehensive income		(8,267)	(40,523)	–	–	–	–	(8,267)	(40,523)
Net other comprehensive income/ (loss) that may be reclassified subsequently to profit or loss		159,706	315,705	–	–	62	(64)	159,768	315,641
Items that will not be reclassified subsequently to profit or loss:									
Gains/(losses) on property revaluation		7,205	(5,746)	–	–	–	–	7,205	(5,746)
Remeasurement of pension plans	13	–	–	(35,076)	(1,237)	–	–	(35,076)	(1,237)
Remeasurement of post-retirement medical benefit obligations	24	–	–	2,607	(15,282)	–	–	2,607	(15,282)
Share of other comprehensive income/(loss) of associated companies	9	–	3,339	167	(191)	–	–	167	3,148
Taxation relating to components of other comprehensive income		(533)	(1,121)	791	(2,236)	–	–	258	(3,357)
Net other comprehensive income/ (loss) that will not be reclassified subsequently to profit or loss		6,672	(3,528)	(31,511)	(18,946)	–	–	(24,839)	(22,474)
Other comprehensive income/(loss) for the year, net of tax		166,378	312,177	(31,511)	(18,946)	62	(64)	134,929	293,167
Total comprehensive income for the year, net of tax		166,378	312,177	818,635	626,484	6,753	5,114	991,766	943,775

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

Financial STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Share capital $'000	Reserves (Note 19) $'000	Retained earnings $'000	Equity attributable to owners of the company $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 January 2024 - restated	1,970,043	(519,878)	2,314,716	3,764,881	11,930	3,776,811
Unallocated shares movement	47	–	–	47	–	47
Total comprehensive income	–	166,378	818,635	985,013	6,753	991,766
Transfer to/from retained earnings	–	(9,354)	9,354	–	–	–
Dividends (Note 36)	–	–	(176,337)	(176,337)	(5,445)	(181,782)
Balance at 31 December 2024	1,970,090	(362,854)	2,966,368	4,573,604	13,238	4,586,842
Balance at 1 January 2023 - as previously reported	1,970,043	(834,065)	1,791,904	2,927,882	11,155	2,939,037
Restatements and reclassifications (Note 45)	–	–	(34,451)	(34,451)	–	(34,451)
Balance at 1 January 2023 - restated	1,970,043	(834,065)	1,757,453	2,893,431	11,155	2,904,586
Recognition of deferred tax credits (Note 14)	–	–	104,485	104,485	–	104,485
	1,970,043	(834,065)	1,861,938	2,997,916	11,155	3,009,071
Total comprehensive income	–	312,177	626,484	938,661	5,114	943,775
Transfer to/from retained earnings	–	2,010	(2,010)	–	–	–
Dividends (Note 36)	–	–	(171,696)	(171,696)	(4,339)	(176,035)
Balance at 31 December 2023 - restated	1,970,043	(519,878)	2,314,716	3,764,881	11,930	3,776,811

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

Financial STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

EXPRESSED IN TRINIDAD AND TOBAGO DOLLARS

	Notes	2024 $'000	Restated 2023 $'000
Cash flows from operating activities			
Profit before taxation from continuing operations		1,099,452	857,576
Profit before taxation from discontinued operations	17	19,705	14,444
Adjustment for specific items included on the accruals basis:			
- Other finance charges		190,676	176,779
- Investment income		(1,467,863)	(1,389,124)
Adjustment for non-cash items	37	(311,369)	(267,321)
Interest received		1,379,540	1,271,283
Dividends received		114,717	106,212
Operating profit before changes in operating assets/liabilities		1,024,858	769,849
Change in insurance contract assets/liabilities		904,241	1,048,634
Change in reinsurance contract assets/liabilities		(65,418)	(187,768)
Net increase in investment contracts		84,823	23,021
Purchase of investment securities		(9,077,872)	(10,694,492)
Proceeds from sale of investment securities		9,047,370	9,435,507
Purchase of/additions to investment properties		(4,473)	(6,378)
Proceeds from sale of investment property		7,739	22,473
Additions to properties for development and sale		(8,096)	(16,067)
Proceeds from sale of properties for development and sale		28,971	28,712
Net increase in loans and receivables		(434,058)	(199,870)
Net decrease/(increase) in other operating assets/liabilities		43,874	(238,600)
Cash provided by/(used in) operating activities		1,551,959	(14,979)
Interest paid		(211,496)	(200,818)
Net taxation paid		(219,905)	(243,112)
Net cash provided by/(used in) operating activities		1,120,558	(458,909)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(31,779)	(48,386)
Proceeds from sale of property, plant and equipment		49,862	1,229
Purchase of intangible assets	8	(57,109)	(24,290)
Net cash used in investing activities		(39,026)	(71,447)
Cash flows from financing activities			
Proceeds from borrowings and repurchase agreements		549,716	365,603
Repayments of borrowings and repurchase agreements		(164,215)	(391,546)
Payment of principal portion of lease liabilities		(16,239)	(18,658)
Dividends paid to equity holders of the company	36	(176,337)	(171,696)
Dividends paid to non-controlling interest		(5,445)	(4,339)
Redemptions from mutual funds		(933,883)	(827,179)
Subscriptions to mutual funds		864,263	941,462
Net cash provided by/(used in) financing activities		117,860	(106,353)
Net increase/(decrease) in cash and cash equivalents	16	1,199,392	(636,709)

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

Financial STATEMENTS

1. Incorporation and principal activities of the Group

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

The Company is 61.77% (2023: 61.77%) owned by NCB Global Holdings Limited ('NCBGH' and the 'Parent'), a limited liability holding company, which was incorporated in Trinidad and Tobago in December 2017. NCBGH is 100% owned by NCB Financial Group Limited ('NCBFG'). NCBFG was incorporated in Jamaica in April 2016 and is the financial holding company for the NCB Group. NCBFG is 47.14% (2023: 49.58%) owned by AIC (Barbados) Limited and the ultimate parent company is Portland Holdings Inc., incorporated in Canada. Portland Holdings Inc. is controlled by Hon. Michael A. Lee-Chin, O.J., a director of the Company. The NCB Financial Group provides a diversified range of financial services through its subsidiaries and associates.

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

2. Material accounting policies

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

2.1 Basis of preparation

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

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

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

(a) New standards and amendments/revisions to published standards and interpretations effective in 2024

The following amendments to published standards took effect for the Group's accounting periods beginning on or after 1 January 2024:

IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 – Amendments – Non-current liabilities with covenants

These amendments clarify that only covenants that an entity must comply with on or before the end of the reporting period will affect the classification of the related liabilities as current or non-current. It also requires additional disclosures for liabilities that are classified as non-current but are subject to covenants that must be complied with within the next year, failing which settlement is required. This disclosure must include information about the covenants and further details if the facts and circumstances indicate that an entity has difficulty complying with the future covenants.

Financial STATEMENTS

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

(a) New standards and amendments/revisions to published standards and interpretations effective in 2024 (continued)

IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 – Amendments – Non-current liabilities with covenants (continued)

The Group does not present its statement of financial position split between current and non-current. The Group is exposed to the current/non-current distinction only within the notes to the financial statements where maturity disclosures are required. While the Group may be required to make disclosures about its covenants where breaches will result in the immediate payment of these liabilities, such disclosure is required only where the likelihood of a breach occurring is higher than remote. This is not the case for the Group, and therefore these amendments had no impact on the Group's consolidated financial statements.

IFRS 16 – Leases – Amendments – Lease Liability in a Sale and Leaseback

These amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that must be accounted for as a sale. Lease liabilities arising from a leaseback must be measured in a way that does not recognise any amount of the gain/loss that relates to the right of use it retains. The seller-lessee is not however prevented from recognising any gains/losses relating to the partial or full termination of a lease.

These amendments have no impact on the consolidated financial statements of the Group as the Group does not have any lease arrangements that are structured as a sale and leaseback arrangement.

IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures – Amendments – Supplier Finance Arrangements

Supplier finance arrangements are sometimes referred to as supply chain finance, payables finance, or reverse factoring arrangements. They occur where one or more finance providers offer to pay amounts an entity owes its suppliers, and these payments are made at a date that is the same as, or earlier than, the date that payments are required to be made. The entity then repays the finance providers at a later date. Such arrangements provide extended credit terms to an entity, or provide earlier payments terms to the entity's suppliers.

These amendments had no impact on the consolidated financial statements of the Group as the Group does not have these types of financial arrangements.

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

The following is a list of new IFRS reporting standards, interpretations and amendments issued that are not yet effective as at 31 December 2024 and have not been early adopted by the Group. The Group expects to implement these standards when they become effective.

Effective 1 January 2025:

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

These amendments specify when a currency is exchangeable into another currency and when it is not, how exchange rates should be determined when a currency is not exchangeable, and the disclosures that are required for currencies that are not exchangeable. The Group does not expect these amendments to have a material impact on the consolidated financial statements.

Financial STATEMENTS

2. Material accounting policies (continued)

2.1 Basis of preparation (continued)

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

Effective 1 January 2026:

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

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

Annual Improvements to IFRS Accounting Standards – Volume 11

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

Effective 1 January 2027:

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

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

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

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

2.2 Consolidation

(a) Subsidiaries

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

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

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

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

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

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

(b) Associated companies

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

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

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

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

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

(c) Mutual funds

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.3 Segment reporting

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

(i) Life, health and pension;
(ii) Property and casualty;
(iii) Insurance brokerage; and
(iv) Asset management.

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

2.4 Foreign currency translation

(a) Translation of transactions in foreign currencies

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

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

(b) Translation to the presentation currency

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

(i) Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the end of the reporting period;
(ii) Income and expenses for each consolidated statement of income are translated at average exchange rates; and
(iii) All resulting exchange differences are recognised as a separate component of equity.

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

2.5 Property, plant and equipment

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.5 Property, plant and equipment (continued)

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

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

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

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

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

2.6 Investment properties

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

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

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

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

2.7 Intangible assets

(a) Goodwill

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.7 Intangible assets (continued)

(b) Customer-related intangibles

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

Subsequent to initial recognition, customer-related intangibles are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the intangibles over their useful lives. The remaining useful lives of customer-related intangibles range from 1 to 9 years.

(c) Brands

Brands acquired through direct purchase are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of brands over their estimated useful lives. The remaining useful life of brands is 1 year.

(d) Computer software and website development costs

Acquired computer software licenses and website development costs are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and which will probably generate economic benefits exceeding costs beyond one year, are also recognised as intangible assets. These costs are amortised using the straight line method over their estimated useful lives. The remaining useful lives of computer software and website development costs range from 0.6 to 10 years.

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

2.8 Properties for development and sale

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

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

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

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

2.9 Financial assets

(a) Initial recognition and measurement

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.9 Financial assets (continued)

(b) Classification and subsequent measurement

Debt instruments

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

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

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

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

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

Business model assessment

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.9 Financial assets (continued)

(b) Classification and subsequent measurement (continued)

Debt instruments (continued)

Business model assessment (continued)

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

The solely payment of principal and interest (SPPI) test

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

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

Equity instruments

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

(c) Derecognition of financial assets

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

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

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

2.10 Impairment of assets

(a) Financial assets

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

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

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

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

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

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

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

Significant increase in credit risk

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

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

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

Significant increase in credit risk (continued)

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

Credit-impaired financial assets

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

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

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

Definition of default

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

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

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

Write-off

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

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

Measurement of expected credit losses

The measurement of expected credit losses is a function of:

(i) Probability of default (PD);
(ii) Loss given default (LGD); and
(iii) Exposure at default (EAD).

Financial STATEMENTS

2. Material accounting policies (continued)

2.10 Impairment of assets (continued)

(a) Financial assets (continued)

Measurement of expected credit losses (continued)

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

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

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

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

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

(b) Non-financial assets

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

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.11 Fair value measurement

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This level consists mainly of various freehold and investment properties, various unquoted equity securities, and the unquoted, illiquid Series G Government of Barbados debt securities. Freehold and investment properties are fair valued by professional external valuators. Unquoted equity securities are held either at cost, being the fair value of the consideration paid on acquisition, or at fair value based on valuation ratios such as book value per share or based on indicative prices provided by external investment managers or based on recent transaction prices. The Series G debt securities are valued using a discounted cash flow model that incorporates expected cash flows and a risk adjusted yield curve issued by the Central Bank of Barbados.

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

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

2.12 Offsetting financial instruments

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

2.13 Cash and cash equivalents

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

2.14 Share capital

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts

(a) Summary of measurement approaches

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(a) Summary of measurement approaches (continued)

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

(b) Definition and classification

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

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

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

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

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

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(b) Definition and classification (continued)

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

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

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of significant loss.

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

(c) Aggregation bases for disclosure purposes

Insurance contracts are classified into five main categories.

(i) Property and casualty insurance contracts

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

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

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

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

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

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

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(c) Aggregation bases for disclosure purposes (continued)

(i) Property and casualty insurance contracts (continued)

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

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

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

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

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

(iii) Traditional life and interest sensitive without guarantees

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

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

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

(iv) Unit linked life and interest sensitive with guarantees

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

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

The Jamaican life insurance subsidiary issues interest-sensitive policies. The liability for the interest-sensitive policies is determined as the sum of the liability for the insured risk (as determined above for unit-linked policies) and the liability for the accumulated cash values. The entire liability for the interest-sensitive policies is recorded in insurance contracts. For the Trinidad and Tobago life insurance subsidiary, the insurance contracts prescribe no fixed terms.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(c) Aggregation bases for disclosure purposes (continued)

(v) Annuities

These contracts insure events associated with human longevity over a long duration. A liability for policyholders' benefits that are expected to be incurred in the future is established on acceptance of the insurance risk, and is based on key assumptions similar to those made for traditional life products, except that morbidity is also a key variable. Some of the annuities include unit-linked elements containing guarantees that entitle the holders to a minimum guaranteed crediting rate over the life of the policy and provide for minimum annuity purchase rates. These guarantees are allowed for in the liability calculations.

(d) Unit of account

The Group manages insurance contracts issued by product lines and certain sub-categories, where each sub-category includes contracts that are subject to similar risks. All insurance contracts within a specified sub-category represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contract.

A single cohort was applied to all contracts issued 31 December 2021 and prior. These contracts were measured using the Fair Value Approach.

Quarterly cohorts were applied to all GMM and VFA contracts issued 1 January 2022 and after, and all PAA portfolios are disaggregated into annual cohorts regardless of their issue date. The Full Retrospective Approach was applied to all of these contracts.

All portfolios are further disaggregated as follows:

(i) Contracts that are onerous at initial recognition;

(ii) Contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or

(iii) A group of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

For all long-term and short-term products, sets of contracts usually correspond to policyholder pricing groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at a portfolio level with no information available at a more granular level.

Some individual and group health products, unit-linked annuity products, defined benefit annuity products, and Lifestyle individual annuity products have break-even profitability or are loss making, and therefore were allocated to groups of contracts that were onerous or remaining at initial recognition. All other contracts issued are always priced with high expected profitability margins, and thus, such contracts are allocated to groups of contracts that have no significant possibility of becoming onerous at initial recognition.

For the property and casualty contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(d) Unit of account (continued)

assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at a portfolio level.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts into quarterly and annual cohorts in line with how this was defined for insurance contracts. These portfolios then were further disaggregated as follows:

(i) Contracts for which there is a net gain at initial recognition, if any;
(ii) Contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and
(iii) Remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance, by treaty and sub-divided by line of business. This information is used as a basis for price negotiations with reinsurers as well as setting retention amounts. The Group's assessment of the performance of the treaties have concluded that some reinsurance contracts held are in a net cost position without a significant possibility of a net gain arising subsequently while other reinsurance contracts have a net gain at initial recognition.

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- Cash flows relating to embedded derivatives that are required to be separated;
- Cash flows relating to distinct investment components; and
- Promises to transfer distinct goods or distinct non-insurance services.

The Group does not have any products with components that require separation. The Group therefore applies IFRS 17 to all components of the contract. In assessing whether the contract should be further separated, the following considerations are made:

(i) Whether there is interdependency between the different risks covered;
(ii) Whether components lapse together; and
(iii) Whether components can be priced and sold separately.

The Group does not have any contracts that require further separation of insurance contracts.

(e) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- The beginning of the coverage period;
- The date when the first payment from the policyholder is due or actually received, if there is no due date; and
- When the Group determines that a group of contracts become onerous.

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition on transfer.

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised from the earlier of:

- The beginning of the coverage period of the group; and
- The date the Group recognised an onerous group of underlying insurance contracts, if the Group entered into the related reinsurance contract held in the group at or before that date.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(e) Recognition and derecognition (continued)

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one insurance contract in a group of the underlying insurance contracts, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held. A gap between the start of the coverage period for a quota share contract and that of the underlying contracts rarely occurs in practice.

A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the beginning of the coverage period of that group.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- Extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- The contract is modified and certain additional criteria are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in the regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

(a) If the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
  (i) Is not in scope of IFRS 17;
  (ii) Results in different separable components;
  (iii) Results in a different contract boundary; or
  (iv) Belongs to a different group of contracts.

(b) The original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

(c) The original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

(a) Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group.

(b) Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
  (i) If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
  (ii) If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less than the premium charged by the third party.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(e) Recognition and derecognition (continued)

Accounting for contract modification and derecognition (continued)

(iii) If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

(c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

(a) If the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;

(b) If the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or

(c) If the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

(f) Measurement

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

(a) Are based on a probability weighted mean of the full range of possible outcomes;

(b) Are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

(c) Reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation. Refer to Note 3(a).

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Fulfilment cash flows (continued)

Fulfilment cash flows within contract boundary (continued)

The Group estimates certain FCF at a policy level, which is then aggregated into the relevant profitability groups, cohorts, and portfolios.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

(a) The Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

(b) Both of the following criteria are satisfied:

  (i) The Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

  (ii) The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policies' maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The Group's individual life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a 60-day notice period by either party. Thus, the Group treats such reinsurance contracts as a series of contracts that cover underlying business in force at the end of the reporting period. Estimates of future cash flows arising from all underlying contracts in force at the reporting period are included in the measurement of the reinsurance contracts.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Fulfilment cash flows (continued)

Contract boundary (continued)

The Group's group life reinsurance contracts and some of its property and casualty reinsurance contracts held provide coverage for claims incurring during the period of the reinsurance treaty coverage. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. The premium status of reinsurance policies are aligned with that of the underlying insurance policy. As a result, if the underlying policy is terminated, reinsurance premiums cease; if the underlying policy is reinstated, reissued, converted or otherwise continued after being previously terminated, reinsurance premiums will recommence, with specific rules applied.

The Group's health reinsurance contracts and some of its property and casualty reinsurance contracts held provide coverage for claims incurring during the period of the reinsurance treaty coverage, and up to one year after (i.e., risk attaching reinsurance contracts). Thus, all cash flows arising from claims incurred and expected to be incurred in the two year period are included in the measurement of the reinsurance contracts held.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquisition costs

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts to which the group belongs. Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

(a) To that group; and

(b) To groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

The Group does not pay (or recognise a liability, applying a standard other than IFRS 17) directly attributable acquisition costs to originate a group of insurance contracts before they are recognised. The Group therefore does not recognise insurance acquisition cash flows assets.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 3(a).

Initial measurement – Groups of contracts measured under the GMM and/or the VFA

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as it provides insurance contract services in the future.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Contractual service margin (continued)

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

(a) The initial recognition of the FCF;

(b) Cash flows arising from the contracts in the group at that date;

(c) The derecognition of any insurance acquisition cash flows asset; and

(d) The derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section below).

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

(a) The initial recognition of the FCF; and

(b) Cash flows arising from the contracts in the group at that date;

(c) The amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and

(d) Any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

For insurance contracts acquired in a portfolio transfer or a business combination within the scope of IFRS 3, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

(a) The initial recognition of the FCF; and

(b) Cash flows arising from the contracts in the group at that date, including the fair value of the groups of contracts acquired as at the acquisition date as a proxy of the premiums received.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

(a) The LRC, comprising:
  (i) The FCF related to future service allocated to the group at that date; and
  (ii) The CSM of the group at that date; and

(b) The LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

(a) The remaining coverage, comprising:
  (i) The FCF related to future service allocated to the group at that date; and
  (ii) The CSM of the group at that date; and

(b) The incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

(a) Changes that relate to current or past service are recognised in profit or loss; and
(b) Changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

(a) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
(b) Changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
(c) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
(d) Changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b), and (d) are measured using the locked-in discount rates as described in the section 'Interest accretion on the CSM' below.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement - Groups of contracts measured under the GMM and/or the VFA (continued)

Changes in fulfilment cash flows (continued)

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) Changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;

(b) Changes in the FCF relating to the LIC;

(c) Experience adjustments – arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and

(d) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognised in insurance finance income or expenses.

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

(a) Changes in the Group's share of the fair value of the underlying items; and

(b) Changes in the FCF that do not vary based on the returns of underlying items:

  (i) Changes in the effect of the time value of money and financial risks including the effect of financial guarantees;

  (ii) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

  (iii) Changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

  (iv) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and

  (v) Changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (ii) to (v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) Changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;

(b) Changes in the FCF that do not vary based on the returns of underlying items;

  (i) Changes in the FCF relating to the LIC; and

  (ii) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Group does not have any products with complex guarantees and does not use derivatives to economically hedge the risks.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

(a) The effect of any new contracts added to the group.

(b) For contracts measured under the GMM, interest accrued on the carrying amount of the CSM.

(c) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.

(d) The effect of any currency exchange differences.

(e) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For reinsurance contracts held, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

(a) The effect of any new contracts added to the group.

(b) Interest accreted on the carrying amount of the CSM.

(c) Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised.

(d) Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held.

(e) Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts.

(f) The effect of any currency exchange differences.

(g) The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in (c) above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of (c)–(e) above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Refer to the Reinsurance contracts held – Loss recovery component section below for loss-recovery component accounting.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

The Group does not have any reinsurance contracts held measured under the GMM with underlying contracts measured under the PAA.

Interest accretion on the CSM:

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates).

Adjusting the CSM for changes in the FCF relating to future service:

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the 'Changes in fulfilment cash flows' section.

Release of the CSM to profit or loss:

The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The coverage period is defined as a period during which the entity provides insurance contract services. Insurance contract services include coverage for an insured event (insurance coverage), the generation of an investment return for the policyholder, if applicable (investment-return service) for the contracts under the GMM, and the management of underlying items on behalf of the policyholder (investment-related service) for the contracts under the VFA. The period of investment-return service or investment-related service ends at or before the date when all amounts due to current policyholders relating to those services have been paid. Investment-return services are provided only when an investment component exists in insurance contracts or the policyholder has a right to withdraw an amount, and the Group expects these amounts to include an investment return that is achieved by the Group by performing investment activities to generate that investment return.

For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

(a) For life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk for life insurance policies and longevity risk for deferred annuities; and

(b) For insurance contracts with investment components, the coverage period corresponds to the period in which insurance or investment return and investment related services are expected to be provided.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. In instances where multiple services are provided to a policyholder, the coverage units are calculated based on each rider, but aggregated to produce the total contract's coverage units. The coverage units are determined at each reporting period-end prospectively by considering:

(a) The quantity of benefits provided by contracts in the group;

(b) The expected coverage duration of contracts in the group; and

(c) The likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs at the basis for the quantity of benefits.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

The Group determines coverage units as follows:

(a) For products under the "Traditional life and interest sensitive without guarantees" category, coverage units are determined based on the policies' face values that are equal to the fixed death benefit amounts;

(b) For products under the "Unit linked life and interest sensitive with guarantees" category, coverage units are based on the fixed death benefits amounts (during the insurance coverage period) plus policyholders' account values;

(c) For products under the "Annuities" category that are in the accumulation phase, coverage units are based on policy size (i.e., the value of the accumulated funds). When they are in the annuitisation phase, coverage units are based on the annuity payout. The coverage units were summed (weights are 50%/50%).

The Group reflects the time value of money in the allocation of the CSM to coverage units using discount rates that are applied to nominal cash flows that do not vary based on the returns of underlying items. For GMM contracts, these discount rates are determined at initial recognition, while for VFA contracts, current discount rates are applied.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' fixed face values taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary. Refer to the 'Contract boundary' section within this Note above.

Onerous contracts – Loss component:

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses and records it as a loss component of the LRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

(a) Expected incurred claims and expenses for the period;

(b) Changes in the risk adjustment for non-financial risk for the risk expired; and

(c) Finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance services expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Subsequent measurement – Groups of contracts measured under the GMM and/or the VFA (continued)

Changes to the contractual service margin (continued)

Reinsurance contracts held – Loss-recovery component:

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts discussed in the Onerous contracts – Loss component section above. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

Initial and subsequent measurement – Groups of contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less. The PAA eligibility test was applied to risk-attaching reinsurance contracts, and it was concluded that the PAA can also be used for such contracts.

For insurance contracts issued, insurance acquisition cash flows are deferred and recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amounts of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

(a) The LRC; and
(b) The LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

(a) The remaining coverage; and
(b) The incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

(a) Increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial and subsequent measurement – Groups of contracts measured under the PAA (continued)

(b) Decreased for insurance acquisition cash flows paid in the period;

(c) Decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and

(d) Increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

(a) Increased for ceding premiums paid in the period; and

(b) Decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

There are no investment components within insurance contracts issued and reinsurance contracts held that are measured under the PAA.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. The health insurance contracts typically have a settlement period of one year and less, and therefore the future cash flows are not adjusted for the time value of money. For property and casualty and group life insurance contracts, future cash flows are adjusted for the time value of money since these insurance contracts sometimes have claims with a settlement period of over one year. Some of these insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (salvage). The Group may also have the right to pursue third parties for payment of some or all costs (subrogation). The estimated cost of claims includes a deduction for the expected value of salvage and other recoveries.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component. Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(f) Measurement (continued)

Initial and subsequent measurement - Groups of contracts measured under the PAA (continued)

Where applicable, changes in the loss-recovery component are disaggregated between net income from reinsurance contracts held (refer to note 2.15(g)) and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein in proportion to the disaggregation applied to the changes in the underlying loss component.

The Group does not have any reinsurance contracts held measured under the PAA with underlying contracts measured under the GMM.

(g) Amounts recognised in comprehensive income

Insurance service result from insurance contracts issued

Insurance revenue

As the Group provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Group expects to be entitled to in an exchange for those services.

For contracts measured under the GMM and/or the VFA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:
  - a) Insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - amounts related to the loss component;
    - repayments of investment components and policyholder rights to withdraw an amount;
    - amounts of transaction-based taxes collected in a fiduciary capacity;
    - insurance acquisition expenses; and
    - amounts related to the risk adjustment for non-financial risk (see (b));
  - b) Changes in the risk adjustment for non-financial risk, excluding:
    - changes included in insurance finance income (expenses);
    - changes that relate to future coverage (which adjust the CSM); and
    - amounts allocated to the loss component;
  - c) Amounts of the CSM recognised in profit or loss for the services provided in the period;
  - d) Experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes; and
  - e) Other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

(a) Incurred claims and benefits excluding investment components reduced by loss component allocations;

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance service result from insurance contracts issued (continued)

Insurance service expenses (continued)

(b) Other incurred directly attributable insurance service expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;

(c) Amortisation of insurance acquisition cash flows;

(d) Changes that relate to past service (i.e. changes in the FCF relating to the LIC);

(e) Changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components); and

(f) Insurance acquisition cash flows assets impairment.

For contracts measured under the GMM and/or the VFA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of income or loss.

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

(a) Reinsurance expenses;

(b) Incurred claims recovery;

(c) Other incurred directly attributable insurance service expenses;

(d) Changes that relate to past service – changes in the FCF relating to incurred claims recovery;

(e) Effect of changes in risk of reinsurer non-performance;

(f) Amounts relating to accounting for onerous groups of underlying insurance contracts issued:

i. Income on initial recognition of onerous underlying contracts;

ii. Reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and

iii. Reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

For contracts measured under the GMM and/or the VFA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

(a) Claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:

- Amounts allocated to the loss-recovery component;
- Repayments of investment components;
- Amounts related to the risk adjustment for non-financial risk (see (b));

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance service result from reinsurance contracts held (continued)

Net income (expenses) from reinsurance contracts held (continued)

(b) Changes in the risk adjustment for non-financial risk, excluding:

- Changes included in finance income (expenses) from reinsurance contracts held;
- Changes that relate to future coverage (which adjust the CSM);
- Amounts allocated to the loss-recovery component;

(c) Amounts of the CSM recognised in profit or loss for the services received in the period; and

(d) Experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

(a) The effect of the time value of money and changes in the time value of money; and

(b) The effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

(a) Interest accreted on the FCF and the CSM; and

(b) The effect of changes in interest rates and other financial assumptions.

For contracts measured under the VFA, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

(a) Interest accreted on the LIC; and

(b) The effect of changes in interest rates and other financial assumptions.

The Group disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured under the VFA and the PAA, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

For the contracts measured using the GMM, except for those supported by investments measured at fair value through profit or loss, the OCI option is applied. The investments held by the Group that are used to support the GMM portfolio are typically measured at either amortised cost or at fair value through OCI, therefore the use of the OCI option results in the elimination of accounting mismatches with the associated assets. When the OCI option is applied, the impact of the change in discount rate is posted to the OCI. The difference between the liability measured on current rates and the liabilities measured on locked-in rates at any point in time represent the accumulation of amounts in OCI. Interest accreted on the BEL and CSM are also posted to the P&L for these portfolios.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(g) Amounts recognised in comprehensive income (continued)

Insurance finance income or expenses (continued)

Groups of insurance and reinsurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items. Where these groups of insurance and reinsurance contracts generate cash flows in multiple currencies, the Group has opted to maintain the underlying cash flows in their transactional currencies. The risk adjustment is also denominated in multiple currencies reflecting the currencies of its related fulfilment cash flows. The CSM, loss component, and the loss recovery component within each insurance and reinsurance group is however assigned a single currency (`the CSM Currency") in order to operate the mechanics of IFRS 17. This currency is determined separately for each insurance or reinsurance group based on the predominant currency in which the underlying cash flows are denominated.

The impact of adjusting the CSM, loss component, or loss recovery component in the CSM Currency due to changes in the exchange rate between the currencies of the underlying cash flows and the CSM Currency are accounted for as changes in financial risk – i.e., within effects of changes in interest rates and other financial assumptions. Applying IAS 21 at the end of the reporting period, the carrying amount of the group of insurance or reinsurance contracts (including the CSM, loss component, or loss recovery component) is translated into the functional currency at the closing rate, with the resulting impact presented as foreign exchange differences. Both the foreign exchange differences and changes in financial risk are accounted for within 'finance expenses from insurance contracts issued' for insurance contracts and 'finance income from reinsurance contracts held' for reinsurance contracts.

(h) Classification

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable on a present value basis if the insured event did not occur.

Investment contracts are those contracts that transfer financial risk with no significant insurance risk.

A number of insurance contracts contain a discretionary participation feature, which entitles the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

a) That are likely to be a significant portion of the total contractual benefits;
b) Whose amount or timing is contractually at the discretion of the Group; and
c) That are contractually based on:
    (i) the performance of a specified pool of contracts or a specified type of contract;
    (ii) realised and/or unrealised investment returns on a specified pool of assets held by the Group; or
    (iii) the profit or loss of the Group, fund or other entity that issues the contract.

The terms and conditions of these contracts set out the basis for the determination of the amounts on which discretionary benefits are based and within which the Group may exercise its discretion as to the quantum and timing of their payments to contract holders, which will be subject to the advice of the Group's actuary or a locally appointed actuary.

(i) Investment contracts

The Group issues investment contracts including deposit administration contracts and individual deferred annuity contracts. Premiums are recognised directly as liabilities. These liabilities are increased by credited interest or change in the unit prices and are decreased by policy administration fees, mortality and surrender charges, and any withdrawals. Revenue consists of investment income and interest credited is treated as an expense.

Financial STATEMENTS

2. Material accounting policies (continued)

2.15 Insurance and investment contracts (continued)

(j) Reinsurance contracts held

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held.

Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inward reinsurance) are included with insurance contracts.

(k) Receivables and payables other than those for contracts under IFRS 17

Receivables and payables are recognised when due. These include amounts due to and from agents and brokers. If there is objective evidence that the receivable is impaired, the Group reduces the carrying amount of the receivable accordingly and recognises that impairment loss in the consolidated statement of income.

(l) Insurance finance reserve

The insurance finance reserve comprises the cumulative insurance finance income and expenses recognised in other comprehensive income. If the Group derecognises a contract without direct participation features as a result of a transfer to a third party or a contract modification, then any remaining amounts of accumulated other comprehensive income for the contract are reclassified to profit or loss as a reclassification adjustment.

2.16 Financial liabilities

Financial liabilities in the consolidated statement of financial position comprise borrowings and repurchase agreements.

(a) Borrowings

Borrowings are recognised initially at fair value, plus directly attributable transaction costs. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the consolidated statement of income when the liabilities are derecognised as well as through the EIR amortisation process.

The Group derecognises a loan when its contractual obligations are discharged, cancelled or have expired. The Group also derecognises a loan when its terms are modified and the cash flows of the modified borrowing is substantially different, in which case a new loan based on the modified terms is recognised at fair value. On derecognition of the loan, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the consolidated statement of income.

(b) Repurchase agreements

Securities sold under agreements to repurchase (repurchase agreements) are treated as collateralised financing transactions. The difference between the sale and repurchase price is treated as interest and accrued over the life of the agreements using the EIR method.

2.17 Taxation

Taxation in the consolidated statement of income comprises current and deferred income tax.

Current income tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted or substantively enacted at the date of the consolidated statement of financial position.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Financial STATEMENTS

2. Material accounting policies (continued)

2.17 Taxation (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is charged or credited to the consolidated statement of income, except where it relates to items charged or credited to the consolidated statement of comprehensive income, in which case, deferred tax is also dealt with in the consolidated statement of comprehensive income.

2.18 Employee benefits

(a) Pension plans

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held in separate trustee-administered funds. The plans are generally funded by payments from employees and by the relevant Group companies after taking account of the recommendations of the external qualified actuaries.

The plans are governed by trust/fund deeds and rules and are administered in accordance with the laws of the jurisdiction in which the plan resides. Responsibility for the governance of the plans, including investment strategies, lies with the Board of Trustees/Foundation.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods.

The asset or liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the consolidated statement of financial position date less the fair value of plan assets. Plan assets exclude any insurance contracts issued by the Group.

For defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the consolidated statement of income so as to spread the regular cost over the service lives of employees in accordance with the advice of a qualified actuary, who carries out full valuations of the plans every three years. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest), are recognised immediately through other comprehensive income in the consolidated statement of comprehensive income.

The defined benefit plans mainly expose the Group to actuarial risks such as investment risk, interest rate risk and longevity risk.

The Group's contributions to the defined contribution pension plans are charged to the consolidated statement of income in the year to which they relate.

(b) Post-retirement medical benefit obligations

The Group's subsidiaries in Trinidad and Tobago and the Dutch Caribbean provide post-retirement medical benefits to its permanent employees who retire from active service, their spouses and their dependents. The entitlement to these benefits is based on the employee remaining in service up to retirement age or leaving service due to ill health. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit plans. All actuarial gains and losses are recognised immediately through other comprehensive income in the consolidated statement of comprehensive income. External qualified actuaries carry out a valuation of these obligations.

Financial STATEMENTS

2. Material accounting policies (continued)

2.18 Employee benefits (continued)

(c) Cash-based long-term performance incentive plan

The Group operates a cash-based long-term performance incentive plan for eligible executives. Accruals are made annually based on the ultimate expected payments to eligible executives.

(d) Employee share ownership plan ('ESOP')

The employees of subsidiaries incorporated in Trinidad and Tobago have the option to receive their bonuses in cash and/or ordinary shares of the company purchased on the open market, in accordance with the terms outlined in the Trust Deed governing an approved ESOP. The Group recognises an expense within staff costs when bonuses are awarded. The ESOP is an equity-settled plan, with the associated unallocated shares reflected in the consolidated financial statements as a deduction to share capital. This amount is not material to the Group's consolidated financial statements.

(e) Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The Group recognises a provision where contractually obligated or where there is a past practice that has created a constructive obligation.

2.19 Provisions

Provisions are made when the Group has a present legal or constructive obligation as a result of past events, for which it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

2.20 Revenue recognition

Revenue comprises the fair value for services rendered after eliminating revenue within the Group. Revenue is recognised as follows:

(a) Insurance revenue - This is recognised in accordance with the requirements of IFRS 17 as laid out in Note 2.15.

(b) Investment income - Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(c) Rental Income

(d) Realised and unrealised investment gains and losses

(e) Commission income from brokerage activities and fronting contracts

(f) Fee income - Fees are earned from fronting contracts, the management of the assets of the segregated funds and deposit administration funds and from general policy administration and surrenders. Fees are recognised in the period in which the services are rendered. For the asset management companies in the Group, portfolio, asset management fees and other management advisory and service fees are recognised based on the applicable service contracts over the period in which the service is provided. Management fees and commissions arising from negotiating, or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

2.21 Leases

The Group as a lessee

The Group mainly leases various office space, motor vehicles and equipment used in its operations. Rental contracts for these leases are typically made for fixed periods but may have extension options, which is described below. Some contracts contain lease and non-lease components, which are accounted for as separate components based on the stand-alone prices stated in the contracts.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

Financial STATEMENTS

2. Material accounting policies (continued)

2.21 Leases (continued)

The Group as a lessee (continued)

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. At lease commencement date, the Group recognises a right-of-use asset and a lease liability in the consolidated statement of financial position.

The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent to initial measurement, the right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group also assesses the right-of-use asset for impairment when such indicators exist. The Group does not revalue any of its right-of-use assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalty payments for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The Group remeasures the lease liability when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of income if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments. The Group did not have any variable lease payments that do not depend on an index or a rate for the period ended 31 December 2024 (2023: nil).

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets to leases that are considered to be low value. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Financial STATEMENTS

2. Material accounting policies (continued)

2.21 Leases (continued)

The Group as a lessor

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated statement of income.

2.22 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as an appropriation in the Group's consolidated financial statements in the period in which the dividends are approved by the Group's Board of Directors.

2.23 Other finance charges

Finance charges are recognised as an expense in the period in which they are incurred except to the extent that they are capitalised when directly attributable to the acquisition, construction or production of an investment property or in developing properties for sale.

2.24 Assets under management

The Group provides custody and trustee discretionary investment management services to third parties. Such assets under management represent the managed funds administered by the Trust company.

2.25 Subscriptions and redemptions on mutual funds portfolio

(a) Subscriptions - Units relating to the various pools of mutual funds consolidated in the Group's financial statements could be subscribed based on the net asset value per unit of the underlying funds determined on each business day.

(b) Distributions - The net income and net realised capital gains of the various pools of mutual funds are calculated and accrued to the investor daily and distributed monthly. Investors have the option either to receive a cash distribution or to reinvest income distributions into units at the prevailing subscription price as at the date of distribution.

(c) Redemptions - Units relating to the various pools of mutual funds consolidated in the Group's financial statements are redeemed at a price per unit based on the net asset value of the underlying funds published on the date that the request is made.

2.26 Assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Depreciation and amortisation ceases once assets are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

The assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the consolidated statement of financial position.

A discontinued operation is a component of the entity that has been classified as held for sale and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the consolidated statement of income.

2.27 Comparative information

Where necessary, comparative data has been adjusted to conform with changes in presentation in the current year.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that may affect the reported amounts of assets and liabilities during the succeeding financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Insurance contracts

Definition and classification

Definition and classification determines whether contracts are in the scope of IFRS 17 and, for contracts determined to be in scope of IFRS 17, what measurement model is applicable.

Determining whether a contract issued accepts significant insurance risk and, similarly, whether a reinsurance contract held transfers significant insurance risk requires judgement. Refer to Note 2.15(b) which gives details on how the Group determines the classification of insurance products with investment components as insurance or investment contracts.

Determining whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with discretionary participation features requires judgement. The Group does not issue any investment contracts with discretionary participation features.

Determining whether contracts that were determined to be in the scope of IFRS 17 meet the definition of an insurance contract with direct participation features requires judgement:

a) Whether the pool of underlying items is clearly identified;

b) Whether amounts that an entity expects to pay to the policyholders constitute a substantial share of the fair value returns on the underlying items; and

c) Whether the Group expects the proportion of any change in the amounts to be paid to the policyholders that vary with the change in fair value of the underlying items to be substantial.

Significant judgement is applied to determine whether the proportion to be paid by the Group to life contract policyholders and to direct participating contract policyholders is substantial.

The Group applies the PAA to some insurance contracts with a coverage period of more than one year. The eligibility assessment involved significant judgement on whether the application of the PAA will produce a measurement of the liability for the LRC that would not differ materially from the one that would be produced applying the GMM.

Several subsidiaries in the Group act as agents in relation to the insurance contract services being provided by other parties via fronting arrangements. Where the Group has determined that it retains no credit or insurance risk on these contracts, the assets and liabilities arising out of these arrangements are not accounted for under IFRS 17, but are instead accounted for under the relevant IFRS Accounting Standard. Where the Group retains insurance or credit risk, these arrangements are accounted for as 100% reinsured contracts.

Unit of account

Judgement is involved in combination of insurance contracts and separation of distinct components, however the Group neither separated components of its insurance contracts nor combined any insurance contracts.

Judgements involved in the identification of portfolios of contracts, as required by paragraph 14 of IFRS 17 (that is, having similar risks and being managed together) are not an area of significant judgement for the Group. This is due to the Group historically managing its insurance and reinsurance portfolios in a way that, consistent with regulatory considerations, clearly distinguishes groups of products by their associated risks.

Judgement is required in aggregating insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous and groups of other contracts. A similar grouping assessment is required for reinsurance contracts held.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Unit of account (continued)

For contracts measured under the PAA, the assessment of the likelihood of adverse changes in applicable facts and circumstances is an area of judgement.

For insurance contracts issued measured under the PAA, management judgement is required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate any changes in the onerous group's profitability and whether any loss component remeasurement is required. In 2023 and 2024, the Group did not identify any facts or circumstances that might have indicated that a group of contracts measured under the PAA had become onerous. All contracts measured by the Group in 2023 and 2024 under the PAA were determined to be non-onerous on initial recognition.

Measurement – Fulfilment cash flows

The concept of a contract boundary is used to determine which future cash flows should be considered in the measurement of a contract in the scope of IFRS 17. Judgement is involved to determine when the Group is capable of repricing the entire contracts to reflect the reassessed risks, when policyholders are obliged to pay premiums and when premiums reflect risks beyond the coverage period. Only those liabilities or assets relating to expected premiums or claims driven by substantive rights and obligations are recognised within the boundary of the insurance contract. The Group applied judgement to the determination of the contract boundaries of several deferred annuity products with guaranteed annuitisation rates.

The Group uses judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to fulfilment of the contract. The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts. Refer to Note 3(d).

Financial performance

The Group applied significant judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss in 2024 and 2023:

a) For individual life GMM contracts without any accumulating Fund – coverage units are determined based on the quantity of benefits provided via the Face Amount of the coverage.
b) For individual life contracts that have an accumulated Fund Balance, coverage units are determined based on the quantity of benefits provided via the Face Amount of the coverage plus the Fund Value.
c) For annuity contracts that are still in the accumulation phase, coverage units are determined based on the value of the fund accumulated to date.
d) For annuity contracts that are in the annuitisation phase, coverage units are determined based on the value of expected annuity payout.

In performing the above determination, management applied judgement that might significantly impact the CSM carrying values and amounts of the CSM allocation recognised in profit or loss for the period.

Contracts measured under the Fair Value Approach

The Group applied the fair value approach to all long-term insurance and reinsurance contracts in force as at 31 December 2021. The Group applied significant judgement in determining the transition amounts under this approach.

Applying the fair value approach, the Group determined the CSM as at 1 January 2022 to be the difference between the fair value of a group of insurance contracts, measured in accordance with IFRS 13, 'Fair Value Measurement' (IFRS 13), and its FCF at the transition date. The Group did not apply the deposit floor when measuring insurance contracts when using the fair value approach on transition.

The fair value of an insurance liability is the price that a market participant would be willing to pay to assume the obligation and the remaining risks of the in-force contracts as at the transition date. Where available, recent market transactions were used to estimate the fair value of groups of contracts. In the absence of recent market transactions for similar contracts, a present value technique was used to value groups of contracts.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Contracts measured under the Fair Value Approach (continued)

In estimating the fair value of groups of insurance contracts, the following considerations were applied:

a. only future cash flows within the boundaries of the insurance contracts were included in the fair value estimation, excluding future renewals and new business that would be outside the contract boundary of the contracts under IFRS 17;
b. assumptions about expected future cash flows and risk allowances were adjusted for the market participant's view, as required by IFRS 13; and
c. other sources of profit were included to reflect what a market participant would require for accepting obligations under insurance contracts, beyond the risk adjustment for non-financial risk.

Given the lack of a liquid and observable market of insurance liabilities in the Caribbean, the fair value of insurance contracts was estimated using a method consistent with the income approach. There are two techniques that is consistent with this namely: the adjusted fulfilment cash flows and embedded or appraisal value. The group used the adjusted fulfilment cash flows as it is similar to the technique used to determine the fulfilment cash flows; however, adjusted to reflect the perspective of a market participant (IFRS 13) rather than the entity's view (IFRS 17).

The Group used significant judgement to determine adjustments required to reflect the market participant's view, and it considered the following:

Definition and classification

The following assessments were performed using the criteria described in note 3, based on the information available as at the transition date:

a. An assessment of whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with discretionary participation features within the scope of IFRS 17; and
b. An assessment of whether an insurance contract issued meets the definition of an insurance contract with direct participation features.

Discount rates

The discount rates at the dates of initial recognition were determined at the transition date, as described in note 3(a). The determination of an appropriate market discount rate to calculate the fair value at initial recognition included the application of the Group's own credit risk. This was calculated as a percentage of the Group's FCF. It was incorporated as a reduction to the Group's FCF, to derive the adjusted fulfilment cash flows (AFCF). The Group also included its reported Capital Adequacy requirements as of 31 December, 2021 to determine the Cost of Capital (COC). The COC was then calculated as the discounted value of the base solvency at the hurdle rate and applying a cost of capital factor.

The Target Available Capital was calculated as the base solvency buffer, net of diversification benefit, multiplied by the target capital ratio (175%). This was further reduced by the Risk Adjustment for territories where the Capital regime is based solely on the Best Estimate Liability, though for the others, the Risk Adjustment reduction was not applied. The COC was then calculated as the discounted value of the base solvency at the hurdle rate and applying a cost of capital factor.

FCF

The FCF were estimated prospectively as at the transition date, and were determined as the present value of the Group's cash flows, consistent with the typical actuarial approach to determining the best estimate liability and risk adjustment. The ratios of Capital Adequacy risk components to the FCF were used to estimate the Group's risk components for the life of the business. The base solvency was calculated as the sum of the risk components. The Target Available Capital was calculated as the base solvency buffer net of diversification benefit multiplied by the target capital ratio, less Risk Adjustment.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Contracts measured under the Fair Value Approach (continued)

CSM

The CSM (for insurance contracts issued) were estimated to be the difference between the fair value of a group of insurance contracts, measured in accordance with IFRS 13 as described above, and its FCF at the transition date. All relevant sources of required profit were considered, particularly for blocks of business that have significant additional capital considerations. The profit margin was calculated as the sum of COC, Risk Provision release and the other sources of profit, with each item in the profit margin calculation discounted at the hurdle rate.

Discount rates

A mix of the bottom-up and top-down approaches was applied in the determination of the discount rates for different territories.

The bottom-up approach was used to derive the discount rate for the cash flows of all territories except for the Netherland Antilles. Under this approach, the discount rate is determined as the government yield curve for the relevant territory, which is adjusted for a credit risk premium and an illiquidity premium. The credit risk premium is quantified by finding the average spread between the government yield curve and that of the US Treasury on the assumption that the US Treasury yield curve is risk free. The illiquidity premium is determined by differences in liquidity characteristics between the financial assets used to derive the government yield and the relevant liability cash flows, as illustrated by government bond bid-ask spreads. The government yield curve and the relevant liability are denominated in the same currency as the product being measured for the portfolios denominated in Trinidad & Tobago dollars and Jamaican dollars, with the Trinidad & Tobago curve used as a proxy for portfolios denominated in all other currencies. Given the limited term of the government yield curves, for the unobservable period, the yield curve was interpolated between an ultimate rate and the last observable point using the Smith-Wilson method.

The ultimate rate for the Trinidad & Tobago curve and the Jamaica curve was 7.6% and 11.5%, respectively.

The top-down approach was used to derive the discount rate for the cash flows within the Netherland Antilles. One curve was used for Curacao and Aruba due to the similarities in corporate and retail interest rates, the interconnectedness of the islands, identical exchange rate regimes and similar statuses within the Dutch Kingdom. Under this approach, the discount rate is determined based on a combination of a local currency yield curve and a US Treasury yield curve, in keeping with the standard financial profile for life insurance portfolios in the Dutch Caribbean. For the local currency yield curve, observations of interest rates within the Dutch Caribbean market were used as a starting point. The observations included time deposit rates from commercial banks, interest rates on commercial loans, and mortgage interest rates from various financial institutions. Given that there is no active secondary market for local investments, a specified Illiquidity Premium was not considered necessary. The US Treasury curve represents a risk free curve therefore no credit spreads were deducted. An Illiquidity Premium was added to this curve to account for the lesser liquidity of the Group's insurance portfolio versus US Treasury investments.

Observable market information was used from 2010 to capture the low interest environment that much of the world, including the Caribbean, has been in since the 2008 financial crisis. Going back further than this point was considered inappropriate as it is not reflective of the current economic environment.

Cash flows varying based on underlying items are discounted using a discount rate that reflects the variability of the underlying assets. Insurance contracts with direct participating features include investment components where cash flows vary based on the return of investment assets. The cash flows arising from the investment component are discounted using the expected return of the assets supporting the investment component. There are limited financial guarantees in these products. The liabilities associated with these guarantees are measured using a market consistent deterministic interest scenario.

The weighted average yield curves used to discount the estimates of future cash flows that do not vary based on the returns of the underling items are as follows:

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Discount rates (continued)

	As at 31 December 2024				As at 31 December 2023			
	1 year	5 years	10 years	20 years	1 year	5 years	10 years	20 years
Traditional life and interest sensitive without guarantees								
- Trinidad & Tobago	4.6%	4.0% - 7.7%	6.9% - 7.7%	7.2% - 13.2%	2.0%	3.8% - 6.8%	7.2% - 7.6%	6.0% - 7.3%
- Jamaica	6.1%	7.2%	8.8%	11.5%	6.4%	8.0%	9.2%	10.5%
- Dutch Caribbean	3.4%	5.0%	6.5%	6.7%	3.6% - 3.7%	4.0% - 4.7%	5.0% - 6.0%	5.6% - 6.2%
Annuities								
- Trinidad & Tobago	4.9%	4.3% - 8.0%	7.3% - 8.0%	7.5% - 13.5%	2.4%	4.2% - 7.2%	7.6% - 7.9%	6.4% - 7.7%
- Jamaica	7.1%	8.3%	9.9%	12.6%	7.2%	8.8%	10.1%	11.4%
- Dutch Caribbean	3.4%	5.0%	6.5%	6.7%	3.6% - 3.7%	4.0% - 4.7%	5.0% - 6.0%	5.6% - 6.2%
Unit linked life and interest sensitive with guarantees								
- Trinidad & Tobago	4.6% - 6.8%	3.5% - 6.7%	4.9% - 6.7%	4.8% - 6.9%	5.2% - 6.9%	4.5% - 7.7%	5.4% - 7.8%	5.5% - 7.6%
- Jamaica	5.5%	6.6%	8.3%	11.0%	6.0%	7.6%	8.8%	10.1%
Property and casualty								
- Trinidad & Tobago	5.3% - 5.9%	6.1% - 6.5%	0.0%	0.0%	2.5% - 4.7%	5.1% - 6.5%	0.0%	0.0%
- Jamaica	7.4%	7.8%	0.0%	0.0%	7.2%	8.1%	0.0%	0.0%
- Dutch Caribbean	3.4%	4.7%	0.0%	0.0%	4.1%	3.8%	0.0%	0.0%

Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts in the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is based on a best estimate deterministic scenario that specifies the amount, timing and probability of cash flows.

Expenses related cash flows are determined at a cohort level and are allocated on a systematic basis similar to the activity based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Acquisition cash flows and expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts initiated for the period, and in force for the period, respectively. Claims settlement related expense are allocated based on the number of claims incurred.

For the long-term insurance contracts without investment components, uncertainty in the estimation of future claims and benefit payments and premium receipts arises primarily from the unpredictability of long-term changes in the mortality rates, the variability in the policyholder behaviour and uncertainties regarding future inflation rates and expenses growth.

Uncertainty of future claims and benefit payments arises primarily from the variability in policyholder behaviour. The interest rate guarantee embedded in insurance contracts was measured using a best estimate deterministic scenario, representing the most likely future interest rate environment.

For the short-term insurance contracts, uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding future inflation rates leading to claims and claims-handling expenses growth.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(a) Insurance contracts (continued)

Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

For insurers within the Life, Health, and Pensions Segment, the risk adjustment was calculated on a full contract basis, thereby considering risks that may emerge over the entire life of the insurance contract. Given the long-term nature of the related risks, this approach is appropriate to capture the uncertainty embedded in the underlying contracts, without adding the complexity of performing projections on an annual basis. The risk adjustment is further calculated at a coverage level in accordance with the related risk profile, and then aggregated up to profitability groups, cohorts, and portfolios. To determine the variability of the reserves, the risk margin approach was used.

With the risk margin approach, the risk adjustment is determined by calculating and combining explicit risk margins for non-financial risks as outlined in guidance provided by the Central Bank of Trinidad and Tobago and the Financial Services Commission of Jamaica, with reasonable adjustments applied by long-term insurers in the Dutch Caribbean as may be suitable for their territories. Quantification of the confidence level is done using a quantile technique based on an underlying normal probability distribution assumption for the future cash flows. The Group's weighted average confidence level corresponding to the results of this technique was 77% (2023: 77%). The confidence levels by territory were as follow: Trinidad and Tobago life insurance subsidiaries - 75% - 76% (2023: 76%), Jamaican life insurance subsidiary - 76% (2023: 75%), Dutch Caribbean life insurance subsidiaries - 81.4% (2023: 82%). Consideration of the amount of diversification benefit is done at the entity level reflecting the diversification in contracts sold across portfolios as this reflects the potential for risk reduction when the entity has a diversified portfolio of insurance contracts.

For insurers in the Property and Casualty Segment, the risk adjustment was calculated on a one-year basis given the short-term nature of the contracts in this segment. These calculations are performed at a Line of Business level, which is effectively equivalent to a portfolio, summed for all territories. The risk adjustment is then allocated to the various territories on a basis proportional to the discounted present value of future cash flows. To determine the variability of the reserves for property and casualty contracts, the Group used the Overdispersed- Poisson (ODP) Bootstrap approach. The ODP Bootstrap approach is widely used in the Property & Casualty industry for estimating loss reserve variability. The Group used this approach to replicate the paid and incurred chain-ladder methods. The various portfolios were analysed using aggregated loss triangles up to a particular accident year that combined the various territories for which valuations are carried out. The confidence level range was 70%.

The methods and assumptions used to determine the risk adjustment for non-financial risk were not changed in 2024 and 2023.

(b) Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(b) Business model assessment (continued)

be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. Factors considered by the Group's business units in determining the business model for a group of assets are disclosed in Note 2.9(b).

Effective 1 January 2023, the Group's Jamaican life insurance subsidiary changed its business model where certain financial assets backing its life and annuity portfolios, previously classified as amortised cost and fair value through other comprehensive income, were reclassified to the fair value through profit or loss category which represents how these financial assets are managed.

The change in business model was determined by senior management as a result of external and internal changes, which were significant to the Group's Jamaican life insurance operations and demonstrable to external parties in accordance with IFRS 9, Financial Instruments. This change was supported by the implementation of several strategies which materially affected the operations of the life entity, were demonstrable to external parties, and resulted in material changes to risk management, solvency, and investment strategy of the Jamaican entity.

In the prior year, the Group recognised a net fair value gain of $174 million in the consolidated statement of income as a result of the business model change. The carrying value of the investment securities reclassified from amortised cost and fair value through other comprehensive income to fair value through profit or loss are disclosed in Note 4.2.3(f) (Reclassification line).

(c) Fair valuation of financial assets

The fair value of financial assets that are not traded in an active market is determined by using an internally developed bond valuation model. Assumptions used in this model are validated and periodically reviewed internally by qualified personnel. Where applicable, data is calibrated to ensure that outputs reflect actual data and comparative market prices. Changes in assumptions used in valuations could affect reported fair value of financial assets. Key assumptions are based on current market yields. At 31 December 2024, the carrying amount of financial assets that were fair valued using an internally developed bond valuation model was $12.0 billion (2023: $12.0 billion).

The following table shows the effect on the profit or loss and fair value reserve to changes in the market yields.

	Effect on fair value reserve		Effect on consolidated income	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
For the Trinidadian subsidiaries:				
1% increase in market yields	(39,277)	(40,776)	(12,708)	(12,828)
1% decrease in market yields	42,797	43,020	14,106	14,210
For the Jamaican subsidiaries:				
2% increase in market yields	(109,363)	(181,870)	(352,020)	(273,449)
2% decrease in market yields	123,984	221,080	418,828	356,686
For the Dutch Caribbean subsidiaries:				
1% increase in market yields	(106,568)	(112,530)	–	(298)
1% decrease in market yields	137,771	129,690	–	309

(d) Impairment losses on financial assets

The measurement of ECL allowance for financial assets measured at amortised cost and fair value through other comprehensive income requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(d) Impairment losses on financial assets (continued)

The Group's expected credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the expected credit loss models that are considered accounting judgements and estimates include:

- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Use of macroeconomic data for internal credit ratings and outlooks, to derive associated probabilities of default as prescribed by external rating agencies such as Standard & Poor's and Moody's
- Development of forward-looking scenarios probability weighted based on macroeconomic trends and expectations
- Determination of associations between macroeconomic scenarios and, economic inputs and the effect on probabilities of default, exposure at default and loss given default

The Group regularly reviews its internal models in the context of actual loss experience and adjusts when necessary.

Forward-looking macroeconomic variables

The estimation and application of forward-looking information requires significant judgement. PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio. The estimation of ECL on 12-month ECL and Lifetime ECL is a discounted probability-weighted estimate that considers three future macroeconomic scenarios, with macroeconomic projections varying by territory. The base case scenario assumes that a stable economic environment where current conditions, based on available macroeconomic data, will largely continue. Upside and downside scenarios are set relative to the base case scenario based on reasonably possible alternative macroeconomic conditions, considering macroeconomic forecasts and trends.

Scenarios are reassessed on at least an annual basis and more frequently if conditions warrant. Scenarios are probability-weighted separately for each territory modelled according to the best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights are updated on an annual basis or more frequently as warranted.

The carrying amounts of expected credit loss allowance on financial assets as at 31 December 2023 and 2024 are disclosed in Note 4.2.3(e).

(e) Taxation

The Group is subject to income taxes in numerous jurisdictions. Estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from approved budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested.

Financial STATEMENTS

3. Critical accounting estimates and judgements in applying accounting policies (continued)

(f) Impairment of non-financial assets (continued)

The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The carrying amount of impairment provisions on non-financial assets as at 31 December 2024 was $123 million (2023: $130 million).

(g) Determining the lease term of contracts with extension and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The Group considers factors such as penalties to terminate, historical lease durations and the costs and business disruption required to replace leased assets. Extension options in most office space leases have been included in the lease liability.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(h) Post-employment benefits

In conducting valuation exercises to measure the effect of all post-employment benefit plans throughout the Group, the Group's external actuaries use judgement and assumptions in determining discount rates, salary increases, pension increases and health care costs. These assumptions are detailed in Note 13 and Note 24.

4. Management of Insurance and Financial Risk

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarises these risks and the way the Group manages them.

4.1 Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks

(a) Exposures to risks and how they arise

Property

For property insurance contracts, climatic changes give rise to more frequent and severe extreme weather events (for example, flooding and hurricanes) and their consequences (for example, subsidence claims). The cost of rebuilding properties, of replacement or indemnity for contents and the time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from storm or flood damage.

Casualty

There are several variables that affect the risk arising from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liability cover) or members of the public (for public liability cover). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

(b) Objectives, policies and processes for managing risks

Property

For certain contracts, the Group has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year. The Group also has the right to re-price the risk on renewal and the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claims payment limits are always included to cap the amount payable on occurrence of the insured event. The Group analyses the property exposures using in-house and external modelling tools and purchases sufficient reinsurance protection to cover its perceived liabilities.

The Group's reinsurance arrangements include proportional quota share and surplus arrangements and non-proportional excess of loss placements on a per claimant and a per occurrence basis.

Property insurance risk concentration by product and geography is included in the tables below with reference to the carrying amount of the net insurance contract liabilities arising from these contracts.

	As at 31 December 2024				As at 31 December 2023			
	Business $'000	Residential $'000	Other $'000	Total $'000	Business $'000	Residential $'000	Other $'000	Total $'000
Trinidad & Tobago	31,925	31,479	–	63,404	39,963	38,312	–	78,275
Jamaica	142,923	18,723	–	161,646	134,224	16,533	–	150,757
Dutch Caribbean	163,766	211,126	–	374,892	168,699	224,527	146	393,372
Other territories	138,046	128,582	–	266,628	130,661	124,964	–	255,625
	476,660	389,910	–	866,570	473,547	404,336	146	878,029

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(b) Objectives, policies and processes for managing risks (continued)

Casualty

Risk exposures for casualty insurance can be affected by several factors. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (subrogation).

The Group's reinsurance arrangements include non-proportional excess of loss placements on a per claimant and a per occurrence basis.

Casualty insurance risk concentration by product and geography is included in the tables below with reference to the carrying amount of the insurance contract liabilities arising from these contracts.

	As at 31 December 2024				As at 31 December 2023			
	Liability cover				Liability cover			
	Employer's $'000	Public $'000	Other $'000	Total $'000	Employer's $'000	Public $'000	Other $'000	Total $'000
Trinidad & Tobago	37,173	7,630	133,330	178,133	42,621	8,748	152,870	204,239
Jamaica	8,136	27,818	108,231	144,185	7,293	28,983	101,267	137,543
Dutch Caribbean	2,186	85,402	–	87,588	1,655	64,881	–	66,536
Other territories	33,669	7,573	294,510	335,752	26,932	6,394	246,107	279,433
	81,164	128,423	536,071	745,658	78,501	109,006	500,244	687,751

(c) Methods used to measure risks

Property

Property claims are analysed separately for subsidence and non-subsidence claims. The development of large losses/catastrophes is analysed separately. Non-subsidence claims can be estimated with greater reliability, and the Group's estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allows the Group to achieve a higher degree of certainty about the estimated cost of claims and relatively little claims are expected to have occurred without being reported at year end. The longer time needed to assess the emergence of a subsidence claim makes the estimation process more uncertain.

Casualty

The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and a large element of the claims provision relates to claims incurred but not reported.

The estimated cost of claims includes direct expenses to be incurred in settling claims. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(c) Methods used to measure risks (continued)

Casualty (continued)

However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a liability for incurred claims, consisting of probability weighted discounted cash flows and a risk adjustment, and a liability for remaining coverage, consisting of the unearned premiums received less acquisition costs.

In calculating the liability, the Group's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation.

In estimating the liability for incurred claims, the Group considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio. The portion of the liability for incurred claims that have not yet been reported is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. These claims may not be apparent to the insurer until many years after the event that gave rise to the claims has happened.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

Note 15.12 presents the development of the estimate of ultimate claim cost for claims notified in a given year. This gives an indication of the accuracy of the Group's estimation technique for claims payments.

(d) Changes in assumptions

The Group's assumptions in respect of property and casualty insurance contracts have not significantly changed from the prior year.

(e) Sensitivity analysis

The following table presents information on how reasonably possible changes in assumptions made by the group with regard to underwriting risk variables impact profit or loss and equity before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA, and thus, only the LIC component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.1 Property and Casualty insurance risks (continued)

(e) Sensitivity analysis (continued)

	2024				2023			
	Property		Casualty		Property		Casualty	
	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000
Worsening of unpaid claims and expenses - 5% increase								
Net insurance contract liabilities	(20,111)	(15,024)	(29,712)	(23,768)	(24,335)	(18,192)	(27,972)	(22,540)
Net reinsurance contract assets	13,262	9,532	15,894	13,175	13,629	9,687	12,950	10,517

4.1.2 Short-term Group life and Health contracts

(a) Exposures to risks and how they arise

Short-duration life insurance contracts are contracts that are typically of a short tenure. These contracts are mainly issued to employers to insure their commitments to their employees. The risk is affected by the nature of the industry in which the employer operates. The risk of death and disability will vary by industry.

(b) Objectives, policies and processes for managing risks

The Group attempts to manage this risk through its underwriting and claims handling. Additionally, there is reinsurance on short-duration life insurance contracts.

Short-duration life insurance risk concentration by geography is included in the tables below with reference to the carrying amount of the net insurance contract liabilities arising from these contracts.

	2024 $'000	2023 $'000
Trinidad & Tobago	35,034	54,381
Jamaica	72,874	48,286
Dutch Caribbean	29,504	30,660
Other territories	26,748	9,792
	164,160	143,119

(c) Methods used to measure risks

There is no need to estimate mortality rates or morbidity rates for future years because these contracts have short duration. However, for incurred disability income claims, it is necessary to estimate the rates of recovery from disability for future years. The Group currently does so using conservative assumptions.

(d) Changes in assumptions

The Group's assumptions in respect of short duration life insurance contracts have not significantly changed from the prior year.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.2 Short-term Group life and Health contracts (continued)

(e) Sensitivity analysis

The following table presents information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impact profit or loss and equity before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA, and thus, only the LIC component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

	2024		2023	
	Profit or loss impact $'000	Equity impact $'000	Profit or loss impact $'000	Equity impact $'000
Worsening of unpaid claims and expenses – 5% increase				
– Net insurance contract liabilities	(3,761)	(3,043)	(3,297)	(1,608)
– Net reinsurance contract assets	2,511	2,094	3,415	1,782

4.1.3 Long-term insurance contracts

(a) Exposures to risks and how they arise

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle, such as in eating, smoking and exercise habits, resulting in earlier or more claims than expected. For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity.

(b) Objectives, policies and processes for managing risks

At present, these risks do not vary significantly in relation to the location of the risk insured by the Group. However, undue concentration could have an impact on the severity of benefit payments on a portfolio basis.

For contracts with fixed and guaranteed terms, there are no mitigating terms and conditions that reduce the insurance risk accepted. For contracts without fixed terms, a significant portion of the insurance risk is shared with the insured party. The Group charges for mortality risk on a monthly basis for most life and critical insurance contracts without fixed terms. It has the right to alter these charges based on its mortality experience and hence minimise its exposure to mortality risk.

The Group manages these risks through its underwriting strategy and reinsurance arrangements. Medical selection is included in the Group's underwriting procedures with premiums varied to reflect the health condition and family medical history of the applicants. The Group uses excess of loss reinsurance contracts with retention limits that vary by product.

The table below presents the concentration of insured benefits across five bands per individual life assured. The benefit insured figures are shown gross and net of the reinsurance contracts described above. These tables do not include annuity contracts, for which a separate analysis is reported further below.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

For the Trinidadian life insurance subsidiaries:

	2024 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 250 (TT$)	21,261,999	22.0%	20,866,144	26.3%
251 - 500 (TT$)	27,827,562	28.8%	25,132,740	31.7%
501 - 1,000 (TT$)	25,667,121	26.5%	20,861,683	26.3%
1,001 - 3,000 (TT$)	15,496,474	16.0%	10,688,014	13.5%
3,001 and over (TT$)	6,468,055	6.7%	1,658,757	2.2%
Total	96,721,211	100.0%	79,207,338	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

	2023 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 250 (TT$)	21,181,485	23.1%	20,752,740	28.2%
251 - 500 (TT$)	27,042,837	29.5%	24,013,803	32.6%
501 - 1,000 (TT$)	24,129,939	26.3%	18,876,175	25.7%
1,001 - 3,000 (TT$)	13,653,309	14.9%	8,818,309	12.0%
3,001 and over (TT$)	5,574,161	6.2%	1,127,297	1.5%
Total	91,581,731	100.0%	73,588,324	100.0%

For the Jamaican life insurance subsidiary:

	2024 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
1,000 - 5,000 (J$)	17,045,413	69.6%	16,960,563	71.6%
5,001 - 10,000 (J$)	3,854,386	15.8%	3,697,967	15.6%
10,001 - 15,000 (J$)	965,527	4.0%	876,751	3.7%
15,001 - 20,000 (J$)	754,225	3.1%	658,095	2.8%
20,001 and over (J$)	1,822,817	7.5%	1,501,648	6.3%
Total	24,442,368	100.0%	23,695,024	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

For the Jamaican life insurance subsidiary: (continued)

	2023 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
1,000 - 5,000 (J$)	16,395,209	72.0%	16,306,237	74.2%
5,001 - 10,000 (J$)	3,331,779	14.6%	3,170,959	14.4%
10,001 - 15,000 (J$)	803,342	3.5%	707,577	3.2%
15,001 - 20,000 (J$)	676,637	3.0%	577,620	2.6%
20,001 and over (J$)	1,575,057	6.9%	1,239,209	5.6%
Total	22,782,024	100.0%	22,001,602	100.0%

For the Dutch Caribbean life insurance subsidiaries:

	2024 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 500 (NAF)	10,707,686	85.9%	10,429,840	91.9%
501 - 1,000 (NAF)	1,072,245	8.6%	535,257	4.7%
1,001 - 1,500 (NAF)	390,079	3.1%	232,951	2.1%
1,501 - 2,000 (NAF)	169,201	1.4%	83,291	0.7%
More than 2,000 (NAF)	130,134	1.0%	72,046	0.6%
Total	12,469,345	100.0%	11,353,385	100.0%

The risk is concentrated in the lower value bands. This has not changed from last year.

	2023 - Total benefits insured			
	Before reinsurance		After reinsurance	
Benefits assured per life $'000	TT$'000	%	TT$'000	%
0 - 500 (NAF)	9,313,527	87.8%	9,054,704	94.1%
501 - 1,000 (NAF)	820,339	7.7%	378,823	3.9%
1,001 - 1,500 (NAF)	230,204	2.2%	98,802	1.0%
1,501 - 2,000 (NAF)	137,953	1.3%	63,065	0.7%
More than 2,000 (NAF)	102,190	1.0%	22,650	0.3%
Total	10,604,213	100.0%	9,618,044	100.0%

The following tables for annuity insurance contracts illustrate the concentration of risk based on five bands that group these contracts in relation to the amount payable per annum, as if the annuity were in payment at the year end. The Group does not hold any reinsurance contracts against the liabilities carried for these contracts.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(b) Objectives, policies and processes for managing risks (continued)

Insurance risk for contracts disclosed in this note is also affected by the contract holders' right to pay reduced or no future premiums, to terminate the contract completely, or to exercise a guaranteed annuity option. As a result, the amount of insurance risk is also subject to contract holder behaviour.

For the Trinidadian life insurance subsidiaries:

	Total annuities payable per annum			
	2024		2023	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 5,000 (TT$)	7,228	3.3%	7,276	3.5%
5,001 - 10,000 (TT$)	29,629	13.4%	28,223	13.4%
10,001 - 20,000 (TT$)	52,487	23.8%	49,084	23.4%
More than 20,000 (TT$)	131,590	59.5%	125,298	59.7%
Total	220,934	100.0%	209,881	100.0%

The greatest concentration remains at the highest band, which is consistent with the prior year.

For the Jamaican life insurance subsidiary:

	Total annuities payable per annum			
	2024		2023	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 200,000 (J$)	21,419	12.6%	21,246	13.3%
200,001 - 300,000 (J$)	10,842	6.4%	10,434	6.5%
300,001 - 400,000 (J$)	10,949	6.4%	10,325	6.5%
400,001 - 500,000 (J$)	8,473	5.0%	7,819	4.9%
More than 500,000 (J$)	118,381	69.6%	110,232	68.8%
Total	170,064	100.0%	160,056	100.0%

The greatest risk concentration remains at the highest band and lowest band, which is consistent with the prior year.

For the Dutch Caribbean life insurance subsidiaries:

	Total annuities payable per annum			
	2024		2023	
Annuity payable per annum per life	TT$'000	%	TT$'000	%
0 - 10,000 (NAF)	41,129	30.9%	39,447	31.6%
10,001 - 20,000 (NAF)	29,466	22.2%	27,891	22.3%
20,001 - 30,000 (NAF)	18,531	13.9%	17,469	14.0%
30,001 - 40,000 (NAF)	10,208	7.7%	9,879	7.9%
40,001 - 50,000 (NAF)	8,463	6.4%	7,939	6.4%
More than 50,000 (NAF)	25,105	18.9%	22,181	17.8%
Total	132,902	100.0%	124,806	100.0%

The risk is spread over all bands, which is consistent with the prior year.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(c) Methods used to measure risks

For long-term insurance contracts, the Group determines assumptions in relation to future deaths and other benefits, voluntary termination, investment returns, administrative expenses and other items that are appropriate to the policies, their location and the local statutory reserving requirements.

The nature and method of determining the significant assumptions made by the Group in the computation of policyholders' liabilities are described in the following paragraphs.

- **Mortality & morbidity**

  An appropriate base table of standard mortality or morbidity is chosen depending on the type of contract. Supplemental information, such as reinsurance rates, is used where standard tables are not available. An investigation into the Group's experience in recent years is performed, and the standard actuarial tables are adjusted where appropriate to reflect the Group's own experience or expectations. For contracts that insure the risk of longevity, appropriate but not excessively prudent allowance is made for expected mortality improvements.

  Assumptions and methods used to derive mortality and morbidity assumptions did not change during the year. The following assumptions were used:

Gender	Smoker Status	Mortality Table	Percentage of table 2024	Percentage of table 2023
For the Trinidadian life insurance subsidiaries:				
Male	Non-smoker	CIA9704	100% - 141%	100% - 141%
Male	Smoker	CIA9704	100% - 141%	100% - 141%
Female	Non-smoker	CIA9704	100% - 141%	100% - 141%
Female	Smoker	CIA9704	100% - 141%	100% - 141%
For the Jamaican life insurance subsidiary:				
Male	Non-smoker	CIA9704	67% - 267%	67% - 288%
Male	Smoker	CIA9704	33% - 173%	35% - 155%
Female	Non-smoker	CIA9704	84% - 273%	82% - 278%
Female	Smoker	CIA9704	31% - 200%	39% - 160%
For the Dutch Caribbean life insurance subsidiaries:				
Male	Non-smoker	NISTT2021/GBM/V0510	1%	1%
Male	Smoker	NISTT2021/GBM/V0510	1%	1%
Female	Non-smoker	NISTT2021/GBM/V0510	1%	1%
Female	Smoker	NISTT2021/GBM/V0510	1%	1%

A possible increase in mortality rates increases estimates of future cash outflows and thus decreases the CSM. For a sensitivity analysis, refer to Note 4.1(d).

- **Terminations**

  Estimates of the amounts and timings of future benefit and premium payments are based on Group experience over extended periods. Terminations (lapses and surrenders) and variable premium assumptions vary by product type and policy duration.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(c) Methods used to measure risks (continued)

- **Policy maintenance expense and inflation**

  Amounts are included in policyholders' liabilities to provide for the future costs of administering policies in force. Expenses comprise expenses directly attributable to the groups of contracts including an allocation of fixed and variable overheads. The expense base is determined from a review of current, recent and expected Group expense levels and allowance is made for future expense inflation.

  Inflation rates are sourced from various international and regional economic journals and reports. These inflation rates assumed are summarised in the following table.

	2024	2023
Trinidad and Tobago	2.0%	2.0%
Jamaica	4.0% - 4.5%	4.0% - 4.5%
Dutch Caribbean	1.0%	1.0%

- **Tax**

  It has been assumed that current tax legislation and rates for long-term insurance companies continue unaltered.

(d) Sensitivity analysis

The following tables present the sensitivity of the value of insurance liabilities disclosed in this note to movements in the assumptions used in the estimation of insurance liabilities. These analyses are based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Traditional life and interest sensitive without guarantees

	2024 Impact on profit $'000	2024 Impact on equity $'000	2023 Impact on profit $'000	2023 Impact on equity $'000
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(5,554)	(4,721)	(4,824)	(4,101)
- Net Reinsurance contract assets/liabilities	2,056	1,747	2,036	1,754
	(3,498)	(2,974)	(2,788)	(2,347)
-1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(20,367)	–	(21,952)
- Net Reinsurance contract assets/liabilities	–	(2,512)	–	(2,182)
	–	(22,879)	–	(24,134)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(396)	(337)	(512)	(436)
- Net Reinsurance contract assets/liabilities	–	–	2	2
	(396)	(337)	(510)	(434)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(765)	(650)	(970)	(825)
- Net Reinsurance contract assets/liabilities	(1)	(1)	2	2
	(766)	(651)	(968)	(823)

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

Traditional life and interest sensitive without guarantees (continued)

	2024 Impact on profit $'000	2024 Impact on equity $'000	2023 Impact on profit $'000	2023 Impact on equity $'000
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(1,996)	(1,497)	(3,701)	(2,760)
- Net Reinsurance contract assets/liabilities	294	220	281	209
	(1,702)	(1,277)	(3,420)	(2,551)
-1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(33,144)	(24,858)	(29,211)	(21,781)
- Net Reinsurance contract assets/liabilities	725	544	903	674
	(32,419)	(24,314)	(28,308)	(21,107)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(799)	(599)	(857)	(639)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(799)	(599)	(857)	(639)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(823)	(617)	(1,781)	(1,328)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(823)	(617)	(1,781)	(1,328)
Dutch Caribbean life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(1,085)	(1,073)	(411)	(401)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(1,085)	(1,073)	(411)	(401)
+ 10% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(13,724)	(11,954)	(13,890)	(11,653)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(13,724)	(11,954)	(13,890)	(11,653)
-1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(96,449)	–	(90,792)
- Net Reinsurance contract assets/liabilities	–	(53)	–	(49)
	–	(96,502)	–	(90,841)
+ 10% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(3,691)	(3,657)	(354)	(330)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(3,691)	(3,657)	(354)	(330)

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

	2024 Impact on profit $'000	2024 Impact on equity $'000	2023 Impact on profit $'000	2023 Impact on equity $'000
Annuities				
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	165	141	249	212
- Net Reinsurance contract assets/liabilities	–	–	–	–
	165	141	249	212
+ 0.5% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(3,167)	(2,692)	(3,995)	(3,395)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(3,167)	(2,692)	(3,995)	(3,395)
-1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(29,608)	(91,660)	(28,846)	(100,267)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(29,608)	(91,660)	(28,846)	(100,267)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(1,454)	(1,236)	(1,628)	(1,384)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(1,454)	(1,236)	(1,628)	(1,384)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(2,676)	(2,275)	(2,903)	(2,468)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(2,676)	(2,275)	(2,903)	(2,468)
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	2,336	1,752	2,170	1,618
- Net Reinsurance contract assets/liabilities	–	–	–	–
	2,336	1,752	2,170	1,618
+ 5% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(1,146)	(860)	(1,130)	(842)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(1,146)	(860)	(1,130)	(842)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(136,225)	(102,168)	(119,365)	(89,004)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(136,225)	(102,168)	(119,365)	(89,004)

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

	2024 Impact on profit $'000	2024 Impact on equity $'000	2023 Impact on profit $'000	2023 Impact on equity $'000
Annuities (continued)				
Jamaican life insurance subsidiary (continued)				
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(186)	(140)	(290)	(216)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(186)	(140)	(290)	(216)
+ 1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(252)	(189)	(622)	(464)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(252)	(189)	(622)	(464)
Dutch Caribbean life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	5,717	4,512	2,329	1,838
- Net Reinsurance contract assets/liabilities	–	–	–	–
	5,717	4,512	2,329	1,838
+ 10% Improvement in annuitant mortality				
- Net Insurance contract liabilities/assets	(21,810)	(17,264)	(9,123)	(7,380)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(21,810)	(17,264)	(9,123)	(7,380)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	–	(383,328)	–	(389,722)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	–	(383,328)	–	(389,722)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(4,576)	(3,657)	(897)	(709)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(4,576)	(3,657)	(897)	(709)
Unit linked life and interest sensitive without guarantees				
Trinidadian life insurance subsidiaries				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(14,522)	(12,344)	(14,698)	(12,493)
- Net Reinsurance contract assets/liabilities	3,513	2,986	4,093	3,479
	(11,009)	(9,358)	(10,605)	(9,014)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	8,250	7,012	6,100	5,185
- Net Reinsurance contract assets/liabilities	(417)	(355)	(434)	(369)
	7,833	6,657	5,666	4,816

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.1 Insurance risk (continued)

4.1.3 Long-term insurance contracts (continued)

(d) Sensitivity analysis (continued)

	2024 Impact on profit $'000	2024 Impact on equity $'000	2023 Impact on profit $'000	2023 Impact on equity $'000
Unit linked life and interest sensitive without guarantees (continued)				
Trinidadian life insurance subsidiaries (continued)				
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(2,104)	(1,788)	(2,338)	(1,987)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(2,104)	(1,788)	(2,338)	(1,987)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(3,987)	(3,389)	(4,365)	(3,710)
- Net Reinsurance contract assets/liabilities	(1)	(1)	1	1
	(3,988)	(3,390)	(4,364)	(3,709)
Jamaican life insurance subsidiary				
+ 10% Worsening mortality				
- Net Insurance contract liabilities/assets	(3,098)	(2,323)	(2,773)	(2,068)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(3,098)	(2,323)	(2,773)	(2,068)
- 1% Lowering of interest rates				
- Net Insurance contract liabilities/assets	(2,348)	(1,761)	(1,855)	(1,383)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(2,348)	(1,761)	(1,855)	(1,383)
+ 5% Worsening of base renewal expense level				
- Net Insurance contract liabilities/assets	(693)	(520)	(673)	(502)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(693)	(520)	(673)	(502)
+1% Worsening of expense inflation rate				
- Net Insurance contract liabilities/assets	(1,413)	(1,060)	(1,418)	(1,057)
- Net Reinsurance contract assets/liabilities	–	–	–	–
	(1,413)	(1,060)	(1,418)	(1,057)

4.2 Financial risk

The Group is exposed to financial risk through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular, the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance and investment contracts. The components of this financial risk are interest rate risk, equity price risk, foreign currency risk, liquidity risk and credit risk. These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

Risk management is carried out by Executive Investment Committees and Risk Management departments, with direct support from the Actuarial departments, as well as the respective business units. It is conducted in accordance with policies and frameworks approved by the Group's Board of Directors, ensuring alignment with the organisation's risk appetite, governance standards, and strategic objectives. The Group identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

4.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk - currency risk, interest rate risk and other price risk, each of which is considered below.

(a) Currency risk

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency rates on its financial position and cash flows. The Group's main operations are in the Caribbean and in the Netherlands. The main exposure to risks are in respect to the US dollar, Antillean guilder, Jamaican dollar, Euro and the British pound. The Group's strategy for dealing with foreign exchange risk is to offset, as far as possible, foreign currency liabilities with assets denominated in the same currency.

Each subsidiary has an Executive Investment Committee, which has oversight for the management of currency risk. The Trinidad and Tobago insurance subsidiaries' exposure to currency risk is also mitigated by the requirements of the Insurance Act 2018, which does not allow more than 30% of the assets supporting policyholder liabilities to be held in currencies other than the currency of the liability. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated currency risk and exposures.

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 31 December. The Group's assets and liabilities at carrying amounts are included in the table categorised by currency positions expressed in TT$ equivalents.

	TT TT$'000	US TT$'000	NAF TT$'000	JMD TT$'000	GBP TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
As at 31 December 2024								
Total assets	11,708,471	9,242,270	5,720,638	6,744,067	171,246	1,441,051	1,930,780	36,958,523
Total liabilities	15,998,477	1,856,151	7,751,565	5,321,367	163,539	449,032	831,550	32,371,681
	(4,290,006)	7,386,119	(2,030,927)	1,422,700	7,707	992,019	1,099,230	4,586,842
As at 31 December 2023								
Total assets	11,316,017	8,729,090	5,564,780	6,158,106	136,603	1,197,773	1,671,620	34,773,989
Total liabilities	15,211,059	1,874,228	7,455,304	4,987,232	138,322	468,970	862,063	30,997,178
	(3,895,042)	6,854,862	(1,890,524)	1,170,874	(1,719)	728,803	809,557	3,776,811

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(a) Currency risk (continued)

The analysis below is performed for reasonable possible movements in foreign currency exchange rates with all other variables held constant, showing the impact on the statement of income and translation reserve at the reporting date.

Change in variables	US	NAF	JMD	GBP	Euro	Other
2024	0.8%	0.8%	-2.2%	-4.5%	4.3%	0.5% to 3.5%
2023	1.3%	1.3%	-3.6%	-2.1%	-4.0%	0.7% to 7.8%

	US TT$'000	NAF TT$'000	JMD TT$'000	GBP TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
Impact on statement of income							
2024	38,706	-	10,307	(368)	3,507	3,666	55,818
2023	63,218	-	16,520	100	4,898	4,025	88,761
Impact on translation reserve							
2024	21,331	9,600	(67,169)	-	31,486	8,373	3,621
2023	31,824	10,831	(98,746)	-	(28,183)	13,954	(70,320)

The following table presents analysis of how a possible shift in market currency exchange rates might impact the insurance contract liability balances and the respective underlying assets, as well as the net impact on profit or loss and equity. Transactions or balances not within the scope of IFRS 17 are not subject to currency risk.

	US TT$'000	NAF TT$'000	JMD TT$'000	GBP TT$'000	Euro TT$'000	Other TT$'000	Total TT$'000
For the year 2024:							
Impact on statement of income							
- Insurance and reinsurance contracts	(6,248)	–	–	1,730	(5,166)	(765)	(10,449)
- Underlying investment assets	3,446	–	–	–	516	–	3,962
- Net impact	(2,802)	–	–	1,730	(4,650)	(765)	(6,487)
Impact on net equity							
- Insurance and reinsurance contracts	(6,238)	(63,052)	85,330	1,731	(4,594)	(8,973)	4,204
- Underlying investment assets	21,035	68,207	(77,676)	–	4,679	11,199	27,444
- Net impact	14,797	5,155	7,654	1,731	85	2,226	31,648
For the year 2023:							
Impact on statement of income							
- Insurance and reinsurance contracts	(7,650)	–	–	1,391	10,168	(1,049)	2,860
- Underlying investment assets	6,241	–	–	–	(569)	–	5,672
- Net impact	(1,409)	–	–	1,391	9,599	(1,049)	8,532
Impact on net equity							
- Insurance and reinsurance contracts	(7,032)	(99,818)	130,894	1,386	8,892	(21,487)	12,835
- Underlying investment assets	33,763	101,311	(123,953)	–	(2,614)	19,307	27,814
- Net impact	26,731	1,493	6,941	1,386	6,278	(2,180)	40,649

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(a) Currency risk (continued)

Underlying assets are those assets that are either contractually linked to the relevant insurance contracts or they are specifically used to back insurance contracts.

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

(b) Interest rate risk

The Group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The major element of interest rate risk within the Group is the risk that the interest earned on the Group's investments is insufficient to meet the interest rates credited or guaranteed to policyholders. This applies to traditional life insurance policies and the deposit administration plans.

Exposure is managed largely by the use of natural hedges that arise by matching interest-sensitive assets with liabilities of a similar nature. The Group also mitigates the effect of interest rate risk of the investment portfolio through the functioning of subsidiary Executive Investment Committees and the pricing of products by the actuarial function. The investment portfolio return is continually monitored by the Investment Committees. The results of these reviews inform the pricing of products and interest rates to be credited to the respective policies and plans. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated interest rate risk and exposures.

The following table presents analysis of how a possible shift in market interest rates might impact the balances of contracts within the scope of IFRS 17 and investment assets, as well as the net impact on profit or loss and equity. Insurance and reinsurance contracts measured under the GMM are moderately sensitive to changes in market interest rates due to the discounting of the future expected cash flows. Insurance contracts measured under the VFA are highly sensitive to changes in market interest rates due both to the discounting of the future expected cash flows, but also due to the impact on the expected performance of the underlying assets. The Group's other financial assets and liabilities are not significantly sensitive to interest rates. For the sensitivity analysis, a 2% movement in interest rates was used for 2024 for the Jamaican market (2023 - 2%), a 1% movement was used for 2024 for the Trinidadian, Dutch Caribbean and Other markets (2023 - 1%). The following table shows the estimated effect of an increase or decrease in the above rates on the profit or loss and equity.

	2024				2023			
	Profit or loss		Equity		Profit or loss		Equity	
	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
Increase in interest rates								
- Trinidad & Tobago	23,870	(2,619)	104,892	(51,304)	26,625	(1,971)	119,297	(51,939)
- Jamaica	269,991	(352,036)	271,197	(461,440)	306,535	(273,370)	304,048	(455,338)
- Dutch Caribbean	463	–	396,065	–	(350)	–	440,890	–
- Other	5,426	(303)	10,463	(109,410)	4,131	(500)	8,086	(116,733)
	299,750	(354,958)	782,617	(622,154)	336,941	(275,841)	872,321	(624,010)

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(b) Interest rate risk (continued)

	2024				2023			
	Profit or loss		Equity		Profit or loss		Equity	
	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
Decrease in interest rates								
- Trinidad & Tobago	(23,870)	2,556	(104,892)	56,729	(26,625)	1,929	(119,297)	60,320
- Jamaica	(269,991)	418,843	(271,197)	542,867	(306,535)	356,601	(304,048)	577,769
- Dutch Caribbean	(463)	–	(471,973)	–	350	–	(433,585)	–
- Other	(5,439)	328	(10,476)	141,373	(4,151)	604	(8,106)	134,284
	(299,763)	421,727	(858,538)	740,969	(336,961)	359,134	(865,036)	772,373

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

(c) Other price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as fair value through profit or loss. The Group manages its price risk by limiting the amount of its investments in equities and by monitoring movements in equity prices.

The sensitivity analysis for equity price risk illustrates how changes in the fair value of equity securities will fluctuate because of changes in market prices at the reporting date.

The following table presents analysis of how a possible shift in market equity prices might impact insurance contract balances and financial assets held by the Group, as well as the net impact on profit or loss and equity.

		Profit or loss		Equity	
	Change in Equity prices	Net insurance contract liability $'000	Investment securities $'000	Net insurance contract liability $'000	Investment securities $'000
2024					
Stock exchanges and markets					
Trinidad and Tobago	-4.0%	79	(48,438)	67	(41,522)
Jamaica	10.0%	(1,168)	86,800	(876)	68,760
Dutch Caribbean	1.0%	–	1,906	–	1,906
Other	1.7% - 10.0%	–	212,872	–	193,394
		(1,089)	253,140	(809)	222,538
2023					
Stock exchanges and markets					
Trinidad and Tobago	2.5%	(137)	35,484	(116)	30,399
Jamaica	10.0%	(1,061)	78,766	(791)	62,318
Dutch Caribbean	1.0%	–	1,839	–	1,831
Other	1.0% - 10.5%	–	131,865	–	99,182
		(1,198)	247,954	(907)	193,730

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.1 Market risk (continued)

(c) Other price risk (continued)

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

4.2.2 Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due, at a reasonable cost. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

Certain of the Group's contracts have features that allow them to be terminated at short notice creating a potential liquidity exposure. The Group monitors liquidity on a regular basis. For each significant subsidiary an internally constituted Executive Investment Committee sets limits on the minimum proportion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover claims. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated liquidity risk and exposures.

There are no individual contracts or policyholders who have the potential to influence the withdrawal of a significant amount of liabilities.

The following tables analyse the insurance and financial liabilities of the Group into relevant maturity groupings based on the remaining period to the contractual or expected maturity date, alongside the remaining contractual maturities of the Group's financial assets. Financial liabilities are at contractual undiscounted cash flows and investment contracts are at expected undiscounted cash flows. Insurance contract liabilities include both actual and expected contractual undiscounted cash flows as they relate to both the LRC and the LIC.

	Contractual/Expected Undiscounted Cash Flows						
As at 31 December 2024	On demand $'000	1 year $'000	2 years $'000	3 years $'000	4 years $'000	5 years $'000	Over 5 years $'000
Traditional life and interest sensitive without guarantees	3,664,018	58,050	34,650	48,804	80,035	65,968	5,943,081
Annuities	10,264,884	810,037	793,853	927,621	975,401	1,038,303	30,258,612
Unit linked life and interest sensitive with guarantees	2,430,191	(200,895)	(184,097)	(142,097)	(104,712)	(74,980)	4,541,191
Short-term group life and health contracts	–	197,056	–	–	–	–	–
Reinsurance contract liabilities	–	47,820	68,933	20,274	4,311	3,014	78,187
Property and casualty	–	782,081	675,482	143,166	25,207	10,712	11,400
Investment contracts	1,648	164,130	166,639	98,191	102,139	98,716	1,477,960
Financial liabilities	–	1,571,591	508,802	1,049,270	573,619	415,648	83,812
Lease liabilities	–	16,686	11,331	7,747	5,477	2,603	11,288
Third party interests in mutual funds	1,579,685	1,579,685	–	–	–	–	–
Other liabilities	–	853,760	1,832	–	11,636	–	–
	17,940,426	5,880,001	2,077,425	2,152,976	1,673,113	1,559,984	42,405,531
Investment securities	–	3,671,958	2,867,522	2,715,058	2,055,090	2,228,856	22,118,187
Loans and receivables	–	747,910	257,697	190,658	138,399	316,236	1,792,041
Reinsurance contract assets	–	433,793	234,454	67,812	19,952	14,402	150,579
Insurance contract assets	–	(11,857)	(13,793)	(11,675)	(9,259)	(7,253)	392,591
Cash and cash equivalents	3,112,519	4,062,161	–	–	–	–	–
	3,112,519	8,903,965	3,345,880	2,961,853	2,204,182	2,552,241	24,453,398

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.2 Liquidity risk (continued)

	Contractual/Expected Undiscounted Cash Flows						
As at 31 December 2023	On demand $'000	1 year $'000	2 years $'000	3 years $'000	4 years $'000	5 years $'000	Over 5 years $'000
Traditional life and interest sensitive without guarantees	4,137,324	6,757	23,809	24,620	63,647	86,125	5,483,835
Annuities	9,717,503	572,937	743,868	752,213	875,030	901,751	28,806,693
Unit linked life and interest sensitive with guarantees	2,222,741	(68,957)	(17,941)	9,880	59,234	76,066	5,388,535
Short-term group life and health contracts	–	133,722	–	–	–	–	–
Reinsurance contract liabilities	–	39,627	65,528	19,152	3,942	2,661	83,954
Property and casualty	–	866,470	683,613	149,985	27,942	11,234	11,545
Investment contracts	3,051	131,851	95,335	182,827	90,508	77,227	1,445,864
Financial liabilities	–	397,887	1,317,731	467,885	1,006,259	639,061	–
Lease liabilities	–	16,346	14,822	13,402	12,571	4,959	16,046
Third party interests in mutual funds	1,686,258	1,686,258	–	–	–	–	–
Other liabilities	–	870,437	–	–	13,949	–	–
	17,766,877	4,653,335	2,926,765	1,619,964	2,153,082	1,799,084	41,236,472
Investment securities	–	3,372,256	2,526,729	2,609,901	2,451,736	1,754,134	21,425,900
Loans and receivables	–	817,228	138,481	184,048	156,952	174,040	1,534,433
Reinsurance contract assets	–	334,298	225,859	65,832	17,779	13,342	148,510
Insurance contract assets	–	16,880	(2,911)	(2,717)	(2,145)	(1,776)	58,907
Cash and cash equivalents	2,581,626	2,976,941	–	–	–	–	–
	2,581,626	7,517,603	2,888,158	2,857,064	2,624,322	1,939,740	23,167,750

Property and casualty contracts issued, short-term group life and health contracts issued, and reinsurance contracts held have zero amounts payable on demand.

For insurance contracts issued that are traditional life and interest sensitive without guarantees, as well as annuities, the amount payable on demand represents the policyholders' cash surrender values less applicable surrender fees. For insurance contracts that are unit-linked and interest sensitive with guarantees, the amount payable on demand represents the policyholders' fund balances, plus cash surrender values, if any, less applicable surrender fees.

4.2.3 Credit risk

Credit risk is defined as the potential for loss that can occur as a result of an individual, counterparty or issuer being unable or unwilling to honour its contractual obligations to the Group. Each subsidiary in the various jurisdictions has an Executive Investment Committee (EIC) that sets credit limits and monitors exposure by constraining the magnitude and tenor of the exposure to counterparties and issuers. Some of the credit risk mitigation techniques include, where appropriate, the right to require initial collateral or margin, the right to terminate transactions, and the right to obtain collateral (including guarantees) should unfavourable events occur. In addition, the Group also has an Asset and Liability Committee which oversees and manages consolidated credit risk and exposures.

Collateral held as security for mortgage loans and other loans includes physical or tangible residential and commercial edifices as well as legal rights to insurance portfolio and other assets of the respective borrowers. The EIC initiates regular portfolio reviews, monitors counterparty creditworthiness and evaluates potential transaction risks with a view towards early problem identification and protection against unacceptable credit-related losses.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(a) Credit risk management and exposures for insurance and reinsurance assets

The Group has significant credit risk arising from reinsurance contracts held. Credit risk associated with future premium inflows from insurance contracts issued is mitigated by the Group's ability to terminate insurance contract services when policyholders fail to meet their premium payment obligations.

The Group structures the levels of credit risk arising from ceded reinsurance by incorporating limits into its reinsurance treaties on the maximum size of policy and maximum amount of benefits that can be provided per insured life. The Group does not seek to manage its credit risk via other characteristics such as limiting exposure to a single counterparty or groups of counterparties, given the relative size of the Group to its reinsurers.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder.

The Group actively monitors the financial status of its reinsurers both by reference to publicly available information and the Financial Strength Ratings of A.M. Best. All of the Group's reinsurers are rated superior by A.M. Best. A rating of superior is assigned to reinsurance companies that have, in the opinion of A.M. Best, a superior ability to meet their ongoing obligations to the primary insurer.

(b) Assets bearing credit risk

Below is an analysis of assets bearing credit risk.

	Gross exposure		Net carrying amount	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Investment securities measured at fair value through profit or loss (excluding equity instruments)	8,139,672	7,974,832	8,139,672	7,974,832
Investment securities measured at fair value through other comprehensive income	5,525,536	5,644,681	5,525,536	5,644,681
Investment securities measured at amortised cost	7,586,898	7,752,995	7,558,061	7,720,479
Loans and receivables	2,533,075	2,103,996	2,350,057	1,968,730
Cash and cash equivalents	4,058,449	2,971,779	4,046,938	2,955,965
Reinsurance contract assets	795,121	718,363	795,121	718,363
	28,638,751	27,166,646	28,415,385	26,983,050

(c) Credit quality of reinsurance and financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings, if available, or to a rating assigned by the investment manager using an approach consistent with that used by Standard and Poor's.

AAA

An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA

An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment is very strong.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

A

An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Below BBB

Obligations rated 'Below BBB' are regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

Not Rated

This indicates that there is insufficient information on which to base a rating. These balances are current and are monitored regularly for impairment. This classification mainly includes obligations due from individuals and short-term securities.

The following tables set out the credit quality analysis for financial assets measured at amortised cost and fair value through other comprehensive income.

		Lifetime ECL			
	12-month ECL	Not credit impaired	Credit impaired	Purchased credit impaired	Total
	$'000	$'000	$'000	$'000	$'000
Investment securities measured at fair value through other comprehensive income					
As at 31 December 2024					
AAA	117,231	–	–	–	117,231
AA	572,074	–	–	–	572,074
A	1,030,868	–	–	–	1,030,868
BBB	1,947,827	1,673	–	–	1,949,500
Below BBB	1,476,673	176,867	1,037	188,242	1,842,819
Not rated	10,560	2,371	113	–	13,044
Carrying value	5,155,233	180,911	1,150	188,242	5,525,536
As at 31 December 2023					
AAA	102,993	–	–	–	102,993
AA	577,626	–	–	–	577,626
A	1,009,086	–	–	–	1,009,086
BBB	1,854,091	–	–	–	1,854,091
Below BBB	1,801,367	93,384	1,384	191,774	2,087,909
Not rated	–	12,339	637	–	12,976
Carrying value	5,345,163	105,723	2,021	191,774	5,644,681

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at amortised cost					
As at 31 December 2024					
AAA	36,967	–	–	–	36,967
AA	71,269	–	–	–	71,269
A	71,083	–	–	–	71,083
BBB	6,240,412	–	–	–	6,240,412
Below BBB	810,175	266,297	50,922	27,002	1,154,396
Not rated	10,459	–	2,312	–	12,771
Gross carrying amount	7,240,365	266,297	53,234	27,002	7,586,898
Loss allowance	(11,628)	(5,298)	(11,911)	–	(28,837)
Net carrying amount	7,228,737	260,999	41,323	27,002	7,558,061
As at 31 December 2023					
AAA	20,294	–	–	–	20,294
AA	188,739	–	–	–	188,739
A	132,625	–	–	–	132,625
BBB	6,149,656	–	–	–	6,149,656
Below BBB	1,154,198	43,620	23,189	27,195	1,248,202
Not rated	9,970	1,198	2,311	–	13,479
Gross carrying amount	7,655,482	44,818	25,500	27,195	7,752,995
Loss allowance	(21,204)	(5,566)	(5,746)	–	(32,516)
Net carrying amount	7,634,278	39,252	19,754	27,195	7,720,479
Loans and receivables					
As at 31 December 2024					
A	9,220	140,350	–	–	149,570
BBB	27,619	229	–	–	27,848
Below BBB	668,062	72,720	2,603	–	743,385
Not rated	962,507	533,708	116,057	–	1,612,272
Gross carrying amount	1,667,408	747,007	118,660	–	2,533,075
Loss allowance	(33,811)	(109,337)	(39,870)	–	(183,018)
Net carrying amount	1,633,597	637,670	78,790	–	2,350,057
As at 31 December 2023					
A	6,046	195,914	–	–	201,960
BBB	43,661	13	–	–	43,674
Below BBB	675,721	61,543	–	–	737,264
Not rated	537,508	525,950	57,640	–	1,121,098
Gross carrying amount	1,262,936	783,420	57,640	–	2,103,996
Loss allowance	(30,336)	(70,552)	(34,378)	–	(135,266)
Net carrying amount	1,232,600	712,868	23,262	–	1,968,730

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(c) Credit quality of reinsurance and financial assets (continued)

		Lifetime ECL		
	12-month ECL $'000	Not credit impaired $'000	Credit impaired $'000	Total $'000
Cash and cash equivalents				
As at 31 December 2024				
AAA	65,980	–	–	65,980
AA	5,519	–	–	5,519
A	449,449	–	–	449,449
BBB	1,397,520	–	–	1,397,520
Below BBB	1,984,793	–	–	1,984,793
Not rated	155,188	–	–	155,188
Gross carrying amount	4,058,449	–	–	4,058,449
Loss allowance	(11,511)	–	–	(11,511)
Net carrying amount	4,046,938	–	–	4,046,938
As at 31 December 2023				
AAA	2,802	–	–	2,802
AA	76,872	–	–	76,872
A	441,942	–	–	441,942
BBB	925,901	–	–	925,901
Below BBB	1,357,432	–	–	1,357,432
Not rated	166,830	–	–	166,830
Gross carrying amount	2,971,779	–	–	2,971,779
Loss allowance	(15,814)	–	–	(15,814)
Net carrying amount	2,955,965	–	–	2,955,965

The following table sets out the credit quality analysis for reinsurance contract assets and financial assets (excluding equity instruments) measured at fair value through profit or loss.

	AA $'000	A $'000	BBB $'000	Below BBB $'000	Not rated $'000	Total $'000
As at 31 December 2024						
Investment securities at fair value through profit or loss (excluding equities)	141,313	156,912	3,992,606	3,832,735	16,106	8,139,672
Reinsurance contract assets	–	794,631	–	–	490	795,121
	141,313	951,543	3,992,606	3,832,735	16,596	8,934,793
As at 31 December 2023						
Investment securities at fair value through profit or loss (excluding equities)	205,671	98,636	3,922,397	3,738,570	9,558	7,974,832
Reinsurance contract assets	–	717,769	–	–	594	718,363
	205,671	816,405	3,922,397	3,738,570	10,152	8,693,195

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(d) Credit-impaired financial assets and collateral held

Assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below.

	Gross exposure $'000	Net carrying amount $'000	Fair value of collateral held $'000
As at 31 December 2024			
Investment securities measured at fair value through other comprehensive income	189,392	188,355	–
Investment securities measured at amortised cost	81,893	68,325	47,553
Loans and receivables	118,660	78,790	89,983
	389,945	335,470	137,536
As at 31 December 2023			
Investment securities measured at fair value through other comprehensive income	195,478	192,411	–
Investment securities measured at amortised cost	54,364	46,998	23,724
Loans and receivables	57,640	23,262	61,917
	307,482	262,671	85,641

(e) Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial asset. Reconciling items include the following:

- New assets originated or purchased, which reflect the allowance related to assets newly recognised during the period.
- Assets derecognised, which reflect the allowance related to assets derecognised during the period without a credit loss being incurred, including those assets that were derecognised following a modification of terms.
- Net transfer to/(from) 12-month ECL and lifetime ECL, which are presumed to occur before any corresponding remeasurement of the allowance.
- Remeasurements, which comprise the impact of changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions; changes in the measurement following a transfer between 12-month ECL and lifetime ECL; unwinding of the time value discount due to the passage of time; and changes in probabilities of default and losses given default. For the year ended 31 December 2024, the Group also underwent a comprehensive reassessment of its ECL model which resulted in a change to certain model parameters to increase the granularity of the calculations and to reconfigure the determination of probabilities of default. The impact of this change is also included in this line.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income					
Year ended 31 December 2024					
Balance at beginning of year	8,940	4,032	3,033	–	16,005
New assets originated or purchased	1,492	–	–	–	1,492
Assets derecognised (excluding write-offs)	–	–	(1,687)	–	(1,687)
Transfer to lifetime ECL - not credit impaired	(96)	96	–	–	–
Remeasurements	(2,792)	(132)	(312)	–	(3,236)
Balance at end of year	7,544	3,996	1,034	–	12,574
Year ended 31 December 2023					
Balance at beginning of year	20,956	6,015	3,057	–	30,028
New assets originated or purchased	709	–	–	–	709
Transfer to 12-month ECL	104	(104)	–	–	–
Transfer to lifetime ECL - not credit impaired	(739)	739	–	–	–
Transfer to lifetime ECL - credit impaired	–	(55)	55	–	–
Remeasurements	(12,090)	(2,563)	(79)	–	(14,732)
Balance at end of year	8,940	4,032	3,033	–	16,005
Investment securities measured at amortised cost					
Year ended 31 December 2024					
Balance at beginning of year	21,204	5,566	5,746	–	32,516
New assets originated or purchased	2,303	–	–	–	2,303
Assets derecognised (excluding write-offs)	(2,158)	(1,669)	–	–	(3,827)
Transfer to 12-month ECL	–	–	–	–	–
Transfer to lifetime ECL - not credit impaired	(2,907)	2,907	–	–	–
Transfer to lifetime ECL - credit impaired	(1,733)	(466)	2,199	–	–
Remeasurements	(10,397)	(1,089)	3,965	–	(7,521)
Amounts written-off	(4)	–	–	–	(4)
Amounts recovered	1,884	–	–	–	1,884
Exchange rate adjustments	3,436	49	1	–	3,486
Balance at end of year	11,628	5,298	11,911	–	28,837

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at amortised cost (continued)					
Year ended 31 December 2023					
Balance at beginning of year	32,167	11,797	4,978	–	48,942
Reclassification	(16,517)	–	–	–	(16,517)
New assets originated or purchased	4,841	–	–	–	4,841
Transfer to 12-month ECL	3,381	(3,381)	–	–	–
Transfer to lifetime ECL - not credit impaired	(50)	50	–	–	–
Transfer to lifetime ECL - credit impaired	(100)	–	100	–	–
Remeasurements	(2,310)	(2,898)	671	–	(4,537)
Exchange rate adjustments	(208)	(2)	(3)	–	(213)
Balance at end of year	21,204	5,566	5,746	–	32,516
Loans and other receivables					
Year ended 31 December 2024					
Balance at beginning of year	30,336	70,552	34,378	–	135,266
New assets originated or purchased	6,198	176	–	–	6,374
Assets derecognised (excluding write-offs)	(60)	(5)	–	–	(65)
Transfer to 12-month ECL	420	(360)	(60)	–	–
Transfer to lifetime ECL - not credit impaired	(1,671)	1,464	207	–	–
Transfer to lifetime ECL - credit impaired	–	(1,601)	1,601	–	–
Remeasurements	1,354	38,622	8,176	–	48,152
Amounts written-off	(3,152)	(1,599)	(2,419)	–	(7,170)
Amounts recovered	241	3,548	–	–	3,789
Transfer to assets held for sale	–	(211)	–	–	(211)
Exchange rate adjustments	145	(1,249)	(2,013)	–	(3,117)
Balance at end of year	33,811	109,337	39,870	–	183,018

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Loans and other receivables (continued)					
Year ended 31 December 2023					
Balance at beginning of year	24,149	64,293	51,029	–	139,471
New assets originated or purchased	2,769	–	–	–	2,769
Transfer to 12-month ECL	102	(102)	–	–	–
Transfer to lifetime ECL - not credit impaired	(103)	178	(75)	–	–
Transfer to lifetime ECL - credit impaired	15	(4)	(11)	–	–
Remeasurements	3,063	9,072	(7,467)	–	4,668
Amounts written-off	(75)	(6,660)	(10,938)	–	(17,673)
Amounts recovered	494	6,150	–	–	6,644
Exchange rate adjustments	(78)	(2,375)	1,840	–	(613)
Balance at end of year	30,336	70,552	34,378	–	135,266

Cash and cash equivalents

Impairment on cash and cash equivalents measured at amortised cost has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group uses a similar approach for the assessment of expected credit losses for cash and cash equivalents to those used for debt securities.

The impairment allowance on cash and cash equivalents as at 31 December 2024 is $11,511,000 (2023: $15,814,000). The Group recognised a net impairment gain of $663,000 for the year ended 31 December 2024 (2023: $4,085,000 impairment loss).

Credit Risk – Economic Variable Assumptions

The most significant period-end assumptions used for the ECL estimate as at 31 December 2024 and 2023 are set out below.

The PDs and LGDs are impacted by long-term changes in the various data sets gathered from external rating agencies such as Moody's. Macroeconomic variables used in the Group's ECL models also include, but are not limited to, gross domestic product growth, inflation rates, national budget deficits, debt to GDP ratios for the various territories. Refer to the table below for the ranges applied to each scenario for the two most significant assumptions. The weighting assigned to each scenario varies by jurisdiction.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(e) Loss allowance (continued)

	2024 Assumptions			2023 Assumptions		
	GDP growth	Inflation	Weights	GDP growth	Inflation	Weights
Scenario						
Base	Stable	Positive	55% - 75%	Stable	Positive	55% - 70%
Optimistic	Positive	Positive	10% - 35%	Positive	Positive	5% - 35%
Pessimistic	Negative	Negative	5% - 20%	Negative	Negative	5% - 20%
Acute pessimistic	Negative	Negative	5%	Negative	Negative	5%

Refer to Note 3(d) for descriptions of the scenarios.

Credit Risk - Sensitivity analysis

Set out below are the changes in ECL allowance at the reporting date that would result from a reasonably possible change in the PDs used by the Group.

	Actual PDs applied 2024	Actual PDs applied 2023	Change in PD	Impact on ECL 2024 $'000	Impact on ECL 2023 $'000
Investment securities measured at fair value through other comprehensive income	0.01% - 4.43%	0.00% - 19.53%	+/- 20%	1,749	2,296
Investment securities measured at amortised cost	0.09% - 13.23%	0.00% - 32.10%	+/- 20%	4,355	3,799
Loans and receivables	0.04% - 33.65%	0.16% - 32.41%	+/- 20%	4,911	4,024
Cash and cash equivalents	0.04% - 6.93%	0.04% - 7.09%	+/- 20%	2,519	3,556
				13,534	13,675

(f) Financial assets subject to ECL

The following tables show an analysis of changes in the gross carrying amount of investment securities and loans subject to ECL.

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income					
Year ended 31 December 2024					
Balance at beginning of year	5,345,163	105,723	2,021	191,774	5,644,681
New assets originated or purchased	4,132,777	–	–	456	4,133,233
Assets derecognised (excluding write-offs)	(4,274,439)	(25,035)	(294)	(2,838)	(4,302,606)
Transfer to 12-month ECL	6,847	(6,847)	–	–	–
Transfer to lifetime ECL - not credit impaired	(123,188)	123,188	–	–	–
Other movements	58,661	(16,189)	(585)	(2,229)	39,658
Exchange rate adjustments	9,412	71	8	1,079	10,570
Balance at end of year	5,155,233	180,911	1,150	188,242	5,525,536

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(f) Financial assets subject to ECL (continued)

	12-month ECL $'000	Lifetime ECL Not credit impaired $'000	Lifetime ECL Credit impaired $'000	Purchased credit impaired $'000	Total $'000
Investment securities measured at fair value through other comprehensive income (continued)					
Year ended 31 December 2023					
Balance at beginning of year	5,570,079	58,383	1,523	233,032	5,863,017
Reclassification	(548,464)	–	–	–	(548,464)
New assets originated or purchased	2,438,770	–	–	6,703	2,445,473
Assets derecognised (excluding write-offs)	(2,103,485)	(8,194)	–	(2,732)	(2,114,411)
Transfer to 12-month ECL	2,966	(2,966)	–	–	–
Transfer to lifetime ECL - not credit impaired	(53,095)	53,095	–	–	–
Transfer to lifetime ECL - credit impaired	–	(352)	352	–	–
Other movements	76,129	5,791	156	(44,426)	37,650
Exchange rate adjustments	(37,737)	(34)	(10)	(803)	(38,584)
Balance at end of year	5,345,163	105,723	2,021	191,774	5,644,681
Investment securities measured at amortised cost					
Year ended 31 December 2024					
Balance at beginning of year	7,655,482	44,818	25,500	27,195	7,752,995
New assets originated or purchased	875,715	–	–	–	875,715
Assets derecognised (excluding write-offs)	(1,053,820)	(7,241)	(149)	–	(1,061,210)
Transfer to 12-month ECL	216	(216)	–	–	–
Transfer to lifetime ECL - not credit impaired	(224,514)	224,514	–	–	–
Transfer to lifetime ECL - credit impaired	(26,606)	(4,625)	31,231	–	–
Amounts written-off	(4)	–	–	–	(4)
Amounts recovered	1,884	–	–	–	1,884
Other movements	6,109	2,789	829	–	9,727
Exchange rate adjustments	5,903	6,258	(4,177)	(193)	7,791
Balance at end of year	7,240,365	266,297	53,234	27,002	7,586,898
Year ended 31 December 2023					
Balance at beginning of year	8,641,597	80,241	16,822	27,849	8,766,509
Reclassification	(1,222,830)	–	–	–	(1,222,830)
New assets originated or purchased	2,062,267	–	–	–	2,062,267
Assets derecognised (excluding write-offs)	(1,844,002)	(15,418)	–	–	(1,859,420)
Transfer to 12-month ECL	24,596	(24,596)	–	–	–
Transfer to lifetime ECL - not credit impaired	(6,114)	6,114	–	–	–
Transfer to lifetime ECL - credit impaired	(9,658)	–	9,658	–	–
Other movements	20,835	(1,524)	750	–	20,061
Exchange rate adjustments	(11,209)	1	(1,730)	(654)	(13,592)
Balance at end of year	7,655,482	44,818	25,500	27,195	7,752,995

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(f) Financial assets subject to ECL (continued)

		Lifetime ECL		
	12-month ECL $'000	Not credit impaired $'000	Credit impaired $'000	Total $'000
Loans and other receivables				
Year ended 31 December 2024				
Balance at beginning of year	1,262,936	783,420	57,640	2,103,996
New assets originated or purchased	714,926	46,263	–	761,189
Assets derecognised (excluding write-offs)	(310,172)	(133,894)	(2,556)	(446,622)
Transfer to 12-month ECL	35,624	(33,451)	(2,173)	–
Transfer to lifetime ECL - not credit impaired	(39,636)	47,986	(8,350)	–
Transfer to lifetime ECL - credit impaired	(1,597)	(78,941)	80,538	–
Amounts written-off	(3,152)	(1,599)	(2,419)	(7,170)
Amounts recovered	241	3,548	–	3,789
Transfer to assets held for sale	–	(1,930)	–	(1,930)
Other movements	2,459	114,406	1,660	118,525
Exchange rate adjustments	5,779	1,199	(5,680)	1,298
Balance at end of year	1,667,408	747,007	118,660	2,533,075
Year ended 31 December 2023				
Balance at beginning of year	930,359	922,827	72,270	1,925,456
New assets originated or purchased	518,246	123,338	–	641,584
Assets derecognised (excluding write-offs)	(167,380)	(179,911)	(2,155)	(349,446)
Transfer to 12-month ECL	28,592	(22,940)	(5,652)	–
Transfer to lifetime ECL - not credit impaired	(38,515)	39,453	(938)	–
Transfer to lifetime ECL - credit impaired	(7,842)	(4,288)	12,130	–
Amounts written-off	(75)	(6,660)	(10,938)	(17,673)
Amounts recovered	494	6,150	–	6,644
Other movements	1,918	(90,488)	(8,827)	(97,397)
Exchange rate adjustments	(2,861)	(4,061)	1,750	(5,172)
Balance at end of year	1,262,936	783,420	57,640	2,103,996

(g) Concentrations of risks of reinsurance and financial assets with credit risk exposure

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.3 Credit risk (continued)

(g) Concentrations of risks of reinsurance and financial assets with credit risk exposure (continued)

The following table breaks down the Group's main credit risk exposure as categorised by the industry sectors of its counterparties.

	2024 $'000	2023 $'000
Financial services	6,713,090	6,461,978
Manufacturing	461,715	343,411
Real estate	483,937	1,042,718
Wholesale and retail trade	213,733	189,627
Public sector	15,798,156	15,140,244
Insurance and reinsurance	1,063,544	1,004,896
Consumers/individuals	1,086,412	858,389
Transportation storage	490,670	434,002
Utilities	573,412	528,015
Other industries	1,530,716	979,770
	28,415,385	26,983,050

4.2.4 Capital management

The Group's principal capital resources include share capital, reserves, retained earnings and borrowings.

The Group's objectives when managing capital are:

- To comply with the capital requirements required by the regulators of the markets where the Group operates;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

In each country in which the Group operates, the local insurance regulator indicates the required minimum amount and type of capital that must be held by each of the subsidiaries in addition to their insurance liabilities. The Group is also subject to insurance solvency regulations in all the territories in which it issues insurance and investment contracts. The minimum required capital must be maintained at all times throughout the year. The Group monitors these requirements throughout the year to ensure compliance.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2024.

The table below summarises the minimum required capital across the main territories in the Group. The Group has complied with these minimum capital requirements. These figures are an aggregate number, being the sum of the statutory capital and surplus for each insurance subsidiary in each country subject to local regulatory requirements (current or prospective), which may differ from jurisdiction to jurisdiction.

Financial STATEMENTS

4. Management of Insurance and Financial Risk (continued)

4.2 Financial risk (continued)

4.2.4 Capital management (continued)

	Minimum regulatory capital 2024 $'000	2023 $'000
Guardian Re (SAC) Limited	65,517	54,466
Guardian General Insurance (OECS) Limited	12,444	12,437
Guardian Life (OECS) Limited	2,800	2,612
Guardian General Insurance Limited	171,625	141,446
Guardian General Insurance Jamaica Limited	169,340	196,750
Guardian Life Limited	848,085	871,950
Guardian Life of the Caribbean Limited	795,554	729,931
Bancassurance Caribbean Limited	34,314	32,820
Fatum General Insurance Aruba N.V.	20,355	19,397
Fatum General Insurance N.V.	125,652	177,576
Fatum Health N.V.	14,558	14,831
Fatum Life Aruba N.V.	280,650	263,081
Fatum Life N.V.	164,572	156,344

The Trinidadian trust services subsidiary holds a license under the Financial Institutions Act 2008 and is registered under the Securities Industry Act 2012. Under the Financial Institutions Act, the subsidiary is required to have a minimum paid up share capital of $15 million and to transfer a minimum of 10% of its profit after tax to a Statutory Reserve Fund until the balance in the Fund is not less than the paid up capital of the subsidiary as well as the subsidiary's regulatory capital shall be no less than 10% of its risk weighted assets. Under the Securities Industry Act 2012, the subsidiary is required to have minimum capital of $6 million, of which at least $3 million shall be regulatory capital. The subsidiary has complied with these requirements.

The Trinidadian asset management subsidiary is registered under the Securities Industry Act 2012, and as such, the subsidiary is required to have a minimum capital of $6 million, of which at least $3 million shall be regulatory capital. The subsidiary has complied with this requirement.

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5. Property, plant and equipment

	Freehold and leasehold properties $'000	Office furniture, plant and equipment $'000	Motor vehicles $'000	Capital work in progress $'000	Total $'000
Year ended 31 December 2024					
Balance at beginning of year	515,633	94,833	17,148	80,236	707,850
Revaluation surplus	7,205	–	–	–	7,205
Additions	2,702	7,587	4,698	16,792	31,779
Disposals and adjustments	627	(33,316)	(634)	2,548	(30,775)
Transfers	1,458	15,207	67	(16,732)	–
Re-classification (to)/from intangible assets (Note 8)	–	51	–	(35,382)	(35,331)
Depreciation charge	(13,162)	(22,511)	(5,597)	–	(41,270)
Other movements	–	(2,292)	(319)	(670)	(3,281)
Exchange rate adjustments	1,865	(368)	40	20	1,557
Balance at end of year	516,328	59,191	15,403	46,812	637,734
At 31 December 2024					
Cost or valuation	630,238	526,142	35,796	46,812	1,238,988
Accumulated depreciation	(113,910)	(466,951)	(20,393)	–	(601,254)
Balance at end of year	516,328	59,191	15,403	46,812	637,734
Year ended 31 December 2023					
Balance at beginning of year	538,581	128,817	15,591	73,164	756,153
Revaluation loss	(5,746)	–	–	–	(5,746)
Additions	3,131	10,576	6,550	28,129	48,386
Disposals and adjustments	–	(436)	(409)	–	(845)
Transfers	–	–	1,159	(1,159)	–
Re-classification to intangible assets (Note 8)	–	(21,569)	–	(19,435)	(41,004)
Depreciation charge	(14,210)	(22,665)	(5,490)	–	(42,365)
Exchange rate adjustments	(6,123)	110	(253)	(463)	(6,729)
Balance at end of year	515,633	94,833	17,148	80,236	707,850
At 31 December 2023					
Cost or valuation	623,536	591,992	37,386	80,236	1,333,150
Accumulated depreciation	(107,903)	(497,159)	(20,238)	–	(625,300)
Balance at end of year	515,633	94,833	17,148	80,236	707,850
At 31 December 2022					
Cost or valuation	633,999	625,601	38,272	73,164	1,371,036
Accumulated depreciation	(95,418)	(496,784)	(22,681)	–	(614,883)
Balance at end of year	538,581	128,817	15,591	73,164	756,153

Financial STATEMENTS

5. Property, plant and equipment (continued)

The following are the dates of the last valuation of properties in the Group:

Guardian Life of the Caribbean Limited	-	September 2024
Bancassurance Caribbean Limited	-	August 2024
Guardian Life Limited	-	December 2022
Guardian General Insurance Limited	-	December 2024
Guardian Shared Services Limited	-	September 2024
Fatum Holding N.V.	-	Between July and September 2022

Valuations were made on the basis of open market value by external independent appraisers, who are accredited in the territory that they serve. Valuations are based on active market prices, adjusted for any difference in the nature, location or condition of the specific property.

If freehold and leasehold properties were stated on a historical cost basis, the amounts would be as follows:

	2024 $'000	2023 $'000
Cost	452,254	449,778
Accumulated depreciation	(236,629)	(226,999)
Net book value	215,625	222,779

6. Leases

The following tables provide information for leases where the Group is a lessee.

(a) Right-of-use assets

	Leasehold properties $'000	Office equipment $'000	Motor vehicles $'000	Total $'000
Year ended 31 December 2024				
Balance at beginning of year	48,809	24	11,167	60,000
Additions	8,418	64	3,266	11,748
Disposals and adjustments	(143)	–	(756)	(899)
Transfers to assets held for sale	(8,052)	–	(2,250)	(10,302)
Depreciation charge	(12,157)	(32)	(4,084)	(16,273)
Exchange rate adjustments	(658)	3	13	(642)
Balance at end of year	36,217	59	7,356	43,632
At 31 December 2024				
Cost	106,681	490	13,394	120,565
Accumulated depreciation	(70,464)	(431)	(6,038)	(76,933)
Balance at end of year	36,217	59	7,356	43,632
Year ended 31 December 2023				
Balance at beginning of year	33,974	58	8,448	42,480
Additions	24,231	–	7,241	31,472
Disposals and adjustments	–	–	(399)	(399)
Modification of lease terms	3,847	–	–	3,847
Depreciation charge	(13,334)	(34)	(4,119)	(17,487)
Exchange rate adjustments	91	–	(4)	87
Balance at end of year	48,809	24	11,167	60,000
At 31 December 2023				
Cost	116,354	428	23,884	140,666
Accumulated depreciation	(67,545)	(404)	(12,717)	(80,666)
Balance at end of year	48,809	24	11,167	60,000

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6. Leases (continued)

(b) Lease liabilities

	2024 $'000	2023 $'000
Balance at beginning of year	68,012	54,288
Additions	11,747	31,480
Interest expense	3,641	3,894
Lease payments	(20,007)	(22,667)
Effect of modification to lease terms	(1,432)	937
Transfer to liabilities directly associated with assets held for sale (Note 17)	(11,376)	–
Exchange rate adjustments	(634)	80
Balance at end of year	49,951	68,012
Current	14,413	18,010
Non-current	35,538	50,002
	49,951	68,012

(c) Amounts recognised in the consolidated statement of income

Interest expense on lease liabilities	3,641	3,894
Depreciation charge of right-of-use assets	16,273	17,487
Expense relating to short-term leases	6,918	8,446
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	1,931	2,296
	28,763	32,123

(d) Amounts recognised in the consolidated statement of cash flows

The Group had total cash outflows for leases of $28,856,000 in 2024 (2023: $33,409,000).

7. Investment properties

	2024 $'000	2023 $'000
Investment properties (excluding Pointe Simon)	1,166,086	1,141,735
Pointe Simon	393,456	413,215
	1,559,542	1,554,950
Investment properties (excluding Pointe Simon)		
Balance at beginning of year	1,141,735	1,172,316
Additions	2,777	591
Fair value adjustments (Note 28)	30,882	76,112
Disposals	(8,520)	(1,055)
Transfer to properties for development and sale	–	(87,345)
Other movements	(415)	–
Exchange rate adjustments	(373)	(18,884)
Balance at end of year	1,166,086	1,141,735
Residential properties	286,103	284,443
Commercial properties	879,983	857,292
	1,166,086	1,141,735
Rental income	61,037	51,484
Expenses incurred in respect of investment properties that generated rental income during the year	6,917	5,809
Expenses incurred in respect of investment properties that did not generate rental income during the year	4,427	2,669

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7. Investment properties (continued)

	2024 $'000	2023 $'000
Pointe Simon		
Pointe Simon is a mixed-use commercial and residential urban re-development project in Fort de France, Martinique.		
Investment property	393,456	413,215
Properties for development and sale (Note 12)	78,729	84,527
	472,185	497,742
Balance at beginning of year	497,742	514,243
Additions	1,859	5,783
Disposals	–	(17,195)
Fair value adjustment (Note 28)	1,890	(16,736)
Other movements	–	(12,262)
Exchange rate adjustments	(29,306)	23,909
Balance at end of year	472,185	497,742

The Group has both commercial and residential investment properties in the following territories: Jamaica, Barbados, Trinidad and Tobago, Grenada and Martinique.

Valuations are conducted by external valuators. All valuators are accredited in the territory that they serve, specializing in the valuation of commercial, residential and mixed use properties.

Residential properties are mainly revalued using the comparable sales approach, which estimates the fair value based on sale prices of properties of similar nature or in similar locations with price adjustments being made for any notable differences between the sample and subject properties such as location, size, and quality of improvements.

Commercial properties are primarily valued using the income and sales comparison approach, the direct capitalisation of income approach, or the profit tests or accounts approach. The income and sales comparison approach involves determining the value of the properties by applying an appropriate valuation model to convert the expected future cash flows into present values. Discount rates applied to this model throughout the Group range from 8.25% (2023: 7.75% to 8.50%) as deemed most appropriate by the valuators in the respective territories.

Both the direct capitalisation of income and profit tests or accounts approach apply a valuation model that converts monthly rental income and expenses into market values through the use of a capitalisation rate. The capitalisation rates within these models, as applied by external professional valuators, range from 9.75% to 10.5% (2023: 7.5% to 10.5%) across the Group.

For some properties, various approaches were considered, including the income approach, the comparison approach, and the cost approach. No one approach was selected to determine the final valuation, instead a reasonable conclusion was drawn from the range of valuations determined.

No investment property in the Group is subject to any liens or mortgages and the Group has no restrictions with regard to the transfer, resale or other use of its investment properties. The Group is not under any contractual obligation with regard to significant development, enhancement, repair or maintenance of any investment properties.

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7. Investment properties (continued)

	2024 $'000	2023 $'000
Future minimum lease payments receivable on leases of investment properties are as follows:		
Within one year	29,929	54,861
Between one and two years	21,548	24,390
Between two and three years	19,140	22,750
Between three and four years	16,956	19,921
Between four and five years	3,648	17,014
After five years	3,898	5,733
	95,119	144,669

8. Intangible assets

	Goodwill $'000	Customer-related intangibles $'000	Other $'000	Total $'000
Year ended 31 December 2024				
Balance at beginning of year	552,973	16,852	116,560	686,385
Additions	–	–	57,109	57,109
Re-classification (to)/from property, plant and equipment (Note 5)	–	–	35,331	35,331
Transfers	(25,637)	25,637	–	–
Amortisation	–	(8,700)	(24,988)	(33,688)
Transfer to assets held for sale (Note 17)	(113,473)	(17,140)	–	(130,613)
Exchange rate adjustments	(2,413)	(1,682)	204	(3,891)
Balance at end of year	411,450	14,967	184,216	610,633
At 31 December 2024				
Cost	412,581	63,624	308,759	784,964
Accumulated impairment and amortisation	(1,131)	(48,657)	(124,543)	(174,331)
Balance at end of year	411,450	14,967	184,216	610,633
Year ended 31 December 2023				
Balance at beginning of year	547,632	26,363	94,445	668,440
Additions	–	–	24,290	24,290
Re-classification from property, plant and equipment (Note 5)	–	–	41,004	41,004
Transfers	(283)	283	–	–
Impairment	–	–	(18,084)	(18,084)
Amortisation	–	(10,513)	(24,119)	(34,632)
Other movements	716	268	–	984
Exchange rate adjustments	4,908	451	(976)	4,383
Balance at end of year	552,973	16,852	116,560	686,385
At 31 December 2023				
Cost	554,099	149,282	245,547	948,928
Accumulated impairment and amortisation	(1,126)	(132,430)	(128,987)	(262,543)
Balance at end of year	552,973	16,852	116,560	686,385

Other intangible assets represent brand costs, computer software costs and website development costs.

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8. Intangible assets (continued)

Goodwill

Goodwill is assigned to the Group's cash-generating units on acquisition. In accordance with IFRS 3 Business Combinations, all assets that gave rise to goodwill were reviewed for impairment at year end using the higher of the value-in-use method and the fair value method. In each case, the cash flow projections were based on financial budgets for a three-year period, approved by senior management, with a growth assumption applied for later years.

A summary of the goodwill for each cash-generating unit is presented below:

	2024 $'000	2023 $'000
Guardian General Insurance Limited	97,459	97,459
Guardian Insurance Limited	153,977	153,977
Guardian General Insurance Jamaica Limited	6,584	6,553
Vanguard Risk Solutions Limited (formerly Fidelity Insurance (Cayman) Limited)	68,722	68,401
Thoma Exploitatie B.V.	–	132,235
Royal & Sun Alliance Insurance (Antilles) N.V.	26,718	26,593
Kruit en Venema Assuradeuren B.V.	–	10,036
Fatum Brokers Holding B.V.	57,990	57,719
	411,450	552,973

The key assumptions used for value-in-use calculations are as follows:

	Discount Rate		Growth Rate	
Cash generating unit	2024	2023	2024	2023
Guardian General Insurance Limited	8.0%	10.5%	6.9%	6.8%
Guardian Insurance Limited (Trinidad and Tobago based subsidiaries)	8.0%	10.0%	4.5%	15.3%
Guardian Insurance Limited (Jamaica based subsidiary)	12.9%	12.3%	4.9%	4.0%
Guardian General Insurance Jamaica Limited	12.7%	12.6%	5.0%	5.0%
Vanguard Risk Solutions Limited	8.0%	10.5%	8.6%	2.5%
Thoma Exploitatie B.V.	–	12.4%	–	2.2%
Royal & Sun Alliance Insurance (Antilles) N.V.	11.5%	12.4%	2.0%	2.2%
Kruit en Venema Assuradeuren B.V.	–	12.4%	–	2.2%
Fatum Brokers Holding B.V.	12.1% - 12.6%	12.4%	2.0%	2.2%

Discount rates: Discount rates represent the current market assessment of the risks specific to each cash-generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates: Rates are based on published industry research and management's expected performance of each cash-generating unit.

Based on the results of the above review, no impairment expense was required for goodwill.

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9. Investment in associated companies

	2024 $'000	2023 $'000
Balance at beginning of year	308,775	313,095
Share of after tax profits	30,872	15,259
Share of other comprehensive income	167	3,148
Dividends received	(14,193)	(13,622)
Impairment of associated company	–	(8,641)
Exchange rate adjustments	583	(464)
Balance at end of year	326,204	308,775

The summarised financial information below, for the Group's principal associates (see Note 42), represents amounts shown in the respective associate's financial statements prepared in accordance with IFRS Accounting Standards (adjusted by the Group for equity accounting purposes).

	RoyalStar Holdings Limited		RGM Limited		EIKM Holdings Limited	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Total assets	998,671	941,105	843,305	862,214	514	514
Total liabilities	(473,268)	(480,956)	(277,976)	(297,842)	(454)	(454)
Equity	525,403	460,149	565,329	564,372	60	60
Group share of net assets	137,761	120,651	188,443	188,124	15	15
Goodwill on acquisition	–	–	–	–	8,626	8,626
Impairment of associated company	–	–	–	–	(8,641)	(8,641)
Carrying amount of investment	137,761	120,651	188,443	188,124	–	–
Revenue	1,053,211	835,428	184,867	184,407	–	598
Profit/(loss) for the year	79,745	31,446	29,888	26,140	–	(6,795)
Other comprehensive income/(loss)	–	12,735	501	(573)	–	–
Total comprehensive income/(loss)	79,745	44,181	30,389	25,567	–	(6,795)
Dividends received during the year	4,382	4,384	9,811	9,238	–	–

The associated companies had no significant contingent liabilities or capital commitments as at 31 December 2024 or 2023.

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10. Investment securities

	2024		2023	
	Carrying value $'000	Fair value $'000	Carrying value $'000	Fair value $'000
Investment securities	23,803,157	23,805,719	23,372,387	23,509,457
Investment securities of mutual fund unit holders	1,642,669	1,646,672	1,673,497	1,657,646
Total – non-derivative financial instruments	25,445,826	25,452,391	25,045,884	25,167,103
Derivative financial instrument	66,362	66,362	43,931	43,931
Total investment securities	25,512,188	25,518,753	25,089,815	25,211,034
Non-derivative financial instruments				
Investment securities mandatorily measured at fair value through profit or loss (FVPL)	12,362,229	12,362,229	11,680,724	11,680,724
Investment securities measured at fair value through other comprehensive income (FVOCI)	5,525,536	5,525,536	5,644,681	5,644,681
Investment securities measured at amortised cost (AC)	7,558,061	7,564,626	7,720,479	7,841,698
	25,445,826	25,452,391	25,045,884	25,167,103

	Carrying value			Fair value
	FVPL 2024 $'000	FVOCI 2024 $'000	AC 2024 $'000	AC 2024 $'000
Equity securities:				
- Listed	3,797,657	–	–	–
- Unlisted	419,323	–	–	–
	4,216,980	–	–	–
Debt securities:				
- Government securities	6,909,649	2,619,355	5,361,391	5,334,833
- Debentures and corporate bonds	968,594	2,712,074	818,022	813,448
	7,878,243	5,331,429	6,179,413	6,148,281
Deposits (more than 90 days)	89,234	129,508	1,269,495	1,278,355
Other	71,939	–	–	–
	161,173	129,508	1,269,495	1,278,355
	12,256,396	5,460,937	7,448,908	7,426,636
Interest receivable	105,833	64,599	137,990	137,990
Loss allowance	–	–	(28,837)	–
	12,362,229	5,525,536	7,558,061	7,564,626
Current	570,556	1,275,158	1,116,606	
Non-current	11,791,673	4,250,378	6,441,455	
	12,362,229	5,525,536	7,558,061	

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10. Investment securities (continued)

The loss allowance on investment securities measured at fair value through other comprehensive income is recognised against other comprehensive income and accumulated in the fair value reserve. The total loss allowance accumulated in fair value reserve is $12,574,000 (2023: $16,005,000).

The carrying amount of investment securities that were pledged as collateral for liabilities was $270,642,000 (2023: $240,267,000).

Investment securities are pledged as collateral primarily as part of sales and repurchases and securities borrowing transactions under terms that are usual and customary for such activities. In addition, as part of these transactions, the Group has received collateral that it is permitted to resell or repledge in the absence of default.

As at 31 December 2024, the fair value of investment securities accepted as collateral that the Group is permitted to sell or repledge in the absence of default was $59,561,000 (2023: $94,753,000). No securities were sold or repledged during the year.

	Carrying value			Fair value
	FVPL 2023 $'000	FVOCI 2023 $'000	AC 2023 $'000	AC 2023 $'000
Equity securities:				
- Listed	3,323,797	–	–	–
- Unlisted	339,045	–	–	–
	3,662,842	–	–	–
Debt securities:				
- Government securities	6,823,091	2,639,935	5,270,305	5,364,173
- Debentures and corporate bonds	982,811	2,798,113	830,596	816,648
	7,805,902	5,438,048	6,100,901	6,180,821
Deposits (more than 90 days)	16,199	122,309	1,519,129	1,527,912
Other	86,981	–	–	–
	103,180	122,309	1,519,129	1,527,912
	11,571,924	5,560,357	7,620,030	7,708,733
Interest receivable	108,800	84,324	132,965	132,965
Loss allowance	–	–	(32,516)	–
	11,680,724	5,644,681	7,720,479	7,841,698
Current	754,567	1,894,095	1,043,116	
Non-current	10,926,157	3,750,586	6,677,363	
	11,680,724	5,644,681	7,720,479	

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10. Investment securities (continued)

For insurance contracts measured using the VFA, the fair value of the underlying financial assets by product line is as follows:

	Annuities 2024 $'000	Unit linked life and interest sensitive with guarantees 2024 $'000	Annuities 2023 $'000	Unit linked life and interest sensitive with guarantees 2023 $'000
Equity securities:				
- Listed	1,739,094	627,208	1,543,586	575,694
- Unlisted	77,376	13,906	56,490	11,251
	1,816,470	641,114	1,600,076	586,945
Debt securities:				
- Government securities	3,076,300	1,787,507	3,033,798	1,714,762
- Debentures and corporate bonds	324,391	189,375	380,165	212,030
	3,400,691	1,976,882	3,413,963	1,926,792
Deposits (more than 90 days)	–	11,806	–	4,303
Other	–	553	–	523
	–	12,359	–	4,826
	5,217,161	2,630,355	5,014,039	2,518,563
Interest receivable	41,602	24,840	38,351	23,967
Loss allowance	–	–	–	–
	5,258,763	2,655,195	5,052,390	2,542,530
Current	–	4,605	–	5,726
Non-current	5,258,763	2,650,590	5,052,390	2,536,804
	5,258,763	2,655,195	5,052,390	2,542,530

Derivative financial instrument

The table below shows the fair value of the derivative financial instrument, which is recorded as an asset, together with its notional amount. The notional amount, recorded gross, is the quantity of the derivative contract's underlying instrument (being an equity index). The notional amounts indicate the volume of transactions outstanding at the year end and are not indicative of the market risk.

	2024		2023	
	Carrying Value $'000	Notional Amount $'000	Carrying Value $'000	Notional Amount $'000
Derivative held for trading - equity option	66,362	63,201	43,931	62,905

Options are contractual agreements that convey the right, but not the obligation, for the purchaser either to buy or sell a specified amount of a financial instrument at a fixed price, either at a fixed future date or at any time within a specified period.

The Group purchased an option in an over–the–counter transaction. The option provides the Group with the opportunity to purchase (call option) the underlying asset at an agreed value at the expiration of the option. The Group is exposed to credit risk on the purchased option only to the extent of its carrying amount, which is its fair value.

Financial STATEMENTS

11. Loans and receivables

	2024 $'000	2023 Restated* $'000
Mortgage loans	894,606	711,747
Commercial and other loans	959,527	745,403
Fronting contracts and insurance brokerage receivables	302,896	257,543
Interest receivable	10,210	7,624
Other receivables	365,836	381,679
Loss allowance	(183,018)	(135,266)
	2,350,057	1,968,730
Current	621,920	656,021
Non-current	1,728,137	1,312,709
	2,350,057	1,968,730

*Restated - see Note 45 for further information.

The carrying amounts of loans and receivables are reasonable approximations of their fair values. There were no loans and receivables pledged as collateral for liabilities at year end (2023: nil).

12. Properties for development and sale

	2024 $'000	2023 $'000
Pointe Simon (Note 7)	78,729	84,527
The Cambridge and The Camden	70,812	82,896
	149,541	167,423
Properties carried at net realisable value	78,729	84,527
Properties carried at cost	70,812	82,896
	149,541	167,423

Properties for development and sale comprise the Group's investment in one component of the Pointe Simon urban re-development project in Fort de France, Martinique and two properties in Jamaica, namely the Cambridge and the Camden.

During 2014, the Group sold the hotel component of the development to a Martinique incorporated company known as Sas Compagnie Hoteliere de la Pointe Simon (CHPS). As part of the sale negotiation, the Group acquired a 24% interest in CHPS for nominal consideration. The Group financed the sale to CHPS and at 31 December 2024 the outstanding balance, included in loans and other receivables, was €9.3 million (2023: €9.5 million). During 2024, the terms of the loan were modified to the following: €9.3 million repayable over 2 years, with a bullet at maturity (December 2026) based on the amount outstanding. Interest is based on EURIBOR 12 Months + 10% margin floored at 1.5% and capped at 3.5%.

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13. Pension plan assets/liabilities

The following information explains the quantification of the assets and liabilities recognised in the consolidated statement of financial position and the net income for the year in accordance with the provisions of IAS 19.

	Pension plan asset		Pension plan liability		Net pension plan asset/(liability)	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Fair value of pension plan assets	511,159	531,020	461,836	463,141	972,995	994,161
Less: Present value of funded obligations	(430,322)	(437,467)	(491,330)	(480,574)	(921,652)	(918,041)
	80,837	93,553	(29,494)	(17,433)	51,343	76,120
Less: Present value of unfunded obligations	(526)	(559)	–	–	(526)	(559)
	80,311	92,994	(29,494)	(17,433)	50,817	75,561

	2024 $'000	2023 $'000
The amount in the consolidated statement of income is made up as follows:		
Net interest income/(expense)	3,566	(140)
Current service cost	(22,238)	(23,655)
Past service cost	–	(1,160)
Administration expenses	(1,553)	(1,783)
Total pension cost (Note 32)	(20,225)	(26,738)
The remeasurement of pension plan obligation in other comprehensive income is made up as follows:		
Actuarial gains and losses arising during the period from:		
- changes in financial assumptions	13,621	1,165
- experience adjustment	(48,697)	(2,402)
	(35,076)	(1,237)
The movement in the fair value of pension plan assets of the year is as follows:		
Balance at beginning of year	994,161	953,170
Administration expenses	(1,553)	(1,783)
Benefit payments	(51,983)	(44,229)
Company contributions	29,940	32,340
Contributions by plan participants	2,042	2,050
Settlements	2,900	2,491
Remeasurement arising from experience adjustment	(64,648)	(1,353)
Interest income	59,304	54,002
Exchange rate adjustments	2,832	(2,527)
Balance at end of year	972,995	994,161

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13. Pension plan assets/liabilities (continued)

	2024 $'000	2023 $'000
The movement in the obligation to plan members over the year is as follows:		
Balance at beginning of year	918,600	881,555
Current service cost	22,238	23,655
Interest cost	55,738	54,142
Past service cost	–	1,160
Contributions by plan participants	2,042	2,050
Remeasurement arising from changes in financial assumptions	(13,621)	(1,165)
Remeasurement arising from experience adjustment	(15,951)	1,049
Settlements	2,900	2,491
Benefits paid	(51,984)	(44,230)
Exchange rate adjustments	2,216	(2,107)
Balance at end of year	922,178	918,600

The principal actuarial assumptions used for accounting purposes were:

	2024	2023
Discount rates	5.6% - 7.4%	5.6% - 7.6%
Future salary increases	0.0% - 5.3%	0.0% - 5.3%
Post-retirement mortality	GAM94/NIS2012	GAM94/NIS2012
Pre-retirement mortality	GAM94/NIS2012	GAM94/NIS2012
Withdrawal from service	Ignored/Yes	Ignored/Yes
Future pension increases	Ignored / 3.5%	Ignored / 3.5%
Proportion of employees opting for early retirement	Ignored	Ignored
Life expectancy of pensioners at the age of 65 - male	17.4 to 18.3 years	17.4 to 18.3 years
Life expectancy of pensioners at the age of 65 - female	21.8 to 23.2 years	21.8 to 22.2 years

The actual return on plan assets was a negative return of $2,471,000 (2023: positive return of $46,100,000).

	2024		2023	
	$'000	%	$'000	%
Pension plan assets are comprised as follows:				
Quoted investments				
Equity securities				
- Trinidad and Tobago	125,240	12.9%	137,551	13.8%
- Non-Caribbean	64,940	6.7%	40,368	4.1%
Government securities				
- Trinidad and Tobago	167,764	17.1%	179,653	18.0%
- Non-Caribbean	30,876	3.2%	51,371	5.2%
Corporate bonds				
- Trinidad and Tobago	54,450	5.6%	42,338	4.3%
- Non-Caribbean	158,744	16.3%	131,922	13.3%
Unquoted investments				
Government securities				
- Other Caribbean	80,705	8.3%	81,123	8.2%
Cash and cash equivalents	14,935	1.5%	21,108	2.1%
Property	41,500	4.3%	44,051	4.4%
Other	233,841	24.1%	264,676	26.6%
	972,995	100.0%	994,161	100.0%

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13. Pension plan assets/liabilities (continued)

The defined benefit plan assets as at 31 December 2024 include investments in the Group's managed mutual funds of $4,395,000 (2023: $11,069,000). Included in the plan's assets is a property with a fair value of $41,500,000 (2023: $44,051,000), which is not occupied by the Group.

Contributions from the defined contribution plan are invested in a deposit administration contract. The deposit administration contract is part of a general fund, which is managed by a Group subsidiary.

The Group's expected contributions to its defined benefit pension plans for the year ending 31 December 2025 are $36,782,000.

The duration of the defined benefit plans obligation at the end of the reporting period is 9.5 to 21.8 years (2023: 10 to 21 years).

A quantitative sensitivity analysis for significant assumptions as at 31 December 2024 is shown below:

	Impact on the net defined benefit obligation	
	Increase	Decrease
	$'000	$'000
1% increase/decrease in discount rate	(83,739)	101,993
1% increase/decrease in future salary increases	18,671	(16,287)
1% increase/decrease in future pension increases	41,934	(35,894)
Life expectancy increase/decrease by 1 year - male	7,275	(7,489)
Life expectancy increase/decrease by 1 year - female	12,227	(12,539)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

14. Deferred taxation

The following amounts are shown in the consolidated statement of financial position:

	2024	2023
	$'000	$'000
Deferred tax assets:		
- To be recovered after more than 12 months	145,167	141,155
- To be recovered within 12 months	19,120	18,193
	164,287	159,348
Deferred tax liabilities:		
- Crystallizing after more than 12 months	(330,525)	(277,923)
- Crystallizing within 12 months	(14,929)	(9,509)
	(345,454)	(287,432)
Net deferred tax liability	(181,167)	(128,084)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

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14. Deferred taxation (continued)

The movement on the net deferred tax account is as follows:

	2024 $'000	2023 $'000
Balance at beginning of year	(128,084)	(113,027)
Charged to:		
- statement of income	(45,769)	(75,855)
- other comprehensive income	(8,009)	(43,880)
Other movements:		
- Recognition of deferred tax credits (see Note (a) below)	–	104,485
- Other	1,172	–
Exchange rate adjustments	(477)	193
Balance at end of year	(181,167)	(128,084)

(a) The Group recognised a deferred tax asset of $104,485,000 as a result of tax credits obtained by the Jamaican life subsidiary effective 1 January 2023. Movements in this deferred tax asset (unused tax credits) are disclosed below.

The movement in the net deferred tax assets and liabilities during the year is attributable to the following items:

		Credited/(charged) to				
	Balance at beginning of year $'000	Statement of income $'000	Other comprehensive income $'000	Other movements $'000	Exchange rate adjustments $'000	Balance at end of year $'000
2024						
Accelerated tax depreciation	(23,658)	(234)	–	–	(122)	(24,014)
Tax losses carried forward	25,889	(5,130)	–	–	51	20,810
Unused tax credits	91,996	(10,138)	–	–	(179)	81,679
Investments at fair value through profit or loss	(127,590)	(11,884)	–	–	(33)	(139,507)
Investments at fair value through other comprehensive income	16,549	–	(2,760)	–	(61)	13,728
Allowance for expected credit losses	10,598	(2,997)	(90)	(4)	33	7,540
Intangibles	(5,459)	1,119	–	1,444	58	(2,838)
Revaluation of properties	(40,879)	6	(533)	–	(57)	(41,463)
Insurance and reinsurance contracts	(39,162)	(8,470)	(5,417)	–	(40)	(53,089)
Investment in associated companies	(34,684)	(4,958)	–	–	(167)	(39,809)
Other	(1,684)	(3,083)	791	(268)	40	(4,204)
	(128,084)	(45,769)	(8,009)	1,172	(477)	(181,167)

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14. Deferred taxation (continued)

The movement in the net deferred tax assets and liabilities during the year is attributable to the following items: (continued)

		Credited/(charged) to				
	Balance at beginning of year $'000	Statement of income $'000	Other comprehensive income $'000	Other movements $'000	Exchange rate adjustments $'000	Balance at end of year $'000
2023						
Accelerated tax depreciation	(39,037)	15,111	–	–	268	(23,658)
Tax losses carried forward	56,013	(30,090)	–	–	(34)	25,889
Unused tax credits	–	(10,282)	–	104,485	(2,207)	91,996
Investments at fair value through profit or loss	(108,261)	(32,658)	–	12,149	1,180	(127,590)
Investments at fair value through other comprehensive income	28,430	1,663	(873)	(12,149)	(522)	16,549
Allowance for expected credit losses	10,050	(1,134)	1,712	–	(30)	10,598
Intangibles	(6,788)	1,428	–	–	(99)	(5,459)
Revaluation of properties	(41,680)	5	(119)	–	915	(40,879)
Insurance and reinsurance contracts	18,174	(16,459)	(41,362)	–	485	(39,162)
Investment in associated companies	(32,657)	(1,158)	(1,002)	–	133	(34,684)
Other	2,729	(2,281)	(2,236)	–	104	(1,684)
	(113,027)	(75,855)	(43,880)	104,485	193	(128,084)

There are tax losses relating to subsidiaries that are available for set-off against future chargeable profits of $646,106,000 (2023: $480,832,000). These tax losses expire over varying periods. No deferred tax asset has been recognised on tax losses carried forward of $596,142,000 (2023: $358,578,000), due to the uncertain timing of their recovery. Some of these losses have not yet been agreed with the respective tax authorities.

Deferred tax assets amounting to $1,907,000 (2023: $7,333,000) have been recognised within subsidiaries that have suffered tax losses either in the current or previous tax periods. The Group believes that the deferred tax asset can be recognised based on expectations of future taxable profits.

Pillar Two

Pillar Two is a set of rules developed by the Organisation for Economic Co-operation and Development (OECD) which impose a top-up tax on large, multinational groups of companies such that the group's effective tax rate is at least 15% in every country in which it operates. The Group is impacted by Pillar Two to the extent that it operates in both low-tax jurisdictions and jurisdictions that have incorporated the Pillar Two rules into domestic tax law. The Group's assessment of its exposure under Pillar Two is ongoing.

The Group has thus far identified a subsidiary in one low-tax jurisdiction, being the territory of Bermuda, and subsidiaries in two jurisdictions that have made modifications to their tax laws for Pillar Two considerations, being the territories of Bermuda and the Netherlands. In December 2023, Bermuda passed corporation income tax legislation that introduced a tax rate of 15% and which becomes effective 1 January 2025. The Group has assessed this legislation and concluded that it is not Pillar Two legislation. Also in December 2023, the Netherlands introduced tax measures that qualify as Pillar Two legislation, with some aspects of the legislation coming into effective from 1 January 2024, and others from 1 January 2025.

The Group has applied the mandatory exception as per IAS 12 and therefore has not recognised or disclosed information about deferred tax assets and liabilities relating to the Netherlands Pillar Two income taxes.

The implementation of corporation income tax legislation in Bermuda has given rise to deferred tax assets and liabilities for its Bermuda subsidiary, but these are not considered material.

Financial STATEMENTS

15. Insurance contracts

15.1 Composition of the consolidated statement of financial position

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
As at 31 December 2024						
Net Insurance contract liabilities						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre-recognition cash flows	3,489,477	15,897,180	1,756,625	164,160	1,612,228	22,919,670
As represented by:						
- Insurance contract liability	3,569,322	15,897,196	1,764,300	230,080	1,613,527	23,074,425
- Insurance contract asset	(79,845)	(16)	(7,675)	(65,920)	(1,299)	(154,755)
	3,489,477	15,897,180	1,756,625	164,160	1,612,228	22,919,670
As at 31 December 2023 Restated*						
Net Insurance contract liabilities						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre-recognition cash flows	3,581,616	15,350,982	1,534,519	143,119	1,565,780	22,176,016
As represented by:						
- Insurance contract liability	3,642,956	15,350,982	1,545,772	153,804	1,585,505	22,279,019
- Insurance contract asset	(61,340)	–	(11,253)	(10,685)	(19,725)	(103,003)
	3,581,616	15,350,982	1,534,519	143,119	1,565,780	22,176,016

	2024 $'000	2023 Restated* $'000
Insurance contract liability		
Current portion	1,425,511	1,404,802
Non-current portion	21,648,914	20,874,217
	23,074,425	22,279,019
Insurance contract asset		
Current portion	67,045	44,799
Non-current portion	87,710	58,204
	154,755	103,003

Financial STATEMENTS

15. Insurance contracts (continued)

15.1 Composition of the consolidated statement of financial position (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
As at 31 December 2024						
Net Reinsurance contract assets						
- Reinsurance contract assets excluding other pre-recognition cash flows	38,509	–	–	58,060	558,255	654,824
As represented by:						
- Reinsurance contract liability	(17,706)	–	–	(1,967)	(120,624)	(140,297)
- Reinsurance contract asset	56,215	–	–	60,027	678,879	795,121
	38,509	–	–	58,060	558,255	654,824
As at 31 December 2023 Restated*						
Net Reinsurance contract assets						
- Reinsurance contract assets excluding other pre-recognition cash flows	26,859	–	–	74,327	486,800	587,986
As represented by:						
- Reinsurance contract liability	(23,483)	–	–	(2,757)	(104,137)	(130,377)
- Reinsurance contract asset	50,342	–	–	77,084	590,937	718,363
	26,859	–	–	74,327	486,800	587,986

	2024 $'000	2023 Restated* $'000
Reinsurance contract liability		
Current portion	66,263	53,029
Non-current portion	74,034	77,348
	140,297	130,377
Reinsurance contract asset		
Current portion	381,268	327,453
Non-current portion	413,853	390,910
	795,121	718,363

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses

15.2.1 Insurance revenue and insurance service result

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2024						
Insurance revenue						
Amounts relating to the charges in the LRC:						
- Expected incurred claims and other directly attributable expenses	256,549	619,391	151,711	–	–	1,027,651
- Change in the risk adjustment for non-financial risk for the risk expired	34,112	11,809	44,210	–	–	90,131
- CSM recognised for the services provided	121,311	152,344	189,078	–	–	462,733
- Insurance acquisition cash flows recovery	66,777	13,848	49,015	–	–	129,640
Insurance revenue from contracts not measured under the PAA	478,749	797,392	434,014	–	–	1,710,155
Insurance revenue from contracts measured under the PAA	–	–	–	1,225,113	2,943,116	4,168,229
Total insurance revenue	478,749	797,392	434,014	1,225,113	2,943,116	5,878,384
Insurance service expenses						
Incurred claims and other directly attributable expenses	(240,399)	(682,081)	(253,652)	(961,505)	(901,339)	(3,038,976)
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	41,246	85,483	126,729
Losses on onerous contracts and reversal of those losses	(44,130)	(77,034)	16,277	–	–	(104,887)
Insurance acquisition cash flows amortisation	(66,777)	(13,848)	(49,015)	(70,979)	(468,498)	(669,117)
Total insurance service expenses	(351,306)	(772,963)	(286,390)	(991,238)	(1,284,354)	(3,686,251)
Net income/(expenses) from reinsurance contracts held						
Amounts relating to the changes in the remaining coverage:						
- Expected incurred claims and other directly attributable expenses recovery	(53,908)	–	–	–	–	(53,908)
- Change in the risk adjustment for non-financial risk for the risk expired	(4,225)	–	–	–	–	(4,225)
- CSM recognised for the services received	(7,996)	–	–	–	–	(7,996)
- Experience adjustments – arising from premiums received in the period other than those that relate to future service	(57)	–	–	–	–	(57)

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2024 (continued)						
Net income/(expenses) from reinsurance contracts held (continued)						
Reinsurance expenses - contracts not measured under the PAA	(66,186)	–	–	–	–	(66,186)
Reinsurance expenses - contracts measured under the PAA	–	–	–	(102,388)	(1,555,879)	(1,658,267)
Other incurred directly attributable expenses	7,045	–	–	(1,370)	(6,897)	(1,222)
Effect of changes in the risk of reinsurers non-performance	–	–	–	–	–	–
Incurred claims recovery	38,298	–	–	77,418	341,515	457,231
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	–	(3,497)	(33,939)	(37,436)
Income on initial recognition of onerous underlying contracts	477	–	–	–	–	477
Reinsurance contracts held under the GMM: Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(887)	–	–	–	–	(887)
Total net expenses from reinsurance contracts held	(21,253)	–	–	(29,837)	(1,255,200)	(1,306,290)
Total insurance service result	106,190	24,429	147,624	204,038	403,562	885,843
Year ended 31 December 2023 Restated*						
Insurance revenue						
Amounts relating to the charges in the LRC:						
- Expected incurred claims and other directly attributable expenses	230,007	599,393	235,343	–	–	1,064,743
- Change in the risk adjustment for non-financial risk for the risk expired	32,281	10,181	42,526	–	–	84,988
- CSM recognised for the services provided	82,110	121,564	82,592	–	–	286,266
- Insurance acquisition cash flows recovery	41,754	8,191	31,773	–	–	81,718
Insurance revenue from contracts not measured under the PAA	386,152	739,329	392,234	–	–	1,517,715
Insurance revenue from contracts measured under the PAA	–	–	–	1,177,811	2,742,882	3,920,693
Total insurance revenue	386,152	739,329	392,234	1,177,811	2,742,882	5,438,408

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Total $'000
Year ended 31 December 2023 Restated* (continued)						
Insurance service expenses						
Incurred claims and other directly attributable expenses	(217,360)	(611,766)	(370,392)	(1,015,361)	(761,876)	(2,976,755)
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	44,208	22,901	67,109
Losses on onerous contracts and reversal of those losses	(36,420)	(90,053)	(36,308)	–	–	(162,781)
Insurance acquisition cash flows amortisation	(41,754)	(8,191)	(31,773)	(113,766)	(466,785)	(662,269)
Total insurance service expenses	(295,534)	(710,010)	(438,473)	(1,084,919)	(1,205,760)	(3,734,696)
Net income/(expenses) from reinsurance contracts held						
Amounts relating to the changes in the remaining coverage:						
- Expected incurred claims and other directly attributable expenses recovery	(60,321)	–	–	–	–	(60,321)
- Change in the risk adjustment for non-financial risk for the risk expired	(4,374)	–	–	–	–	(4,374)
- CSM recognised for the services received	(3,242)	–	–	–	–	(3,242)
- Experience adjustments - arising from premiums received in the period other than those that relate to future service	19	–	–	–	–	19
Reinsurance expenses - contracts not measured under the PAA	(67,918)	–	–	–	–	(67,918)
Reinsurance expenses - contracts measured under the PAA	–	–	–	(88,896)	(1,398,213)	(1,487,109)
Other incurred directly attributable expenses	(3,188)	–	–	(1,746)	(8,805)	(13,739)
Effect of changes in the risk of reinsurers non-performance	–	–	–	–	–	–
Incurred claims recovery	224,834	–	–	69,613	255,802	550,249
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	–	(1,772)	(32,459)	(34,231)
Income on initial recognition of onerous underlying contracts	540	–	–	–	–	540
Reinsurance contracts held under the GMM:						
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(134)	–	–	–	–	(134)
Total net income/(expenses) from reinsurance contracts held	154,134	–	–	(22,801)	(1,183,675)	(1,052,342)
Total insurance service result	244,752	29,319	(46,239)	70,091	353,447	651,370

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.2 Amounts determined on transition to IFRS 17

For insurance contracts measured under the GMM and/or the VFA, an analysis of insurance revenue for insurance contracts issued and the CSM by transition method is included in the following tables. Insurance contracts measured under the PAA are not included in these tables because the Group applied the full retrospective approach to such contracts.

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total $'000
2024				
Insurance contracts issued				
Insurance revenue				
- New contracts and contracts measured under the full retrospective approach at transition	222,826	96,366	148,128	467,320
- Contracts measured under the fair value approach at transition	255,923	701,026	285,886	1,242,835
	478,749	797,392	434,014	1,710,155
CSM as at 31 December				
- New contracts and contracts measured under the full retrospective approach at transition	439,732	169,110	441,782	1,050,624
- Contracts measured under the fair value approach at transition	478,984	1,506,235	490,911	2,476,130
	918,716	1,675,345	932,693	3,526,754

	Long-term business $'000
Reinsurance contracts held	
CSM as at 31 December	
- New contracts and contracts measured under the full retrospective approach at transition	3,960
- Contracts measured under the fair value approach at transition	68,994
	72,954

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.2 Amounts determined on transition to IFRS 17 (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total $'000
2023 Restated*				
Insurance contracts issued				
Insurance revenue				
- New contracts and contracts measured under the full retrospective approach at transition	112,336	66,356	64,637	243,329
- Contracts measured under the fair value approach at transition	273,816	672,973	327,597	1,274,386
	386,152	739,329	392,234	1,517,715
CSM as at 31 December				
- New contracts and contracts measured under the full retrospective approach at transition	251,210	163,891	192,309	607,410
- Contracts measured under the fair value approach at transition	481,452	1,779,455	611,456	2,872,363
	732,662	1,943,346	803,765	3,479,773

	Long-term business $'000
Reinsurance contracts held	
CSM as at 31 December	
- New contracts and contracts measured under the full retrospective approach at transition	1,707
- Contracts measured under the fair value approach at transition	46,402
	48,109

On transition to IFRS 17, insurance contracts where the OCI option is applied, the Group determined the cumulative insurance finance income and expenses recognised in OCI at 1 January 2022 using the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of contracts was as follows:

	2024 $'000	2023 $'000
Balance at beginning of year	(218,974)	(327,506)
Net gains	10,809	52,293
Net amount reclassified to profit or loss	–	57,577
Related income tax	896	(1,338)
Balance at end of year	(207,269)	(218,974)

Financial STATEMENTS

15. Insurance contracts (continued)

15.2 Insurance revenue and expenses (continued)

15.2.3 Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

	Insurance contracts issued			
	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Total CSM for insurance contracts issued $'000
Number of years until expected to be recognised				
As at 31 December 2024				
Up to 1 year	116,205	130,190	114,368	360,763
1 to 3 years	190,459	219,751	191,538	601,748
3 to 5 years	151,474	193,153	152,040	496,667
5 to 10 years	256,305	425,921	249,482	931,708
More than 10 years	204,273	706,330	225,265	1,135,868
Total	918,716	1,675,345	932,693	3,526,754
As at 31 December 2023				
Up to 1 year	90,705	150,076	92,440	333,221
1 to 3 years	151,659	278,297	155,554	585,510
3 to 5 years	122,448	250,621	122,365	495,434
5 to 10 years	254,176	536,149	198,705	989,030
More than 10 years	113,674	728,203	234,701	1,076,578
Total	732,662	1,943,346	803,765	3,479,773

	Long-term business – Reinsurance contracts held	
	2024 $'000	2023 $'000
Number of years until expected to be recognised		
Up to 1 year	(8,273)	(6,272)
1 to 3 years	(13,837)	(9,982)
3 to 5 years	(11,055)	(7,294)
5 to 10 years	(19,083)	(10,395)
More than 10 years	(20,706)	(14,166)
Total	(72,954)	(48,109)

Financial STATEMENTS

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued

15.3.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	2,656,834	62,442	923,680	3,642,956
Opening insurance contract assets	(104,426)	4,654	38,432	(61,340)
Net balance at 1 January	2,552,408	67,096	962,112	3,581,616
Insurance revenue	(478,749)	–	–	(478,749)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	23,163	217,236	240,399
Losses on onerous contracts and reversal of those losses	–	44,130	–	44,130
Insurance acquisition cash flows amortisation	66,777	–	–	66,777
Insurance service expenses	66,777	67,293	217,236	351,306
Insurance service result	(411,972)	67,293	217,236	(127,443)
Finance expenses from insurance contracts issued	49,064	2,174	–	51,238
Total amounts recognised in comprehensive income	(362,908)	69,467	217,236	(76,205)
Investment components	(289,484)	–	289,484	–
Cash flows				
Premiums received	727,297	–	–	727,297
Claims and other directly attributable expenses paid	–	–	(564,282)	(564,282)
Insurance acquisition cash flows	(184,106)	–	–	(184,106)
Total cash flows	543,191	–	(564,282)	(21,091)
Exchange rate adjustments	4,116	486	555	5,157
Net balance as at 31 December	2,447,323	137,049	905,105	3,489,477
Closing insurance contract liabilities	2,580,735	131,889	856,698	3,569,322
Closing insurance contract assets	(133,412)	5,160	48,407	(79,845)
Net balance as at 31 December	2,447,323	137,049	905,105	3,489,477
2023 Restated*				
Opening insurance contract liabilities	2,924,672	31,405	844,759	3,800,836
Opening insurance contract assets	(111,105)	3,465	29,864	(77,776)
Net balance at 1 January	2,813,567	34,870	874,623	3,723,060
Insurance revenue	(386,152)	–	–	(386,152)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(5,597)	222,957	217,360
Losses on onerous contracts and reversal of those losses	–	36,420	–	36,420
Insurance acquisition cash flows amortisation	41,754	–	–	41,754
Insurance service expenses	41,754	30,823	222,957	295,534
Insurance service result	(344,398)	30,823	222,957	(90,618)
Finance (income)/expenses from insurance contracts issued	(23,560)	1,680	–	(21,880)
Total amounts recognised in comprehensive income	(367,958)	32,503	222,957	(112,498)

Financial STATEMENTS

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2023 Restated* (continued)				
Investment components	(344,199)	–	344,199	–
Cash flows				
Premiums received	673,855	–	–	673,855
Claims and other directly attributable expenses paid	–	–	(477,117)	(477,117)
Insurance acquisition cash flows	(189,440)	–	–	(189,440)
Total cash flows	484,415	–	(477,117)	7,298
Exchange rate adjustments	(33,417)	(277)	(2,550)	(36,244)
Net balance as at 31 December	2,552,408	67,096	962,112	3,581,616
Closing insurance contract liabilities	2,656,834	62,442	923,680	3,642,956
Closing insurance contract assets	(104,426)	4,654	38,432	(61,340)
Net balance as at 31 December	2,552,408	67,096	962,112	3,581,616

15.3.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	2,905,062	152,015	585,879	3,642,956
Opening insurance contract assets	(261,579)	53,456	146,783	(61,340)
Net balance at 1 January	2,643,483	205,471	732,662	3,581,616
Changes that relate to current service				
CSM recognised for the services provided	–	–	(121,311)	(121,311)
Change in the risk adjustment for non-financial risk for the risk expired	–	(34,112)	–	(34,112)
Experience adjustments – relating to insurance service expenses	(16,150)	–	–	(16,150)
	(16,150)	(34,112)	(121,311)	(171,573)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(90,340)	14,844	73,391	(2,105)
Changes in estimates that result in onerous contract losses or reversal of losses	45,092	(617)	–	44,475
Contracts initially recognised in the period	(241,803)	35,259	208,304	1,760
	(287,051)	49,486	281,695	44,130

Financial STATEMENTS

15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024 (continued)				
Insurance service result	(303,201)	15,374	160,384	(127,443)
Finance expenses from insurance contracts issued	6,970	12,338	31,930	51,238
Total amounts recognised in comprehensive income	(296,231)	27,712	192,314	(76,205)
Cash flows				
Premiums received	727,297	–	–	727,297
Claims and other directly attributable expenses paid	(564,282)	–	–	(564,282)
Insurance acquisition cash flows	(184,106)	–	–	(184,106)
Total cash flows	(21,091)	–	–	(21,091)
Exchange rate adjustments	5,322	6,095	(6,260)	5,157
Net balance as at 31 December	2,331,483	239,278	918,716	3,489,477
Closing insurance contract liabilities	2,768,200	174,462	626,660	3,569,322
Closing insurance contract assets	(436,717)	64,816	292,056	(79,845)
Net balance as at 31 December	2,331,483	239,278	918,716	3,489,477
2023 Restated*				
Opening insurance contract liabilities	3,141,811	164,653	494,372	3,800,836
Opening insurance contract assets	(197,029)	41,436	77,817	(77,776)
Net balance at 1 January	2,944,782	206,089	572,189	3,723,060
Changes that relate to current service				
CSM recognised for the services provided	–	–	(82,110)	(82,110)
Change in the risk adjustment for non-financial risk for the risk expired	–	(32,281)	–	(32,281)
Experience adjustments – relating to insurance service expenses	(12,647)	–	–	(12,647)
	(12,647)	(32,281)	(82,110)	(127,038)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(43,762)	(2,156)	45,918	–
Changes in estimates that result in onerous contract losses or reversal of losses	39,433	(4,264)	–	35,169
Contracts initially recognised in the period	(217,786)	36,159	182,878	1,251
	(222,115)	29,739	228,796	36,420
Insurance service result	(234,762)	(2,542)	146,686	(90,618)
Finance (income)/expenses from insurance contracts issued	(45,027)	3,279	19,868	(21,880)
Total amounts recognised in comprehensive income	(279,789)	737	166,554	(112,498)

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15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2023 Restated* (continued)				
Cash flows				
Premiums received	673,855	–	–	673,855
Claims and other directly attributable expenses paid	(477,117)	–	–	(477,117)
Insurance acquisition cash flows	(189,440)	–	–	(189,440)
Total cash flows	7,298	–	–	7,298
Exchange rate adjustments	(28,808)	(1,355)	(6,081)	(36,244)
Net balance as at 31 December	2,643,483	205,471	732,662	3,581,616
Closing insurance contract liabilities	2,905,062	152,015	585,879	3,642,956
Closing insurance contract assets	(261,579)	53,456	146,783	(61,340)
Net balance as at 31 December	2,643,483	205,471	732,662	3,581,616

15.3.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	61,607	767	62,374
- Claims and other directly attributable expenses	325,116	8,518	333,634
Estimates of the present value of future cash outflows	386,723	9,285	396,008
Estimates of the present value of future cash inflows	(630,061)	(7,750)	(637,811)
Risk adjustment for non-financial risk	35,034	225	35,259
CSM	208,304	–	208,304
Increase in insurance contract liabilities from contracts recognised in the period	–	1,760	1,760
31 December 2023			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	76,965	1,665	78,630
- Claims and other directly attributable expenses	361,988	3,729	365,717
Estimates of the present value of future cash outflows	438,953	5,394	444,347
Estimates of the present value of future cash inflows	(657,733)	(4,400)	(662,133)
Risk adjustment for non-financial risk	35,902	257	36,159
CSM	182,878	–	182,878
Increase in insurance contract liabilities from contracts recognised in the period	–	1,251	1,251

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15. Insurance contracts (continued)

15.3 Traditional life and interest sensitive without guarantees – Insurance contracts issued (continued)

15.3.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2024			
Insurance revenue	222,826	255,923	478,749
CSM as at 1 January	251,210	481,452	732,662
Changes that relate to current service			
CSM recognised for the services provided	(57,508)	(63,803)	(121,311)
Changes that relate to future service			
Changes in estimates that adjust the CSM	23,213	50,178	73,391
Contracts initially recognised in the period	208,304	–	208,304
	174,009	(13,625)	160,384
Finance expenses from insurance contracts issued	14,000	17,930	31,930
Total amounts recognised in comprehensive income	188,009	4,305	192,314
Exchange rate adjustments	513	(6,773)	(6,260)
CSM as at 31 December	439,732	478,984	918,716
31 December 2023 Restated*			
Insurance revenue	112,336	273,816	386,152
CSM as at 1 January	114,117	458,072	572,189
Changes that relate to current service			
CSM recognised for the services provided	(23,581)	(58,529)	(82,110)
Changes that relate to future service			
Changes in estimates that adjust the CSM	(26,182)	72,100	45,918
Contracts initially recognised in the period	182,878	–	182,878
	133,115	13,571	146,686
Finance expenses from insurance contracts issued	5,314	14,554	19,868
Total amounts recognised in comprehensive income	138,429	28,125	166,554
Exchange rate adjustments	(1,336)	(4,745)	(6,081)
CSM as at 31 December	251,210	481,452	732,662

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

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15. Insurance contracts (continued)

15.4 Long term business - Reinsurance contracts held

15.4.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage			
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Incurred claims $'000	Total $'000
2024				
Opening reinsurance contract assets	(16,424)	10	66,756	50,342
Opening reinsurance contract liabilities	(34,466)	392	10,591	(23,483)
Net balance as at 1 January	(50,890)	402	77,347	26,859
Net income/(expenses) from reinsurance contracts held				
- Reinsurance expenses	(66,129)	–	–	(66,129)
- Other incurred directly attributable expenses	–	–	7,045	7,045
- Incurred claims recovery	–	27	38,271	38,298
- Income on initial recognition of onerous underlying contracts	–	477	–	477
- Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held	–	(57)	–	(57)
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	–	(887)	–	(887)
Net income/(expenses) from reinsurance contracts held	(66,129)	(440)	45,316	(21,253)
Finance expenses from reinsurance contracts held	(260)	–	–	(260)
Total amounts recognised in comprehensive income	(66,389)	(440)	45,316	(21,513)
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	89,623	–	1,737	91,360
Recoveries from reinsurance	–	–	(58,104)	(58,104)
Total cash flows	89,623	–	(56,367)	33,256
Exchange rate adjustments	(61)	(61)	29	(93)
Net balance as at 31 December	(27,717)	(99)	66,325	38,509
Closing reinsurance contract assets	(3,750)	(98)	60,063	56,215
Closing reinsurance contract liabilities	(23,967)	(1)	6,262	(17,706)
Net balance as at 31 December	(27,717)	(99)	66,325	38,509

Financial STATEMENTS

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage			
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Incurred claims $'000	Total $'000
2023 Restated*				
Opening reinsurance contract assets	4,562	–	1,138	5,700
Opening reinsurance contract liabilities	(78,671)	–	36,155	(42,516)
Net balance as at 1 January	(74,109)	–	37,293	(36,816)
Net income/(expenses) from reinsurance contracts held				
- Reinsurance expenses	(67,937)	–	–	(67,937)
- Other incurred directly attributable expenses	–	–	(3,188)	(3,188)
- Incurred claims recovery	–	(21)	224,855	224,834
- Income on initial recognition of onerous underlying contracts	–	540	–	540
- Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held	–	19	–	19
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	–	(134)	–	(134)
Net income/(expenses) from reinsurance contracts held	(67,937)	404	221,667	154,134
Finance expenses from reinsurance contracts held	(2,550)	–	–	(2,550)
Total amounts recognised in comprehensive income	(70,487)	404	221,667	151,584
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	93,059	–	2,976	96,035
Recoveries from reinsurance	–	–	(184,394)	(184,394)
Total cash flows	93,059	–	(181,418)	(88,359)
Exchange rate adjustments	647	(2)	(195)	450
Net balance as at 31 December	(50,890)	402	77,347	26,859
Closing reinsurance contract assets	(16,424)	10	66,756	50,342
Closing reinsurance contract liabilities	(34,466)	392	10,591	(23,483)
Net balance as at 31 December	(50,890)	402	77,347	26,859

Financial STATEMENTS

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.2 Reconciliation of the measurement components of reinsurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening reinsurance contract assets	(25,094)	27,936	47,500	50,342
Opening reinsurance contract liabilities	(24,854)	762	609	(23,483)
Net balance as at 1 January	(49,948)	28,698	48,109	26,859
Changes that relate to current service				
- CSM recognised for the services received	–	–	(7,996)	(7,996)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(4,225)	–	(4,225)
- Experience adjustments – relating to incurred claims and other directly attributable expenses recovery	(8,565)	–	–	(8,565)
	(8,565)	(4,225)	(7,996)	(20,786)
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(32,702)	522	32,180	–
- Contracts initially recognised in the period	1,097	(197)	(900)	–
- CSM adjustment for income on initial recognition of onerous underlying contracts	–	–	477	477
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(884)	(3)	–	(887)
- Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	–	(57)	(57)
	(32,489)	322	31,700	(467)
Net income/(expenses) from reinsurance contracts held	(41,054)	(3,903)	23,704	(21,253)
Finance income/(expenses) from reinsurance contracts held	(3,611)	883	2,468	(260)
Total amounts recognised in comprehensive income	(44,665)	(3,020)	26,172	(21,513)
Cash flows				
- Premiums paid net of ceding commissions and other directly attributable expenses paid	91,360	–	–	91,360
- Recoveries from reinsurance	(58,104)	–	–	(58,104)
Total cash flows	33,256	–	–	33,256
Exchange rate adjustments	323	911	(1,327)	(93)
Net balance as at 31 December	(61,034)	26,589	72,954	38,509
Closing reinsurance contract assets	(32,283)	25,493	63,005	56,215
Closing reinsurance contract liabilities	(28,751)	1,096	9,949	(17,706)
Net balance as at 31 December	(61,034)	26,589	72,954	38,509

Financial STATEMENTS

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.2 Reconciliation of the measurement components of reinsurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2023 Restated*				
Opening reinsurance contract assets	4,501	–	1,199	5,700
Opening reinsurance contract liabilities	(66,984)	30,149	(5,681)	(42,516)
Net balance as at 1 January	(62,483)	30,149	(4,482)	(36,816)
Changes that relate to current service				
- CSM recognised for the services received	–	–	(3,242)	(3,242)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(4,374)	–	(4,374)
- Experience adjustments – relating to incurred claims and other directly attributable expenses recovery	161,325	–	–	161,325
	161,325	(4,374)	(3,242)	153,709
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(56,723)	1,494	55,229	–
- Contracts initially recognised in the period	22	(135)	113	–
- CSM adjustment for income on initial recognition of onerous underlying contracts	–	–	540	540
- Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(114)	(20)	–	(134)
- Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	–	19	19
	(56,815)	1,339	55,901	425
Net income/(expenses) from reinsurance contracts held	104,510	(3,035)	52,659	154,134
Finance income/(expenses) from reinsurance contracts held	(4,189)	1,404	235	(2,550)
Total amounts recognised in comprehensive income	100,321	(1,631)	52,894	151,584
Cash flows				
- Premiums paid net of ceding commissions and other directly attributable expenses paid	96,035	–	–	96,035
- Recoveries from reinsurance	(184,394)	–	–	(184,394)
Total cash flows	(88,359)	–	–	(88,359)
Exchange rate adjustments	573	180	(303)	450
Net balance as at 31 December	(49,948)	28,698	48,109	26,859
Closing reinsurance contract assets	(25,094)	27,936	47,500	50,342
Closing reinsurance contract liabilities	(24,854)	762	609	(23,483)
Net balance as at 31 December	(49,948)	28,698	48,109	26,859

Financial STATEMENTS

15. Insurance contracts (continued)

15.4 Long term business – Reinsurance contracts held (continued)

15.4.3 Impact of contracts recognised in the year

	Contracts originated not in a net gain $'000	Contracts originated in a net gain $'000	Total $'000
31 December 2024			
Estimates of the present value of future cash outflows	(78)	–	(78)
Estimates of the present value of future cash inflows	1,175	–	1,175
Risk adjustment for non-financial risk	(197)	–	(197)
CSM	(900)	–	(900)
Increase in reinsurance contract assets from contracts recognised in the period	–	–	–
31 December 2023			
Estimates of the present value of future cash outflows	(96)	(2,110)	(2,206)
Estimates of the present value of future cash inflows	143	2,085	2,228
Risk adjustment for non-financial risk	(11)	(124)	(135)
CSM	(36)	149	113
Increase in reinsurance contract assets from contracts recognised in the period	–	–	–

15.4.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2024			
CSM as at 1 January	1,707	46,402	48,109
Changes that relate to current service			
- CSM recognised for the services received	(174)	(7,822)	(7,996)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	2,784	29,396	32,180
- Contracts initially recognised in the period	(900)	–	(900)
- Adjustment for income on initial recognition of onerous underlying contracts	477	–	477
- Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	(57)	(57)
	2,187	21,517	23,704
Finance income from reinsurance contracts held	43	2,425	2,468
Total amounts recognised in comprehensive income	2,230	23,942	26,172
Exchange rate adjustments	21	(1,348)	(1,327)
CSM as at 31 December	3,958	68,996	72,954

15. Insurance contracts (continued)

15.4.4 Amounts determined on transition to IFRS 17 (continued)

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2023			
CSM as at 1 January	538	(5,020)	(4,482)
Changes that relate to current service			
- CSM recognised for the services received	(79)	(3,163)	(3,242)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	576	54,653	55,229
- Contracts initially recognised in the period	113	–	113
- Adjustment for income on initial recognition of onerous underlying contracts	540	–	540
- Experience adjustments – arising from ceded premiums paid in the period that relate to future service	–	19	19
	1,150	51,509	52,659
Finance income from reinsurance contracts held	26	209	235
Total amounts recognised in comprehensive income	1,176	51,718	52,894
Exchange rate adjustments	(7)	(296)	(303)
CSM as at 31 December	1,707	46,402	48,109

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in note 2.1(a).

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued

15.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	1,268,664	35,387	241,721	1,545,772
Opening insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 1 January	1,257,411	35,387	241,721	1,534,519
Insurance revenue	(434,014)	–	–	(434,014)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	185	253,467	253,652
Losses on onerous contracts and reversal of those losses	–	(16,277)	–	(16,277)
Insurance acquisition cash flows amortisation	49,015	–	–	49,015
Insurance service expenses	49,015	(16,092)	253,467	286,390
Insurance service result	(384,999)	(16,092)	253,467	(147,624)

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15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024 (continued)				
Finance expenses from insurance contracts issued	94,206	–	–	94,206
Total amounts recognised in comprehensive income	(290,793)	(16,092)	253,467	(53,418)
Investment components	(322,502)	–	322,502	–
Cash flows				
Premiums received	1,018,569	–	–	1,018,569
Claims and other directly attributable expenses paid	–	–	(576,404)	(576,404)
Insurance acquisition cash flows	(167,410)	–	–	(167,410)
Total cash flows	851,159	–	(576,404)	274,755
Exchange rate adjustments	694	(56)	131	769
Net balance as at 31 December	1,495,969	19,239	241,417	1,756,625
Closing insurance contract liabilities	1,504,560	19,239	240,501	1,764,300
Closing insurance contract assets	(8,591)	–	916	(7,675)
Net balance as at 31 December	1,495,969	19,239	241,417	1,756,625
2023 Restated*				
Opening insurance contract liabilities	1,112,842	706	145,209	1,258,757
Opening insurance contract assets	(74,914)	–	58,418	(16,496)
Net balance as at 1 January	1,037,928	706	203,627	1,242,261
Insurance revenue	(392,234)	–	–	(392,234)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(1,324)	371,716	370,392
Losses on onerous contracts and reversal of those losses	–	36,308	–	36,308
Insurance acquisition cash flows amortisation	31,773	–	–	31,773
Insurance service expenses	31,773	34,984	371,716	438,473
Insurance service result	(360,461)	34,984	371,716	46,239
Finance expenses from insurance contracts issued	121,590	21	–	121,611
Total amounts recognised in comprehensive income	(238,871)	35,005	371,716	167,850
Investment components	(311,463)	–	311,463	–

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15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2023 Restated* (continued)				
Cash flows				
Premiums received	938,828	–	–	938,828
Claims and other directly attributable expenses paid	–	–	(643,345)	(643,345)
Insurance acquisition cash flows	(170,732)	–	–	(170,732)
Total cash flows	768,096	–	(643,345)	124,751
Exchange rate adjustments	1,721	(324)	(1,740)	(343)
Net balance as at 31 December	1,257,411	35,387	241,721	1,534,519
Closing insurance contract liabilities	1,268,664	35,387	241,721	1,545,772
Closing insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 31 December	1,257,411	35,387	241,721	1,534,519

15.5.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	489,603	252,404	803,765	1,545,772
Opening insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 1 January	478,350	252,404	803,765	1,534,519
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(189,078)	(189,078)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(44,210)	–	(44,210)
- Experience adjustments – relating to insurance service expenses	101,941	–	–	101,941
	101,941	(44,210)	(189,078)	(131,347)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	(272,770)	14,674	258,096	–
- Changes in estimates that result in onerous contract losses or reversal of losses	(15,915)	(362)	–	(16,277)
- Contracts initially recognised in the period	(121,968)	34,325	87,643	–
	(410,653)	48,637	345,739	(16,277)

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15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024 (continued)				
Insurance service result	(308,712)	4,427	156,661	(147,624)
Finance expenses from insurance contracts issued	94,206	–	–	94,206
Total amounts recognised in comprehensive income	(214,506)	4,427	156,661	(53,418)
Cash flows				
Premiums received	1,018,569	–	–	1,018,569
Claims and other directly attributable expenses paid	(576,404)	–	–	(576,404)
Insurance acquisition cash flows	(167,410)	–	–	(167,410)
Total cash flows	274,755	–	–	274,755
Exchange rate adjustments	35,915	(7,413)	(27,733)	769
Net balance as at 31 December	574,514	249,418	932,693	1,756,625
Closing insurance contract liabilities	649,829	237,230	877,241	1,764,300
Closing insurance contract assets	(75,315)	12,188	55,452	(7,675)
Net balance as at 31 December	574,514	249,418	932,693	1,756,625

(a) Adjustment to the CSM in 2024 within the unit linked and interest sensitive with guarantees category was primarily driven by model refinements and assumption changes within the period.

2023 Restated*				
Opening insurance contract liabilities	464,786	176,282	617,689	1,258,757
Opening insurance contract assets	(242,588)	87,600	138,492	(16,496)
Net balance as at 1 January	222,198	263,882	756,181	1,242,261
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(82,592)	(82,592)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(42,526)	–	(42,526)
- Experience adjustments – relating to insurance service expenses	135,049	–	–	135,049
	135,049	(42,526)	(82,592)	9,931
Changes that relate to future service				
- Changes in estimates that adjust the CSM	(61,775)	(28)	61,803	–
- Changes in estimates that result in onerous contract losses or reversal of losses	33,488	2,648	–	36,136
- Contracts initially recognised in the period	(107,404)	35,816	71,760	172
	(135,691)	38,436	133,563	36,308
Insurance service result	(642)	(4,090)	50,971	46,239

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15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2023 Restated* (continued)				
Finance expenses from insurance contracts issued	121,611	–	–	121,611
Total amounts recognised in comprehensive income	120,969	(4,090)	50,971	167,850
Cash flows				
Premiums received	938,828	–	–	938,828
Claims and other directly attributable expenses paid	(643,345)	–	–	(643,345)
Insurance acquisition cash flows	(170,732)	–	–	(170,732)
Total cash flows	124,751	–	–	124,751
Exchange rate adjustments	10,432	(7,388)	(3,387)	(343)
Net balance as at 31 December	478,350	252,404	803,765	1,534,519
Closing insurance contract liabilities	489,603	252,404	803,765	1,545,772
Closing insurance contract assets	(11,253)	–	–	(11,253)
Net balance as at 31 December	478,350	252,404	803,765	1,534,519

15.5.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	155,966	–	155,966
- Claims and other directly attributable expenses	397,647	5	397,652
Estimates of the present value of future cash outflows	553,613	5	553,618
Estimates of the present value of future cash inflows	(675,581)	(5)	(675,586)
Risk adjustment for non-financial risk	34,325	–	34,325
CSM	87,643	–	87,643
Increase in insurance contract liabilities from contracts recognised in the period	–	–	–

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15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.3 Impact of contracts recognised for the year (continued)

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2023			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	140,757	27,327	168,084
- Claims and other directly attributable expenses	413,770	43,193	456,963
Estimates of the present value of future cash outflows	554,527	70,520	625,047
Estimates of the present value of future cash inflows	(657,627)	(74,824)	(732,451)
Risk adjustment for non-financial risk	31,340	4,476	35,816
CSM	71,760	–	71,760
Increase in insurance contract liabilities from contracts recognised in the period	–	172	172

15.5.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2024			
Insurance revenue	148,128	285,886	434,014
CSM as at 1 January	192,309	611,456	803,765
Changes that relate to current service			
CSM recognised for the services provided	(42,857)	(146,221)	(189,078)
Changes that relate to future service			
Changes in estimates that adjust the CSM	204,194	53,902	258,096
Contracts initially recognised in the period	87,643	–	87,643
Total amounts recognised in comprehensive income	248,980	(92,319)	156,661
Exchange rate adjustments	493	(28,226)	(27,733)
CSM as at 31 December	441,782	490,911	932,693
31 December 2023			
Insurance revenue	64,637	327,597	392,234
CSM as at 1 January	105,050	651,131	756,181
Changes that relate to current service			
CSM recognised for the services provided	(14,726)	(67,866)	(82,592)
Changes that relate to future service			
Changes in estimates that adjust the CSM	32,253	29,550	61,803
Contracts initially recognised in the period	71,760	–	71,760
Total amounts recognised in comprehensive income	89,287	(38,316)	50,971
Exchange rate adjustments	(2,028)	(1,359)	(3,387)
CSM as at 31 December	192,309	611,456	803,765

Financial STATEMENTS

15. Insurance contracts (continued)

15.5 Unit linked life and Interest sensitive with guarantees – Insurance contracts issued (continued)

15.5.4 Amounts determined on transition to IFRS 17 (continued)

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

15.6 Annuities – Insurance contracts issued

15.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2024				
Opening insurance contract liabilities	14,791,430	234,226	325,326	15,350,982
Opening insurance contract assets	–	–	–	–
Net balance as at 1 January	14,791,430	234,226	325,326	15,350,982
Insurance revenue	(797,392)	–	–	(797,392)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(2,808)	684,889	682,081
Losses on onerous contracts and reversal of those losses	–	77,034	–	77,034
Insurance acquisition cash flows amortisation	13,848	–	–	13,848
Insurance service expenses	13,848	74,226	684,889	772,963
Insurance service result	(783,544)	74,226	684,889	(24,429)
Finance expenses from insurance contracts issued	478,334	2,058	–	480,392
Total amounts recognised in comprehensive income	(305,210)	76,284	684,889	455,963
Investment components	(678,059)	–	678,059	–
Cash flows				
Premiums received	1,481,593	–	–	1,481,593
Claims and other directly attributable expenses paid	–	–	(1,371,603)	(1,371,603)
Insurance acquisition cash flows	(51,368)	–	–	(51,368)
Total cash flows	1,430,225	–	(1,371,603)	58,622
Exchange rate adjustments	30,347	885	381	31,613
Net balance as at 31 December	15,268,733	311,395	317,052	15,897,180
Closing insurance contract liabilities	15,268,733	311,395	317,068	15,897,196
Closing insurance contract assets	–	–	(16)	(16)
Net balance as at 31 December	15,268,733	311,395	317,052	15,897,180

Financial STATEMENTS

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC			
	Excluding loss component $'000	Loss component $'000	LIC $'000	Total $'000
2023 Restated*				
Opening insurance contract liabilities	14,561,336	65,912	300,726	14,927,974
Opening insurance contract assets	–	–	(19)	(19)
Net balance as at 1 January	14,561,336	65,912	300,707	14,927,955
Insurance revenue	(739,329)	–	–	(739,329)
Insurance service expenses				
Incurred claims and other directly attributable expenses	–	(10,660)	622,426	611,766
Losses on onerous contracts and reversal of those losses	–	90,053	–	90,053
Insurance acquisition cash flows amortisation	8,191	–	–	8,191
Insurance service expenses	8,191	79,393	622,426	710,010
Insurance service result	(731,138)	79,393	622,426	(29,319)
Finance expenses from insurance contracts issued	269,470	89,505	–	358,975
Total amounts recognised in comprehensive income	(461,668)	168,898	622,426	329,656
Investment components	(726,142)	–	726,142	–
Cash flows				
Premiums received	1,533,865	–	–	1,533,865
Claims and other directly attributable expenses paid	–	–	(1,323,281)	(1,323,281)
Insurance acquisition cash flows	(46,858)	–	–	(46,858)
Total cash flows	1,487,007	–	(1,323,281)	163,726
Exchange rate adjustments	(69,103)	(584)	(668)	(70,355)
Net balance as at 31 December	14,791,430	234,226	325,326	15,350,982
Closing insurance contract liabilities	14,791,430	234,226	325,326	15,350,982
Closing insurance contract assets	–	–	–	–
Net balance as at 31 December	14,791,430	234,226	325,326	15,350,982

Financial STATEMENTS

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.2 Reconciliation of the measurement components of insurance contract balances

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024				
Opening insurance contract liabilities	13,225,820	181,816	1,943,346	15,350,982
Opening insurance contract assets	–	–	–	–
Net balance as at 1 January	13,225,820	181,816	1,943,346	15,350,982
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(152,344)	(152,344)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(11,809)	–	(11,809)
- Experience adjustments – relating to insurance service expenses	62,690	–	–	62,690
	62,690	(11,809)	(152,344)	(101,463)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	237,428	(17,983)	(219,441)	4
- Changes in estimates that result in onerous contract losses or reversal of losses	68,452	(2,910)	–	65,542
- Contracts initially recognised in the period	(76,721)	7,308	80,901	11,488
	229,159	(13,585)	(138,540)	77,034
Insurance service result	291,849	(25,394)	(290,884)	(24,429)
Finance expenses from insurance contracts issued	437,948	4,262	38,182	480,392
Total amounts recognised in comprehensive income	729,797	(21,132)	(252,702)	455,963
Cash flows				
Premiums received	1,481,593	–	–	1,481,593
Claims and other directly attributable expenses paid	(1,371,603)	–	–	(1,371,603)
Insurance acquisition cash flows	(51,368)	–	–	(51,368)
Total cash flows	58,622	–	–	58,622
Exchange rate adjustments	42,739	4,173	(15,299)	31,613
Net balance as at 31 December	14,056,978	164,857	1,675,345	15,897,180
Closing insurance contract liabilities	14,056,994	164,857	1,675,345	15,897,196
Closing insurance contract assets	(16)	–	–	(16)
Net balance as at 31 December	14,056,978	164,857	1,675,345	15,897,180

(a) Adjustment to the CSM in 2024 within the annuities category was primarily driven by model refinements and assumption changes within the period.

Financial STATEMENTS

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.2 Reconciliation of the measurement components of insurance contract balances (continued)

	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2023 Restated*				
Opening insurance contract liabilities	13,249,003	194,689	1,484,282	14,927,974
Opening insurance contract assets	(19)	–	–	(19)
Net balance as at 1 January	13,248,984	194,689	1,484,282	14,927,955
Changes that relate to current service				
- CSM recognised for the services provided	–	–	(121,564)	(121,564)
- Change in the risk adjustment for non-financial risk for the risk expired	–	(10,181)	–	(10,181)
- Experience adjustments – relating to insurance service expenses	12,373	–	–	12,373
	12,373	(10,181)	(121,564)	(119,372)
Changes that relate to future service				
- Changes in estimates that adjust the CSM (see Note (a) below)	(476,231)	(5,735)	481,963	(3)
- Changes in estimates that result in onerous contract losses or reversal of losses	74,825	(7,380)	–	67,445
- Contracts initially recognised in the period	(47,754)	7,561	62,804	22,611
	(449,160)	(5,554)	544,767	90,053
Insurance service result	(436,787)	(15,735)	423,203	(29,319)
Finance (income)/expenses from insurance contracts issued	328,284	(3,179)	33,870	358,975
Total amounts recognised in comprehensive income	(108,503)	(18,914)	457,073	329,656
Cash flows				
Premiums received	1,533,865	–	–	1,533,865
Claims and other directly attributable expenses paid	(1,323,281)	–	–	(1,323,281)
Insurance acquisition cash flows	(46,858)	–	–	(46,858)
Total cash flows	163,726	–	–	163,726
Exchange rate adjustments	(78,387)	6,041	1,991	(70,355)
Net balance as at 31 December	13,225,820	181,816	1,943,346	15,350,982
Closing insurance contract liabilities	13,225,820	181,816	1,943,346	15,350,982
Closing insurance contract assets	–	–	–	–
Net balance as at 31 December	13,225,820	181,816	1,943,346	15,350,982

(a) Adjustment to the CSM in 2023 within the annuities category was primarily driven by model refinements within the period.

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15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.3 Impact of contracts recognised for the year

	Non-onerous contracts originated $'000	Onerous contracts originated $'000	Total $'000
31 December 2024			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	18,817	4,859	23,676
- Claims and other directly attributable expenses	439,909	32,828	472,737
Estimates of the present value of future cash outflows	458,726	37,687	496,413
Estimates of the present value of future cash inflows	(545,569)	(27,565)	(573,134)
Risk adjustment for non-financial risk	5,942	1,366	7,308
CSM	80,901	–	80,901
Increase in insurance contract liabilities from contracts recognised in the period	–	11,488	11,488
31 December 2023			
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	20,718	5,800	26,518
- Claims and other directly attributable expenses	415,857	169,480	585,337
Estimates of the present value of future cash outflows	436,575	175,280	611,855
Estimates of the present value of future cash inflows	(505,484)	(154,125)	(659,609)
Risk adjustment for non-financial risk	6,105	1,456	7,561
CSM	62,804	–	62,804
Increase in insurance contract liabilities from contracts recognised in the period	–	22,611	22,611

15.6.4 Amounts determined on transition to IFRS 17

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2024			
Insurance revenue	96,366	701,026	797,392
CSM as at 1 January	163,891	1,779,455	1,943,346
Changes that relate to current service			
- CSM recognised for the services provided	(10,801)	(141,543)	(152,344)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	(71,213)	(148,228)	(219,441)
- Contracts initially recognised in the period	80,901	–	80,901
	(1,113)	(289,771)	(290,884)
Finance expenses from insurance contracts issued	6,067	32,115	38,182
Total amounts recognised in comprehensive income	4,954	(257,656)	(252,702)
Exchange rate adjustments	265	(15,564)	(15,299)
CSM as at 31 December	169,110	1,506,235	1,675,345

Financial STATEMENTS

15. Insurance contracts (continued)

15.6 Annuities – Insurance contracts issued (continued)

15.6.4 Amounts determined on transition to IFRS 17 (continued)

	New contracts and contracts measured under the full retrospective approach $'000	Contracts measured under the fair value approach $'000	Total $'000
31 December 2023			
Insurance revenue	66,356	672,973	739,329
CSM as at 1 January	89,991	1,394,291	1,484,282
Changes that relate to current service			
- CSM recognised for the services provided	(5,968)	(115,596)	(121,564)
Changes that relate to future service			
- Changes in estimates that adjust the CSM	14,845	467,118	481,963
- Contracts initially recognised in the period	62,804	–	62,804
	71,681	351,522	423,203
Finance expenses from insurance contracts issued	2,714	31,156	33,870
Total amounts recognised in comprehensive income	74,395	382,678	457,073
Exchange rate adjustments	(495)	2,486	1,991
CSM as at 31 December	163,891	1,779,455	1,943,346

The methods and assumptions applied by the Group in applying the fair value approach on transition are disclosed in Note 3(a).

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15. Insurance contracts (continued)

15.7 Short-term group life and health – Insurance contracts issued

15.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening insurance contract liabilities	(43,232)	–	183,067	13,969	153,804
Opening insurance contract assets	(29,206)	–	17,666	855	(10,685)
Net balance as at 1 January	(72,438)	–	200,733	14,824	143,119
Insurance revenue	(1,225,113)	–	–	–	(1,225,113)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	921,035	40,470	961,505
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	(41,246)	(41,246)
Insurance acquisition cash flows amortisation	70,979	–	–	–	70,979
Insurance service expenses	70,979	–	921,035	(776)	991,238
Insurance service result	(1,154,134)	–	921,035	(776)	(233,875)
Total amounts recognised in comprehensive income	(1,154,134)	–	921,035	(776)	(233,875)
Cash flows					
Premiums received	1,237,750	–	–	–	1,237,750
Claims and other directly attributable expenses paid	–	–	(913,860)	–	(913,860)
Insurance acquisition cash flows	(69,664)	–	–	–	(69,664)
Total cash flows	1,168,086	–	(913,860)	–	254,226
Exchange rate adjustments	(250)	–	881	59	690
Net balance as at 31 December	(58,736)	–	208,789	14,107	164,160
Closing insurance contract liabilities	124,432	–	97,105	8,543	230,080
Closing insurance contract assets	(183,168)	–	111,684	5,564	(65,920)
Net balance as at 31 December	(58,736)	–	208,789	14,107	164,160

Financial STATEMENTS

15. Insurance contracts (continued)

15.7 Short-term group life and health – Insurance contracts issued (continued)

15.7.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2023 Restated*					
Opening insurance contract liabilities	44,839	–	131,269	13,566	189,674
Opening insurance contract assets	(66,730)	–	54,901	2,753	(9,076)
Net balance as at 1 January	(21,891)	–	186,170	16,319	180,598
Insurance revenue	(1,177,811)	–	–	–	(1,177,811)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	972,569	42,792	1,015,361
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	–	(44,208)	(44,208)
Insurance acquisition cash flows amortisation	113,766	–	–	–	113,766
Insurance service expenses	113,766	–	972,569	(1,416)	1,084,919
Insurance service result	(1,064,045)	–	972,569	(1,416)	(92,892)
Total amounts recognised in comprehensive income	(1,064,045)	–	972,569	(1,416)	(92,892)
Cash flows					
Premiums received	1,115,287	–	–	–	1,115,287
Claims and other directly attributable expenses paid	–	–	(953,050)	–	(953,050)
Insurance acquisition cash flows	(105,919)	–	–	–	(105,919)
Total cash flows	1,009,368	–	(953,050)	–	56,318
Exchange rate adjustments	4,130	–	(4,956)	(79)	(905)
Net balance as at 31 December	(72,438)	–	200,733	14,824	143,119
Closing insurance contract liabilities	(43,232)	–	183,067	13,969	153,804
Closing insurance contract assets	(29,206)	–	17,666	855	(10,685)
Net balance as at 31 December	(72,438)	–	200,733	14,824	143,119

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15. Insurance contracts (continued)

15.8 Short-term group life and health - Reinsurance contracts held

15.8.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening reinsurance contract assets	10,574	–	61,483	5,027	77,084
Opening reinsurance contract liabilities	(5,326)	–	2,623	(54)	(2,757)
Net balance as at 1 January	5,248	–	64,106	4,973	74,327
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(102,388)	–	–	–	(102,388)
- Other incurred directly attributable expenses	–	–	(1,370)	–	(1,370)
- Incurred claims recovery	–	–	76,659	759	77,418
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(35)	(3,462)	(3,497)
Net income/(expenses) from reinsurance contracts held	(102,388)	–	75,254	(2,703)	(29,837)
Total amounts recognised in comprehensive income	(102,388)	–	75,254	(2,703)	(29,837)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	99,264	–	957	–	100,221
Recoveries from reinsurance	–	–	(86,948)	–	(86,948)
Total cash flows	99,264	–	(85,991)	–	13,273
Exchange rate adjustments	7	–	272	18	297
Net balance as at 31 December	2,131	–	53,641	2,288	58,060
Closing reinsurance contract assets	8,796	–	48,992	2,239	60,027
Closing reinsurance contract liabilities	(6,665)	–	4,649	49	(1,967)
Net balance as at 31 December	2,131	–	53,641	2,288	58,060

Financial STATEMENTS

15. Insurance contracts (continued)

15.8 Short-term group life and health – Reinsurance contracts held (continued)

15.8.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2023 Restated*					
Opening reinsurance contract assets	7,656	–	53,702	5,489	66,847
Opening reinsurance contract liabilities	(1,748)	–	631	32	(1,085)
Net balance as at 1 January	5,908	–	54,333	5,521	65,762
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(88,896)	–	–	–	(88,896)
- Other incurred directly attributable expenses	–	–	(1,746)	–	(1,746)
- Incurred claims recovery	–	–	68,370	1,243	69,613
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	–	(1,772)	(1,772)
Net income/(expenses) from reinsurance contracts held	(88,896)	–	66,624	(529)	(22,801)
Total amounts recognised in comprehensive income	(88,896)	–	66,624	(529)	(22,801)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	87,682	–	1,334	–	89,016
Recoveries from reinsurance	–	–	(57,757)	–	(57,757)
Total cash flows	87,682	–	(56,423)	–	31,259
Exchange rate adjustments	554	–	(428)	(19)	107
Net balance as at 31 December	5,248	–	64,106	4,973	74,327
Closing reinsurance contract assets	10,574	–	61,483	5,027	77,084
Closing reinsurance contract liabilities	(5,326)	–	2,623	(54)	(2,757)
Net balance as at 31 December	5,248	–	64,106	4,973	74,327

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15. Insurance contracts (continued)

15.9 Property and casualty - Insurance contracts issued

15.9.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening insurance contract liabilities	658,145	–	849,479	77,881	1,585,505
Opening insurance contract assets	(6,212)	–	(8,912)	(4,601)	(19,725)
Net balance as at 1 January	651,933	–	840,567	73,280	1,565,780
Insurance revenue	(2,943,116)	–	–	–	(2,943,116)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	870,286	31,053	901,339
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	(46,536)	(38,947)	(85,483)
Insurance acquisition cash flows amortisation	468,498	–	–	–	468,498
Insurance service expenses	468,498	–	823,750	(7,894)	1,284,354
Insurance service result	(2,474,618)	–	823,750	(7,894)	(1,658,762)
Finance expenses from insurance contracts issued	–	–	24,528	–	24,528
Total amounts recognised in comprehensive income	(2,474,618)	–	848,278	(7,894)	(1,634,234)
Cash flows					
Premiums received	2,789,091	–	–	–	2,789,091
Claims and other directly attributable expenses paid	–	–	(835,991)	–	(835,991)
Insurance acquisition cash flows	(291,120)	–	–	–	(291,120)
Total cash flows	2,497,971	–	(835,991)	–	1,661,980
Exchange rate adjustments	2,435	–	16,956	(689)	18,702
Net balance as at 31 December	677,721	–	869,810	64,697	1,612,228
Closing insurance contract liabilities	678,539	–	870,297	64,691	1,613,527
Closing insurance contract assets	(818)	–	(487)	6	(1,299)
Net balance as at 31 December	677,721	–	869,810	64,697	1,612,228

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15. Insurance contracts (continued)

15.9 Property and casualty – Insurance contracts issued (continued)

15.9.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC	LRC	LIC	LIC	
	Excluding loss component $'000	Loss component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2023					
Opening insurance contract liabilities	424,241	–	953,703	86,944	1,464,888
Opening insurance contract assets	(1,170)	–	–	–	(1,170)
Net balance as at 1 January	423,071	–	953,703	86,944	1,463,718
Insurance revenue	(2,742,882)	–	–	–	(2,742,882)
Insurance service expenses					
Incurred claims and other directly attributable expenses	–	–	732,711	29,165	761,876
Changes that relate to past service – changes in the FCF relating to the LIC	–	–	21,066	(43,967)	(22,901)
Insurance acquisition cash flows amortisation	466,785	–	–	–	466,785
Insurance service expenses	466,785	–	753,777	(14,802)	1,205,760
Insurance service result	(2,276,097)	–	753,777	(14,802)	(1,537,122)
Finance expenses from insurance contracts issued	–	–	29,435	–	29,435
Total amounts recognised in comprehensive income	(2,276,097)	–	783,212	(14,802)	(1,507,687)
Cash flows					
Premiums received	2,790,460	–	–	–	2,790,460
Claims and other directly attributable expenses paid	–	–	(911,190)	–	(911,190)
Insurance acquisition cash flows	(282,395)	–	–	–	(282,395)
Total cash flows	2,508,065	–	(911,190)	–	1,596,875
Exchange rate adjustments	(3,106)	–	14,842	1,138	12,874
Net balance as at 31 December	651,933	–	840,567	73,280	1,565,780
Closing insurance contract liabilities	658,145	–	849,479	77,881	1,585,505
Closing insurance contract assets	(6,212)	–	(8,912)	(4,601)	(19,725)
Net balance as at 31 December	651,933	–	840,567	73,280	1,565,780

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15. Insurance contracts (continued)

15.10 Property and casualty – Reinsurance contracts held

15.10.1 Reconciliation of the remaining coverage and incurred claims

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2024					
Opening reinsurance contract assets	(1,897)	–	550,840	41,994	590,937
Opening reinsurance contract liabilities	(104,092)	–	(45)	–	(104,137)
Net balance as at 1 January	(105,989)	–	550,795	41,994	486,800
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(1,555,879)	–	–	–	(1,555,879)
- Other incurred directly attributable expenses	–	–	(6,897)	–	(6,897)
- Incurred claims recovery	–	–	325,332	16,183	341,515
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(13,449)	(20,490)	(33,939)
Net income/(expenses) from reinsurance contracts held	(1,555,879)	–	304,986	(4,307)	(1,255,200)
Finance income from reinsurance contracts held	–	–	411	–	411
Total amounts recognised in comprehensive income	(1,555,879)	–	305,397	(4,307)	(1,254,789)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,613,347	–	1,982	–	1,615,329
Recoveries from reinsurance	–	–	(280,138)	–	(280,138)
Total cash flows	1,613,347	–	(278,156)	–	1,335,191
Exchange rate adjustments	(8,160)	–	(144)	(643)	(8,947)
Net balance as at 31 December	(56,681)	–	577,892	37,044	558,255
Closing reinsurance contract assets	66,922	–	574,954	37,003	678,879
Closing reinsurance contract liabilities	(123,603)	–	2,938	41	(120,624)
Net balance as at 31 December	(56,681)	–	577,892	37,044	558,255

Financial STATEMENTS

15. Insurance contracts (continued)

15.10 Property and casualty - Reinsurance contracts held (continued)

15.10.1 Reconciliation of the remaining coverage and incurred claims (continued)

	Remaining coverage		Incurred claims		
	Excluding loss-recovery component $'000	Loss-recovery component $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Total $'000
2023					
Opening reinsurance contract assets	128,940	–	594,554	43,805	767,299
Opening reinsurance contract liabilities	(393,807)	–	–	–	(393,807)
Net balance as at 1 January	(264,867)	–	594,554	43,805	373,492
Net income/(expenses) from reinsurance contracts held					
- Reinsurance expenses	(1,398,213)	–	–	–	(1,398,213)
- Other incurred directly attributable expenses	–	–	(8,805)	–	(8,805)
- Incurred claims recovery	–	–	231,858	23,944	255,802
- Changes that relate to past service – changes in the FCF relating to incurred claims recovery	–	–	(5,523)	(26,936)	(32,459)
Net income/(expenses) from reinsurance contracts held	(1,398,213)	–	217,530	(2,992)	(1,183,675)
Finance income from reinsurance contracts held	–	–	2,011	–	2,011
Total amounts recognised in comprehensive income	(1,398,213)	–	219,541	(2,992)	(1,181,664)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,548,949	–	3,043	–	1,551,992
Recoveries from reinsurance	–	–	(269,199)	–	(269,199)
Total cash flows	1,548,949	–	(266,156)	–	1,282,793
Exchange rate adjustments	8,142	–	2,856	1,181	12,179
Net balance as at 31 December	(105,989)	–	550,795	41,994	486,800
Closing reinsurance contract assets	(1,897)	–	550,840	41,994	590,937
Closing reinsurance contract liabilities	(104,092)	–	(45)	–	(104,137)
Net balance as at 31 December	(105,989)	–	550,795	41,994	486,800

*Restated - see Note 45 for further information.

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15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2024							
Net investment income/(expenses) – underlying assets							
- Investment income	316,524	670,210	141,860	1,643	–	–	1,130,237
- Net realised gains on financial assets	14,904	13,603	210	28	–	–	28,745
- Net impairment losses on financial assets	(12,755)	(26,358)	–	(316)	–	–	(39,429)
- Net realised gains/(losses) on other assets	1,765	(558)	–	(9)	–	–	1,198
- Net fair value gains/(losses)	114,550	210,994	(2,525)	694	–	–	323,713
- Other income	29,687	31,894	1,105	241	–	–	62,927
	464,675	899,785	140,650	2,281	–	–	1,507,391
Net investment income/(expenses) – other investments							
- Investment income	–	–	–	8,280	72,242	218,318	298,840
- Net realised gains on financial assets	–	–	–	–	40	14,578	14,618
- Net impairment gains/(losses) on financial assets	–	–	–	1,470	(2,405)	(8,282)	(9,217)
- Net realised gains on other assets	–	–	–	–	–	6,487	6,487
- Net fair value gains	–	–	–	245	4,482	57,050	61,777
- Other income	–	–	–	217	3,070	5,696	8,983
	–	–	–	10,212	77,429	293,847	381,488
Net investment income/(expenses) – other							
- Fee income	24,497	2,346	61	3,691	27,025	25,486	83,106
- Other income	210	15	–	414	6,072	127,617	134,328
- Net loss on third party interests in mutual funds	–	–	–	–	–	(24,190)	(24,190)
- Investment contract benefits	–	–	–	–	–	(71,412)	(71,412)
- Net fair value adjustments to properties	–	–	–	–	629	13,460	14,089
	24,707	2,361	61	4,105	33,726	70,961	135,921
Total net investment income	489,382	902,146	140,711	16,598	111,155	364,808	2,024,800

Underlying assets are those assets that are either contractually linked to the relevant insurance contracts or they are specifically used to back insurance contracts.

Finance income/(expenses) from insurance contracts issued							
- Changes in fair value of underlying assets of contracts measured under the VFA	–	(239,084)	(94,206)	–	–	–	(333,290)
- Interest accreted	(104,345)	(384,649)	–	–	(24,588)	–	(513,582)
- Effect of changes in interest rates and other financial assumptions	49,733	141,435	–	–	60	–	191,228
- Effect of changes in FCF at current rates from when CSM is unlocked at locked-in rates	3,374	1,906	–	–	–	–	5,280
	(51,238)	(480,392)	(94,206)	–	(24,528)	–	(650,364)
Finance income/(expenses) from reinsurance contracts held							
- Interest accreted	(2,690)	–	–	–	587	–	(2,103)
- Effect of changes in interest rates and other financial assumptions	2,430	–	–	–	(176)	–	2,254
	(260)	–	–	–	411	–	151
Net insurance finance income/(expenses)	(51,498)	(480,392)	(94,206)	–	(24,117)	–	(650,213)

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15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2024 (continued)							
Summary of the amounts recognised in profit or loss							
- Net investment income - underlying assets	446,822	904,221	140,650	2,281	–	–	1,493,974
- Net investment income - other investments	–	–	–	9,967	73,415	284,115	367,497
- Net investment income - other	24,707	2,361	61	4,105	33,726	70,961	135,921
- Finance expenses from insurance contracts issued	(89,739)	(637,622)	(94,206)	–	(24,528)	–	(846,095)
- Finance income/(expenses) from reinsurance contracts held	(358)	–	–	–	411	–	53
	381,432	268,960	46,505	16,353	83,024	355,076	1,151,350
Summary of the amounts recognised in OCI							
- Net investment income - underlying assets	17,853	(4,436)	–	–	–	–	13,417
- Net investment income - other investments	–	–	–	245	4,014	9,732	13,991
- Finance income from insurance contracts issued	38,501	157,230	–	–	–	–	195,731
- Finance income from reinsurance contracts held	98	–	–	–	–	–	98
	56,452	152,794	–	245	4,014	9,732	223,237
Summary of the amounts recognised							
- Insurance service result	106,190	24,429	147,624	204,038	403,562	–	885,843
- Net investment income	489,382	902,146	140,711	16,598	111,155	364,808	2,024,800
- Finance expenses from insurance contracts issued	(51,238)	(480,392)	(94,206)	–	(24,528)	–	(650,364)
- Finance income/(expenses) from reinsurance contracts held	(260)	–	–	–	411	–	151
Net insurance and investment result	544,074	446,183	194,129	220,636	490,600	364,808	2,260,430
For the year ended 31 December 2023							
Net investment income/(expenses) - underlying assets							
- Investment income	330,747	649,386	127,080	1,589	–	–	1,108,802
- Net realised losses on financial assets	(9,540)	(11,788)	(702)	(14)	–	–	(22,044)
- Net impairment losses on financial assets	(10,137)	(11,283)	–	(84)	–	–	(21,504)
- Net fair value gains (includes net gain on reclassification of financial assets)	133,702	370,399	6,662	388	–	–	511,151
- Other income	4,212	23,652	1,263	327	–	–	29,454
	448,984	1,020,366	134,303	2,206	–	–	1,605,859
Net investment income/(expenses) - other investments							
- Investment income	–	–	–	7,585	63,685	178,559	249,829
- Net realised gains on financial assets	–	–	–	–	2,055	10,542	12,597
- Net impairment gains/(losses) on financial assets	–	–	–	(299)	(215)	10,226	9,712
- Net realised gains on other assets	–	–	–	–	–	12,902	12,902
- Net fair value gains/(losses)	–	–	–	(106)	(9,735)	1,460	(8,381)
- Other income/(loss)	–	–	–	95	(9,603)	2,205	(7,303)
	–	–	–	7,275	46,187	215,894	269,356

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15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2023 (continued)							
Net investment income/(expenses) – other							
- Fee income	22,033	1,556	222	3,576	33,948	23,395	84,730
- Other income	25	2	–	817	11,826	112,209	124,879
- Net loss on third party interests in mutual funds	–	–	–	–	–	(40,111)	(40,111)
- Investment contract benefits	–	–	–	–	–	(64,869)	(64,869)
- Net fair value adjustments to properties	2,875	–	–	–	(413)	27,335	29,797
	24,933	1,558	222	4,393	45,361	57,959	134,426
Total net investment income	473,917	1,021,924	134,525	13,874	91,548	273,853	2,009,641
Finance income/(expenses) from insurance contracts issued							
- Changes in fair value of underlying assets of contracts measured under the VFA	–	(315,161)	(121,611)	–	–	–	(436,772)
- Interest accreted	(93,790)	(319,045)	–	–	(28,767)	–	(441,602)
- Effect of changes in interest rates and other financial assumptions	115,693	275,231	–	–	(668)	–	390,256
- Effect of changes in FCF at current rates from when CSM is unlocked at locked-in rates	–	–	–	–	–	–	–
- Foreign exchange differences	(23)	–	–	–	–	–	(23)
	21,880	(358,975)	(121,611)	–	(29,435)	–	(488,141)
Finance income/(expenses) from reinsurance							
- Interest accreted	(2,780)	–	–	–	2,039	–	(741)
- Effect of changes in interest rates and other financial assumptions	230	–	–	–	(28)	–	202
	(2,550)	–	–	–	2,011	–	(539)
Net insurance finance expenses	19,330	(358,975)	(121,611)	–	(27,424)	–	(488,680)
Summary of the amounts recognised in profit or loss							
- Net investment income - underlying assets	421,235	937,695	134,303	2,206	–	–	1,495,439
- Net investment income - other investments	–	–	–	7,381	48,485	228,606	284,472
- Net investment income - other	24,933	1,558	222	4,393	45,361	57,959	134,426
- Finance expenses from insurance contracts issued	(90,278)	(545,727)	(121,611)	–	(29,435)	–	(787,051)
- Finance income/(expenses) from reinsurance contracts held	(2,806)	–	–	–	2,011	–	(795)
	353,084	393,526	12,914	13,980	66,422	286,565	1,126,491
Summary of the amounts recognised in OCI							
- Net investment income - underlying assets	27,749	82,671	–	–	–	–	110,420
- Net investment income - other investments	–	–	–	(106)	(2,298)	(12,712)	(15,116)
- Finance income from insurance contracts issued	112,158	186,752	–	–	–	–	298,910
- Finance income from reinsurance contracts held	256	–	–	–	–	–	256
	140,163	269,423	–	(106)	(2,298)	(12,712)	394,470

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15. Insurance contracts (continued)

15.11 Investment income and insurance finance expenses (continued)

	Traditional life and interest sensitive without guarantees $'000	Annuities $'000	Unit linked life and interest sensitive with guarantees $'000	Short-term group life and health contracts $'000	Property and casualty $'000	Other $'000	Total $'000
For the year ended 31 December 2023 (continued)							
Summary of the amounts recognised							
- Insurance service result	244,752	29,319	(46,239)	70,091	353,447	–	651,370
- Net investment income	473,917	1,021,924	134,525	13,874	91,548	273,853	2,009,641
- Finance income/(expenses) from insurance contracts issued	21,880	(358,975)	(121,611)	–	(29,435)	–	(488,141)
- Finance income/(expenses) from reinsurance contracts held	(2,550)	–	–	–	2,011	–	(539)
Net insurance and investment result	737,999	692,268	(33,325)	83,965	417,571	273,853	2,172,331

15.12 Claims development tables – short-term insurance contracts (non-life)

The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. Claims development tables are disclosed on an accident year basis (where the reference is to the actual date of the event that caused the claim), with the exception of international property and casualty claims, which are disclosed by underwriting year account.

	Total $'000
Insurance claims – gross	
- By accident year	891,593
- By underwriting year	172,155
Total liability	1,063,748
Insurance claims – net	
- By accident year	345,167
- By underwriting year	49,215
Total liability	394,382

The Group provides information on the gross and net claims development for the current reporting period and seven years prior to it. The Group considers that there is no significant uncertainty with regard to claims that were incurred more than eight years before the reporting period.

The top half of each table below illustrates how the Group's estimate of total claims outstanding for each accident year/underwriting year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount appearing on the consolidated statement of financial position as per summary below.

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15. Insurance contracts (continued)

15.12 Claims development tables – short-term insurance contracts (non-life) (continued)

Insurance claims – gross

Accident year	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of accident year	2,829,673	1,248,171	1,980,126	1,248,038	1,344,437	1,420,969	1,683,686	1,699,387	
- one year later	2,447,290	1,102,224	1,731,635	1,183,559	1,211,525	1,390,169	1,550,718		
- two years later	2,432,935	1,099,026	1,744,193	1,172,168	1,223,090	1,386,072			
- three years later	2,429,639	1,103,160	1,748,704	1,168,788	1,228,407				
- four years later	2,437,551	1,092,445	1,740,513	1,166,109					
- five years later	2,433,088	1,091,929	1,731,355						
- six years later	2,429,689	1,101,240							
- seven years later	2,435,594								
Cumulative gross claims	2,435,594	1,101,240	1,731,355	1,166,109	1,228,407	1,386,072	1,550,718	1,699,387	12,298,882
Cumulative payments to date	(2,413,493)	(1,082,994)	(1,698,744)	(1,140,388)	(1,186,730)	(1,308,925)	(1,429,001)	(1,177,145)	(11,437,420)
Gross cumulative claims liabilities - 2017 to 2024	22,101	18,246	32,611	25,721	41,677	77,147	121,717	522,242	861,462
Liability in respect of prior years									33,818
Effect of discounting									(61,312)
Effect of the risk adjustment margin for non-financial risk									57,625
Gross LIC for contracts originated									891,593

Insurance claims – gross

Underwriting year	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of underwriting year	22,037	16,909	8,994	18,704	101,818	–	–	–	
- one year later	26,963	19,183	14,210	24,628	119,375	–	–		
- two years later	25,944	18,002	13,171	21,565	120,812	–			
- three years later	25,478	17,712	12,118	19,993	118,322				
- four years later	25,127	17,658	10,992	19,993					
- five years later	24,776	17,584	11,025						
- six years later	24,189	17,489							
- seven years later	24,621								
Cumulative gross claims	24,621	17,489	11,025	19,993	118,322	–	–	–	191,450
Cumulative payments to date	(24,655)	(17,510)	(11,072)	(23,427)	(89,362)	–	–	–	(166,026)
Gross cumulative claims liabilities - 2017 to 2024	(34)	(21)	(47)	(3,434)	28,960	–	–	–	25,424
Liability in respect of prior years									133,713
Effect of discounting									(4,745)
Effect of the risk adjustment margin for non-financial risk									17,763
Gross LIC for contracts originated									172,155

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15. Insurance contracts (continued)

15.12 Claims development tables – short-term insurance contracts (non-life) (continued)

Insurance claims – net

Accident year	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	Total $'000
Estimate of ultimate claims costs									
:- at end of accident year	1,518,658	954,862	1,193,449	872,068	898,988	1,098,652	1,200,795	1,154,915	
- one year later	1,451,790	878,461	1,233,343	845,811	859,728	1,022,343	1,149,079		
- two years later	1,443,029	872,546	1,229,439	837,892	868,832	1,021,293			
- three years later	1,437,074	869,213	1,217,925	837,264	862,321				
- four years later	1,442,128	863,638	1,210,710	839,500					
- five years later	1,438,906	860,563	1,207,851						
- six years later	1,430,112	868,782							
- seven years later	1,443,084								
Cumulative gross claims	1,443,084	868,782	1,207,851	839,500	862,321	1,021,293	1,149,079	1,154,915	8,546,825
Cumulative payments to date	(1,432,293)	(856,621)	(1,195,807)	(827,608)	(845,799)	(990,015)	(1,096,925)	(982,212)	(8,227,280)
Gross cumulative claims liabilities – 2017 to 2024	10,791	12,161	12,044	11,892	16,522	31,278	52,154	172,703	319,545
Liability in respect of prior years									30,318
Effect of discounting									(33,510)
Effect of the risk adjustment margin for non-financial risk									28,814
Gross LIC for contracts originated									345,167

Insurance claims – net

Underwriting year	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000	2024 $'000	Total $'000
Estimate of ultimate claims costs:									
- at end of underwriting year	22,037	16,909	8,994	18,704	101,818	–	–	–	
- one year later	26,963	19,183	14,210	24,628	119,375	–	–		
- two years later	25,944	18,002	13,171	21,565	120,812	–			
- three years later	25,478	17,712	12,118	19,993	118,322				
- four years later	25,127	17,658	10,992	19,993					
- five years later	24,776	17,584	11,025						
- six years later	24,189	17,489							
- seven years later	24,621								
Cumulative gross claims	24,621	17,489	11,025	19,993	118,322	–	–	–	191,450
Cumulative payments to date	(24,655)	(17,510)	(11,072)	(23,427)	(89,410)	–	–	–	(166,074)
Gross cumulative claims liabilities – 2017 to 2024	(34)	(21)	(47)	(3,434)	28,912	–	–	–	25,376
Liability in respect of prior years									18,076
Effect of discounting									(1,552)
Effect of the risk adjustment margin for non-financial risk									7,315
Gross LIC for contracts originated									49,215

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16. Cash and cash equivalents

	2024 $'000	2023 $'000
Cash and cash equivalents	3,805,190	2,853,887
Cash and cash equivalents of mutual fund unit holders	241,748	102,078
	4,046,938	2,955,965
Cash at bank and in hand	2,613,741	2,390,345
Short-term deposits (90 days or less)	1,444,708	581,434
Cash and cash equivalents	4,058,449	2,971,779
Loss allowance	(11,511)	(15,814)
Net cash and cash equivalents	4,046,938	2,955,965
At beginning of year	2,955,965	3,609,114
Net impairment gain/(loss)	663	(4,085)
Transfer to assets held for sale (Note 17)	(116,986)	–
Exchange rate adjustments	7,904	(12,355)
	2,847,546	3,592,674
At end of year	4,046,938	2,955,965
Net decrease in cash used in cash flow	1,199,392	(636,709)

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Cash and cash equivalents include deposits pledged with regulatory authorities in countries in which the Group is authorised to conduct business, as security for its policyholders. These deposits are subject to regulatory restrictions and are therefore not available for general use by the Group. Cash and cash equivalents pledged as at 31 December 2024 was $31,512,000 (2023: $29,680,000).

No cash and cash equivalents are pledged as collateral for financial liabilities.

17. Disposal group held for sale

During 2024, the Group through its subsidiary Fatum Holding N.V., commenced a closed process to sell Thoma Exploitatie B.V. and its subsidiary companies (collectively, the Thoma Group), which forms a part of the Group's Insurance Brokerage Business segment. On 19 November 2024, the Group signed a Share Purchase Agreement that divest 100% of the shares of the Thoma Group. In accordance with the requirements of IFRS 5, the Group classified the Thoma Group as "Held for Sale".

The net results of the Thoma Group have been consolidated into one line in the consolidated statement of income as Profit from discontinued operations after taxation, and the results of 2023 have been similarly re-presented to include a one line comparative result. The results are presented below:

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17. Disposal group held for sale (continued)

	2024 $'000	2023 $'000
Revenue	106,105	97,017
Expenses	(86,400)	(82,573)
Profit before taxation of disposal group	19,705	14,444
Taxation expense on the ordinary activities of the disposal group	(11,325)	(8,373)
Profit from discontinued operations after taxation – attributable to owners of the company	8,380	6,071
The net cash flows attributable to the disposal group are as follows:		
Cash inflows from operating activities	9,634	28,646
Cash outflows from investing activities	(1,296)	(494)
Cash outflows from financing activities	(2,618)	(2,423)
	5,720	25,729

The major classes of assets and liabilities classified as held for sale are as follows:

	2024 $'000
Assets held for sale	
Property, plant and equipment	3,026
Intangible assets (Note 8)	130,613
Cash and cash equivalents (Note 16)	116,986
Loans and receivables	1,719
Other assets	9,661
	262,005
Liabilities directly associated with assets held for sale	
Lease liabilities (Note 6)	11,376
Other liabilities	35,848
	47,224
Net assets directly associated with disposal group held for sale	214,781

Subsequent event

On 24th January 2025, the Group successfully closed the sale of Thoma Group. The gain on sale of this transaction will be recognised in the Group's 2025 financial statements.

18. Share capital

	2024 $'000	2023 $'000
Authorised		
An unlimited number of ordinary shares of no par value		
An unlimited number of preferred shares of no par value		
Issued and fully paid		
232,024,923 ordinary shares of no par value (2023: 232,024,923 ordinary shares)	1,970,090	1,970,043

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18. Share capital (continued)

	Number of shares (thousands)	Share capital $'000	Total $'000
Balance at 1 January 2024	232,021	1,970,043	1,970,043
Movement in unallocated shares	2	47	47
Balance at 31 December 2024	232,023	1,970,090	1,970,090
Balance at 1 January 2023	232,021	1,970,043	1,970,043
Movement in unallocated shares	–	–	–
Balance at 31 December 2023	232,021	1,970,043	1,970,043

The number of shares in the table above is net of unallocated shares, which are units acquired by the Group's Employee Share Ownership Plan that are held in trust for future distribution to employees.

19. Reserves

	Fair value reserve $'000	Property revaluation reserve $'000	Statutory reserve $'000	Translation reserve $'000	Insurance finance reserve $'000	Total $'000
Balance at 1 January 2024	(244,795)	257,460	24,984	(1,197,551)	640,024	(519,878)
Other comprehensive income/(loss)	24,558	6,672	–	(55,264)	190,412	166,378
Transfer to/from retained earnings	–	–	464	(9,818)	–	(9,354)
Balance at 31 December 2024	(220,237)	264,132	25,448	(1,262,633)	830,436	(362,854)
Balance at 1 January 2023	(340,942)	260,988	22,974	(1,159,305)	382,220	(834,065)
Other comprehensive income/(loss)	96,147	(3,528)	–	(38,246)	257,804	312,177
Transfer to/from retained earnings	–	–	2,010	–	–	2,010
Balance at 31 December 2023	(244,795)	257,460	24,984	(1,197,551)	640,024	(519,878)

20. Non-controlling interest in subsidiary

	2024 $'000	2023 $'000
Non-controlling interest in subsidiary	13,238	11,930

At the end of the year, the non-controlling interest balance represents a 32.3% shareholding in Vanguard Risk Solutions Limited.

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21. Financial liabilities

	2024 $'000	2023 $'000
Non-current portion of financial liabilities		
Medium-term borrowings	3,347,979	3,030,487
Repurchase agreements	14,750	17,899
Total non-current portion of borrowings and repurchase agreements (Note 21.1)	3,362,729	3,048,386
Current portion of financial liabilities		
Medium-term borrowings	67,263	53,491
Short-term borrowings	–	5,482
Repurchase agreements	221,106	153,983
Total current portion of borrowings and repurchase agreements (Note 21.1)	288,369	212,956
Interest payable	10,152	8,641
	298,521	221,597
Total	3,661,250	3,269,983

The fair value of medium-term borrowings amounted to $3,506,828,000 (2023: $3,216,653,000). The fair value of medium-term borrowings is determined by applying a discounted cash flow model for the remaining term to maturity using a current yield curve for a similar debt instrument. For short-term debt, the carrying amounts approximate their fair value.

The repurchase agreements represent the normal activities of the asset management operations. The carrying amount of the repurchase agreements approximate their fair value.

The Group has not made any defaults of principal, interest or other breaches with respect to their borrowings during the year (2023 – Nil).

21.1 Borrowings and repurchase agreements

	2024 $'000	2023 $'000
Company	3,163,038	2,825,295
Subsidiaries	488,060	436,047
	3,651,098	3,261,342
Current	288,369	212,956
Non-current	3,362,729	3,048,386
	3,651,098	3,261,342
The movements in borrowings and repurchase agreements are summarized below:		
Balance at beginning of year	3,261,342	3,294,373
Proceeds from borrowings and repurchase agreements	552,231	366,575
Repayment of borrowings and repurchase agreements	(164,215)	(391,546)
Transaction costs on new borrowings capitalised	(2,515)	(972)
Amortisation of transaction costs, premium and discounts during the year	3,895	3,447
Exchange rate adjustments	360	(10,535)
Balance at end of year	3,651,098	3,261,342

Details of major borrowings outstanding as at 31 December 2024 are as follows:

Company
Facility 1 – $1.02 billion
This is a secured fixed rate 5-year bond ending in December 2025. Interest is charged at 5% per annum and is paid semi-annually. The principal is payable at maturity.

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21. Financial liabilities (continued)

21.1 Borrowings and repurchase agreements (continued)

Facility 2 – $880 million
This is a secured fixed rate 6-year bond ending in December 2027. Interest is charged at 5% per annum and is paid semi-annually. The principal is payable at maturity.

Facility 3 – $680.5 million
This is a secured fixed rate 6-year loan ending in December 2028. The loan was drawn in tranches with $583,675,906 drawn in December 2022 and the remaining $96,824,094 drawn in January 2023. Interest is charged at 4.83% per annum and is paid semi-annually. Principal and interest was repaid via first payment on 21 June 2023 of TT$47,027,285, then 10 semi-annual payments of $47,500,000 commencing December 2023, with a balloon payment of $301,481,685 paid at maturity.

Facility 4 – $400.163 million
This is a secured fixed rate 5-year loan ending in June 2029. The loan was drawn in two Tranches, Tranche A of $382,000,000 and Tranche B of $18,163,000. Tranche A interest is charged at 5.35% and Tranche B interest is charged at 5.20% per annum and is paid semi-annually. The principal is payable at maturity.

Facility 5 – J$13.4 billion
This is an unsecured fixed rate bond comprising of five series where interest is payable quarterly and principal is payable at maturity. Series A interest is charged at 5.75% and was repaid in September 2022, Series B interest is charged at 6.50% ending in September 2025, Series C interest is charged at 6.75% ending in September 2026, Series D interest is charged at 7.0% ending in September 2027 and Series E interest is charged at 8.75% ending in September 2030.

Facilities 1, 2, 3 and 4 are secured by a debenture creating a charge over the fixed and floating assets of Guardian Holdings Limited.

Subsidiary
Loan 1 – US$40 million
This is an unsecured fixed rate 5-year loan ending in June 2026. Interest is charged at 3.75% and is payable semi-annually. The principal is payable at maturity. Several of the Group's subsidiaries are guarantors on this loan.

22. Investment contract liabilities

	2024 $'000	2023 $'000
The movements in the liabilities arising from investment contracts are summarised below:		
Balance at beginning of year	2,023,612	2,021,560
Contributions received	200,716	169,726
Benefits paid	(183,940)	(203,347)
Investment return from underlying assets	71,412	64,869
Asset management fees charged	(4,673)	(4,056)
Other movements	(470)	(8,660)
Exchange rate adjustments	1,118	(16,480)
Balance at end of year	2,107,775	2,023,612

Investment contract liabilities carry floating rates of interest and therefore the carrying amounts approximate their fair values.

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23. Third party interests in mutual funds

	2024 $'000	2023 $'000
Balance at beginning of year	1,686,258	1,563,727
Share of net income	24,190	40,111
Unrealised losses	(35,044)	(6,752)
Net change in mutual fund holder balances	(69,620)	114,283
Distributions	(26,099)	(25,111)
Balance at end of year	1,579,685	1,686,258

24. Post-retirement medical benefit obligations

	2024 $'000	2023 $'000
The amounts recognised in the consolidated statement of financial position are as follows:		
Present value of obligations	124,582	122,876
The amount in the consolidated statement of income is made up as follows:		
Interest cost	7,271	5,309
Current service cost	2,541	2,122
Cost for the year (Note 32)	9,812	7,431
The movement in the liability is as follows:		
Balance at beginning of year	122,876	106,438
Remeasurement of obligation (actuarial (gains)/losses)	(2,607)	15,282
Employer contributions	(5,828)	(5,983)
Expense as per above	9,812	7,431
Exchange rate adjustments	329	(292)
Balance at end of year	124,582	122,876

	2024	2023
The principal actuarial assumptions used were as follows:		
Discount rate	5.6% - 8.5%	4.9% - 9.0%
Healthcare cost escalation	3.9% - 8.5%	3.7% - 9.0%
Retiree premium escalation:		
Existing retirees	0.0% - 6.3%	0.0% - 6.3%
Future retirees	0.0% - 6.3%	0.0% - 6.3%
Pre-retirement mortality	NISTT2012	NISTT2012
Post-retirement mortality	GAM94	GAM94

A quantitative sensitivity analysis for significant assumptions as at 31 December 2024 is shown below:

	Impact on the obligation Increase $'000	Decrease $'000
1% increase/decrease in discount rate	(15,021)	18,776
1% increase/decrease in medical cost trend rate	18,849	(15,327)

Total expected contributions to post-employment benefit plans for the year ending 31 December 2025 is $6,008,000.

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25. Other liabilities

	2024 $'000	2023 Restated* $'000
Fronting contracts and insurance brokerage related payables	262,724	270,927
Accrued expenses	270,443	237,676
Deposits and premiums received in advance	6,280	6,142
Accounts payable	424,437	410,948
	963,884	925,693
Current	950,411	911,743
Non-current	13,473	13,950
	963,884	925,693

*Restated - see Note 45 for further information.

The carrying amounts of other liabilities approximate their fair value.

26. Investment income

	2024 $'000	2023 $'000
Interest income from:		
- Fair value through other comprehensive income investment securities	299,926	313,695
- Amortised cost investment securities	391,327	387,462
- Loans and receivables	94,842	73,701
- Cash and cash equivalents	44,940	16,753
	831,035	791,611
Interest income from fair value through profit or loss debt securities	533,316	504,923
Dividend income from fair value through profit or loss equity securities	100,524	92,590
Investment expenses	(35,798)	(30,493)
	598,042	567,020
Total investment income	1,429,077	1,358,631

27. Net realised gains/(losses)

	2024 $'000	2023 $'000
Investment securities measured at fair value through profit or loss	26,406	(17,950)
Investment securities measured at fair value through other comprehensive income	17,611	8,314
Investment securities measured at amortised cost	–	189
Gain on disposal of properties	7,685	12,902
	51,702	3,455

28. Net fair value gains/(losses)

	2024 $'000	2023 $'000
Net fair value gains on:		
- Investment securities measured at fair value through profit or loss	314,570	176,045
- Derivative financial instrument	22,431	14,223
Net loss on third party interests in mutual funds	(24,190)	(40,111)
Fair value adjustment on investment properties, other than Pointe Simon (Note 7)	30,882	76,112
Fair value adjustment on Pointe Simon (Note 7)	1,890	(16,736)
	345,583	209,533

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29. Fee income

	2024 $'000	2023 $'000
Policy administration and asset management services:		
– Investment contracts without a discretionary participation feature	35,588	31,916
Fronting contracts fee income	27,025	33,948
Other	20,493	18,866
	83,106	84,730

30. Other income

	2024 $'000	2023 $'000
Rental income	95,659	81,820
Foreign exchange gains	5,017	36,146
Other income	105,562	29,064
	206,238	147,030

31. Net impairment (losses)/gains on financial assets

	2024 $'000	2023 $'000
Investment securities measured at fair value through other comprehensive income	1,744	14,023
Investment securities measured at amortised cost	5,218	(304)
Loans and receivables	(54,512)	(7,414)
Cash and cash equivalents	648	(4,074)
	(46,902)	2,231

32. Other operating expenses

	2024 $'000	2023 $'000
Staff cost	802,226	738,525
Depreciation and amortisation	81,073	82,953
Auditors' remuneration	26,778	29,007
Directors' fees	11,812	13,414
Impairment of intangible asset (Note 8)	-	18,084
Impairment of associated company (Note 9)	-	8,641
Other expenses	679,900	652,612
	1,601,789	1,543,236
Represented by:		
Insurance service expenses		
Amounts attributed to insurance acquisition cash flows incurred during the year	319,578	299,336
Other directly attributable expenses	445,802	425,558
	765,380	724,894
Other operating expenses	836,409	818,342
	1,601,789	1,543,236

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32. Other operating expenses (continued)

	2024 $'000	2023 $'000
Staff cost includes:		
Wages, salaries and bonuses	588,853	521,865
Health and medical	17,424	18,826
Staff training	8,604	5,655
National insurance	51,217	48,333
Pension costs - defined contribution plans	21,769	21,974
Pension costs - defined benefit plans (Note 13)	20,225	26,738
Post-retirement medical benefit obligations (Note 24)	9,812	7,431
Termination benefits	17,967	7,990
Other	66,355	79,713
	802,226	738,525

Expenses attributed to insurance acquisition cash flows and other directly attributable expenses comprise expenses incurred by the Group in the reporting period that relate directly to the fulfilment of contracts issued within IFRS 17's scope and reinsurance contracts held. These expenses are recognised in the consolidated statement of income or loss based on IFRS 17 measurement requirements. Refer to Note 2.15(f) and Note 15.2.1.

33. Other finance charges

	2024 $'000	2023 $'000
Interest on borrowings and repurchase agreements	187,035	172,885
Interest on leasing arrangements (Note 6)	2,952	3,156
	189,987	176,041

34. Taxation

	2024 $'000	2023 $'000
Current tax	204,550	134,870
Business levy	625	3,017
Prior year taxation adjustment	(196)	(1,302)
Deferred tax (Note 14)	46,016	76,454
	250,995	213,039

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34. Taxation (continued)

The tax on the profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the company as follows:

	2024 $'000	2023 $'000
Profit before taxation	1,099,452	857,576
Prima facie tax calculated at domestic corporation tax rate of 30%	329,836	257,273
Effect of different tax rate of life insurance companies	(31,133)	(25,612)
Effect of different tax rate in other countries	(59,028)	(41,709)
Income not subject to tax	(424,982)	(456,645)
Expenses not deductible for tax purposes	344,509	411,790
Net adjustment to recognised and unrecognised tax losses	(741)	(726)
Tax reliefs and deductions	(13,146)	(16,006)
Business levy	625	3,017
Prior year taxation adjustment	(196)	(1,302)
Tax on dividend	9,000	17,237
Tax losses not recognised	66,063	33,474
Other	30,188	32,248
Tax charge for the year	250,995	213,039

Pillar Two

The Group has a subsidiary in Bermuda where corporation income tax legislation was enacted that does not fall within the definition of Pillar Two legislation. The Group also has a subsidiary in the Netherlands where Pillar Two legislation was enacted. Neither of these implementations resulted in additional current taxes arising in either territory for the financial year ended 31 December 2024. Further, there is no expectation that the Pillar Two legislation enacted in the Netherlands will result in additional taxes that are material for the Group in the foreseeable future.

35. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the consolidated statement of financial position date.

	2024 $'000	2023 $'000
Net profit attributable to ordinary shareholders	850,146	645,430
Net profit attributable to ordinary shareholders from continuing operations	841,766	639,359
Net profit attributable to ordinary shareholders from discontinued operations	8,380	6,071
	Number of shares ('000)	
Weighted average number of ordinary shares in issue (thousands)	232,022	232,021
	$	$
Basic and diluted earnings per ordinary share	3.66	2.78
Basic and diluted earnings per ordinary share from continuing operations	3.63	2.76
Basic and diluted earnings per ordinary share from discontinued operations	0.03	0.02

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36. Dividends

	2024 $'000	2023 $'000
Final dividend for 2023 - 53¢ per share (2022 - 52¢ per share)	122,971	120,651
Interim dividend for 2024 - 23¢ per share (2023 - 22¢ per share)	53,366	51,045
	176,337	171,696

On 7 April 2025, the Board of Directors declared a final dividend of 57 cents per share (2023 - 53 cents), a total dividend to be paid of $132 million (2023: $123 million). These consolidated financial statements do not reflect the final dividend which will be accounted for as an appropriation of retained earnings in the year ending 31 December 2025.

37. Adjustment for non-cash items in operating profit

	2024 $'000	2023 $'000
Share of profit from associated companies (Note 9)	(30,872)	(15,259)
Gain on reclassification of financial assets measured at amortised cost to fair value through profit or loss	–	(231,169)
Loss on reclassification of financial assets measured at fair value through other comprehensive income to fair value through profit or loss	–	57,577
Net fair value gains on financial assets (Note 28)	(337,001)	(190,268)
Third party share of net income of mutual funds (Note 23)	24,190	40,111
Net realised (gains)/losses on financial assets	(44,017)	9,447
Impairment losses/(gains) on financial assets	46,902	(2,197)
Net loss for the year on post-employment benefits	30,037	34,169
Depreciation and amortisation	91,231	94,484
Gain on disposal of property, plant & equipment	(17,935)	(387)
Change in fair value of investment properties, other than Pointe Simon (Note 7)	(30,882)	(76,112)
Change in fair value adjustment on Pointe Simon (Note 7)	(1,890)	16,736
Impairment of intangible asset (Note 8)	–	18,084
Impairment of associated company (Note 9)	–	8,641
Gain on disposal of properties	(7,685)	(12,902)
Foreign exchange gains	(33,815)	(15,736)
Other non-cash expense/(income)	368	(2,540)
	(311,369)	(267,321)

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38. Fair value measurement

The following table provides the fair value measurement of the Group's assets and liabilities that are disclosed at fair value in the statement of financial position.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
At 31 December 2024				
Assets measured at fair value:				
Freehold properties	–	–	507,267	507,267
Investment properties	–	–	1,559,542	1,559,542
Investment securities at fair value through profit or loss:				
Equity securities	3,754,172	56,944	405,864	4,216,980
Government securities	370,756	6,538,893	–	6,909,649
Debentures & corporate bonds	92,710	875,884	–	968,594
Deposits (more than 90 days)	–	89,234	–	89,234
Derivative financial instrument	–	66,362	–	66,362
Other	895	63,759	7,285	71,939
Investment securities at fair value through other comprehensive income:				
Government securities	527,890	1,991,298	100,167	2,619,355
Debentures & corporate bonds	256,955	2,455,119	–	2,712,074
Deposits (more than 90 days)	24,317	105,191	–	129,508
	5,027,695	12,242,684	2,580,125	19,850,504
At 31 December 2023				
Assets measured at fair value:				
Freehold properties	–	–	503,947	503,947
Investment properties	–	–	1,554,950	1,554,950
Investment securities at fair value through profit or loss:				
Equity securities	3,272,979	59,606	330,257	3,662,842
Government securities	432,635	6,390,456	–	6,823,091
Debentures & corporate bonds	117,298	865,513	–	982,811
Deposits (more than 90 days)	–	16,199	–	16,199
Derivative financial instrument	–	43,931	–	43,931
Other	804	79,048	7,129	86,981
Investment securities at fair value through other comprehensive income:				
Government securities	397,395	2,140,139	102,401	2,639,935
Debentures & corporate bonds	262,790	2,535,323	–	2,798,113
Deposits (more than 90 days)	21,835	100,474	–	122,309
	4,505,736	12,230,689	2,498,684	19,235,109

There were no transfers between level 1 and level 2 during the period.

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38. Fair value measurement (continued)

Reconciliation of movements in level 3 assets measured at fair value

The following table shows a reconciliation of the opening and closing recorded amount of Level 3 assets and which are recorded at fair value.

			Investment securities			
	Freehold properties $'000	Investment properties $'000	Equity securities $'000	Government securities $'000	Other $'000	Total $'000
At 31 December 2024						
Balance at beginning of year	503,947	1,554,950	330,257	102,401	7,129	2,498,684
Total gains or losses:						
in profit or loss	(9,802)	33,064	31,075	–	152	54,489
in other comprehensive income	7,205	–	–	(2,728)	–	4,477
Purchases	2,676	4,473	58,380	–	–	65,529
Sales	(34)	(7,739)	(8,132)	–	–	(15,905)
Other movements	1,453	(415)	–	–	–	1,038
Transfers out of level 3	–	–	–	(78)	–	(78)
Exchange rate adjustment	1,822	(24,791)	(5,716)	572	4	(28,109)
Balance at end of year	507,267	1,559,542	405,864	100,167	7,285	2,580,125
At 31 December 2023						
Balance at beginning of year	523,525	1,590,437	311,159	98,107	7,215	2,530,443
Total gains or losses:						
in profit or loss	(10,481)	67,254	5,907	–	(70)	62,610
in other comprehensive income	(5,746)	–	–	867	–	(4,879)
Purchases	2,736	6,378	18,442	–	–	27,556
Sales	–	(22,473)	(6,123)	–	–	(28,596)
Other movements	–	(87,345)	–	3,862	–	(83,483)
Transfers out of level 3	–	–	(1,546)	–	–	(1,546)
Exchange rate adjustment	(6,087)	699	2,418	(435)	(16)	(3,421)
Balance at end of year	503,947	1,554,950	330,257	102,401	7,129	2,498,684

Total gains or losses (realised and unrealised) for the year in the above table are presented in the consolidated statement of income and other comprehensive income as follows:

	2024 $'000	2023 $'000
Total gains or losses recognised in consolidated statement of income		
Insurance service expenses	(5,737)	(7,817)
Net realised (losses)/gains	(781)	4,222
Net fair value gains	65,073	68,869
Other operating expenses	(4,066)	(2,664)
	54,489	62,610
Total gains or losses recognised in consolidated statement of comprehensive income		
Net fair value (losses)/gains on debt securities at fair value through other comprehensive income	(2,728)	867
Gains/(losses) on property revaluation	7,205	(5,746)
	4,477	(4,879)

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38. Fair value measurement (continued)

Total unrealised gains/(losses) for the period included in consolidated statement of income for assets and liabilities held at end of year:

	2024 $'000	2023 $'000
Assets measured at fair value:		
Investment properties	33,845	63,032
Investment securities:		
Equity securities	31,075	5,907
Other	152	(70)
	65,072	68,869

For properties classified as level 3, an increase/decrease in the discount rates or capitalisation rates, will result in a decrease/increase in the property values.

The Group's equity securities classified as level 3 would increase/decrease in value by $20,278,000 (2023: $16,543,000) should there be a 5% increase/decrease in value.

The Series G Government of Barbados debt securities classified as level 3 were valued using a yield of 6.99% (2023: 6.99%). A 1% increase/decrease in this yield would result in a decrease/increase in the fair value of these assets of $15,377,000 and $18,732,000 respectively (2023: $15,517,000 and $18,998,000).

The following table provides the fair value measurement of the Group's assets and liabilities that are not measured at fair value in the consolidated statement of financial position but whose fair values are disclosed in the notes to the accounts.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total fair value $'000
At 31 December 2024				
Assets for which fair values are disclosed:				
Investment securities measured at amortised cost:				
Government securities	269,712	5,060,101	5,020	5,334,833
Debentures & corporate bonds	89,697	723,751	–	813,448
Deposits (more than 90 days)	–	1,271,205	7,150	1,278,355
	359,409	7,055,057	12,170	7,426,636
Liabilities for which fair values are disclosed:				
Medium-term borrowings	–	3,506,828	–	3,506,828
At 31 December 2023				
Assets for which fair values are disclosed:				
Investment securities measured at amortised cost:				
Government securities	386,181	4,971,704	6,288	5,364,173
Debentures & corporate bonds	91,146	725,502	–	816,648
Deposits (more than 90 days)	20,270	1,500,497	7,145	1,527,912
	497,597	7,197,703	13,433	7,708,733
Liabilities for which fair values are disclosed:				
Medium-term borrowings	–	3,216,653	–	3,216,653

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39. Segment information

The segment results for the year ended 31 December 2024 are as follows:

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
Insurance revenue	2,935,268	2,943,116	–	–	–	5,878,384
Insurance service expenses	(2,428,950)	(1,336,437)	–	–	79,136	(3,686,251)
Net expenses from reinsurance contracts held	(51,113)	(1,255,316)	–	–	139	(1,306,290)
Insurance service result	455,205	351,363	–	–	79,275	885,843
Investing activities						
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	720,555	71,483	1,220	74,219	(36,442)	831,035
Investment income from financial assets measured at fair value through profit or loss	586,119	3,790	–	12,146	(4,013)	598,042
Net realised gains/(losses)	34,597	40	–	17,927	(862)	51,702
Net fair value gains/(losses)	374,497	1,842	–	(13,399)	(17,357)	345,583
Fee income	45,303	27,025	–	15,806	(5,028)	83,106
Other income	129,984	12,966	556	7,098	55,634	206,238
Net impairment gains/(losses) on financial assets	(35,792)	(2,106)	1,509	(1,973)	(8,540)	(46,902)
Investment contract benefits	(71,412)	–	–	–	–	(71,412)
Net income/(loss) from investing activities	1,783,851	115,040	3,285	111,824	(16,608)	1,997,392
Finance expenses from insurance contracts issued	(821,568)	(24,527)	–	–	–	(846,095)
Finance income/(expenses) from reinsurance contracts held	(358)	411	–	–	–	53
Net insurance finance expenses	(821,926)	(24,116)	–	–	–	(846,042)
Net insurance and investment result	1,417,130	442,287	3,285	111,824	62,667	2,037,193
Fee and commission income from brokerage activities	–	–	114,405	–	(56,622)	57,783
Net income from all activities	1,417,130	442,287	117,690	111,824	6,045	2,094,976
Other operating expenses	(350,888)	(137,171)	(85,983)	(61,269)	(201,098)	(836,409)
Other finance charges	(5,017)	(2,535)	(403)	(6,775)	(175,257)	(189,987)
Operating profit/(loss)	1,061,225	302,581	31,304	43,780	(370,310)	1,068,580
Share of after tax profits of associated companies	–	20,909	–	–	9,963	30,872
Profit/(loss) before taxation	1,061,225	323,490	31,304	43,780	(360,347)	1,099,452
Taxation	(180,537)	(52,377)	(1,540)	(7,070)	(9,471)	(250,995)
Profit/(loss) from continuing operations after taxation	880,688	271,113	29,764	36,710	(369,818)	848,457
Profit/(loss) from discontinued operations after taxation	–	–	36,118	–	(27,738)	8,380
Profit/(loss) for the year	880,688	271,113	65,882	36,710	(397,556)	856,837
Depreciation and amortisation	38,350	11,659	17,084	2,073	22,065	91,231

Inter-segment revenues are eliminated upon consolidation and reflected in the other including consolidation adjustments column.

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39. Segment information (continued)

The segment results for the year ended 31 December 2023 Restated* are as follows:

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
Insurance revenue	2,695,526	2,742,882	–	–	–	5,438,408
Insurance service expenses	(2,553,791)	(1,249,487)	–	–	68,582	(3,734,696)
Net income/(expenses) from reinsurance contracts held	131,311	(1,183,792)	–	–	139	(1,052,342)
Insurance service result	273,046	309,603	–	–	68,721	651,370
Investing activities						
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	666,722	66,061	1,364	99,161	(41,697)	791,611
Investment income from financial assets measured at fair value through profit or loss	557,194	2,378	–	10,372	(2,924)	567,020
Net realised gains/(losses)	(13,364)	2,055	–	12,313	2,451	3,455
Gain on reclassification of financial assets measured at amortised cost to fair value through profit or loss	231,169	–	–	–	–	231,169
Loss on reclassification of financial assets measured at fair value through other comprehensive income to fair value through profit or loss	(57,577)	–	–	–	–	(57,577)
Net fair value gains/(losses)	266,463	(7,862)	–	(27,084)	(21,984)	209,533
Fee income	40,884	33,948	–	16,129	(6,231)	84,730
Other income	85,150	4,482	440	2,161	54,797	147,030
Net impairment gains/(losses) on financial assets	(10,451)	367	896	2,556	8,863	2,231
Investment contract benefits	(64,869)	–	–	–	–	(64,869)
Net income/(loss) from investing activities	1,701,321	101,429	2,700	115,608	(6,725)	1,914,333
Finance expenses from insurance contracts issued	(757,616)	(29,435)	–	–	–	(787,051)
Finance income/(expenses) from reinsurance contracts held	(2,807)	2,012	–	–	–	(795)
Net insurance finance expenses	(760,423)	(27,423)	–	–	–	(787,846)
Net insurance and investment result	1,213,944	383,609	2,700	115,608	61,996	1,777,857
Fee and commission income from brokerage activities	–	–	107,812	–	(48,969)	58,843
Net income from all activities	1,213,944	383,609	110,512	115,608	13,027	1,836,700
Other operating expenses	(359,410)	(134,562)	(110,186)	(61,642)	(152,542)	(818,342)
Other finance charges	(1,562)	(3,354)	(227)	(5,209)	(165,689)	(176,041)
Operating profit/(loss)	852,972	245,693	99	48,757	(305,204)	842,317
Share of after tax profits of associated companies	–	8,245	–	–	7,014	15,259
Profit/(loss) before taxation	852,972	253,938	99	48,757	(298,190)	857,576

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39. Segment information (continued)

The segment results for the year ended 31 December 2023 Restated* are as follows:

	Life, health and pension business $'000	Property and casualty business $'000	Insurance brokerage business $'000	Asset management $'000	Other including consolidation adjustments $'000	Total $'000
Taxation	(130,656)	(41,718)	1,643	(7,963)	(34,345)	(213,039)
Profit/(loss) from continuing operations after taxation	722,316	212,220	1,742	40,794	(332,535)	644,537
Profit/(loss) from discontinued operations after taxation	–	–	30,074	–	(24,003)	6,071
Profit/(loss) for the year	722,316	212,220	31,816	40,794	(356,538)	650,608
Depreciation and amortisation	38,269	12,091	23,281	2,271	18,572	94,484
Impairment of non-financial assets	–	–	18,084	–	8,641	26,725

The segment assets and liabilities are as follows:

Year ended 31 December 2024						
Assets						
Intangible assets	190,067	14,624	73,682	–	332,260	610,633
Investment in associated companies	–	137,760	–	–	188,444	326,204
Investment securities	22,359,503	1,409,507	34,619	2,017,026	(308,467)	25,512,188
Loans and receivables	1,898,666	225,635	80,192	29,281	116,283	2,350,057
Properties for development and sale	70,812	–	–	–	78,729	149,541
Reinsurance contract assets	116,242	678,879	–	–	–	795,121
Insurance contract assets	153,456	1,299	–	–	–	154,755
Other assets	5,500,562	1,348,558	350,492	488,402	(627,990)	7,060,024
Total assets	30,289,308	3,816,262	538,985	2,534,709	(220,741)	36,958,523
Liabilities						
Insurance contract liabilities	21,456,502	1,557,740	–	–	60,183	23,074,425
Reinsurance contract liabilities	19,673	120,624	–	–	–	140,297
Other liabilities	3,009,293	429,355	186,175	2,270,590	3,261,546	9,156,959
Total liabilities	24,485,468	2,107,719	186,175	2,270,590	3,321,729	32,371,681
Capital expenditure	30,926	4,032	3,887	6,788	55,825	101,458
Year ended 31 December 2023 Restated*						
Assets						
Intangible assets	193,464	16,931	171,569	–	304,421	686,385
Investment in associated companies	–	120,651	–	–	188,124	308,775
Investment securities	21,965,205	1,352,464	35,380	2,026,448	(289,682)	25,089,815
Loans and receivables	1,481,438	277,814	77,928	23,579	107,971	1,968,730
Properties for development and sale	82,896	–	–	–	84,527	167,423
Reinsurance contract assets	127,426	590,937	–	–	–	718,363
Insurance contract assets	83,278	19,725	–	–	–	103,003
Other assets	4,261,745	1,216,972	248,856	305,242	(301,320)	5,731,495
Total assets	28,195,452	3,595,494	533,733	2,355,269	94,041	34,773,989
Liabilities						
Insurance contract liabilities	20,696,674	1,541,628	–	–	40,717	22,279,019
Reinsurance contract liabilities	26,240	104,137	–	–	–	130,377
Other liabilities	2,800,478	440,978	195,749	2,100,136	3,050,441	8,587,782
Total liabilities	23,523,392	2,086,743	195,749	2,100,136	3,091,158	30,997,178
Capital expenditure	47,447	7,850	2,152	211	37,457	95,117

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39. Segment information (continued)

Capital expenditure consists of additions of property, plant and equipment, investment properties, intangible assets, investment in associated companies and properties for development and sale.

	Total revenue from external customers		Non current assets	
	2024	2023 Restated*	2024	2023
	$'000	$'000	$'000	$'000
Trinidad and Tobago	2,521,973	2,575,436	1,115,663	1,109,508
Jamaica	2,257,174	2,097,610	1,163,074	1,154,639
Barbados	204,084	121,512	44,313	41,092
Dutch Caribbean	1,501,979	1,316,055	301,771	310,006
Other countries	1,566,663	1,363,609	702,465	870,138
	8,051,873	7,474,222	3,327,286	3,485,383

*Restated - see Note 45 for further information.

The total revenue information above consists of insurance revenue, investment income, net realised gains/losses, net fair value gains/losses, fee income, commission income from brokerage activities and other income, from continuing operations. Revenue is based on locations of the customer and there are no transactions with a single customer that amount to more than 10% of total revenue.

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, investment properties, intangible assets, investment in associated companies and properties for development and sale.

40. Contingent liabilities

Legal proceedings

Group companies are defendants and plaintiffs in various legal actions. In the opinion of the Directors, after taking legal advice, the outcome of such actions will not give rise to any material loss.

41. Commitments

Capital commitments

As at the year end, a development contract and agreement have been entered into in respect of a property project. The commitments not recognised in these consolidated financial statements are as follows:

	2024	2023
	$'000	$'000
Property development	2,001	15,708
Property renovations	8,380	7,675
Intangible asset - insurance system upgrade	5,962	4,900
	16,343	28,283
Credit commitments		
Loan commitments not yet disbursed by the Group	187,857	175,197

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42. Related party disclosures

The consolidated financial statements include the financial statements of GHL and its subsidiaries and associated companies listed in the following table.

Name	Country of Incorporation	Percentage of interest held 2024	2023
Guardian General Insurance Limited	Trinidad and Tobago	100.0	100.0
Guardian Life of the Caribbean Limited	Trinidad and Tobago	100.0	100.0
Guardian Group Trust Limited	Trinidad and Tobago	100.0	100.0
Guardian Asset Management and Investment Services Limited	Trinidad and Tobago	100.0	100.0
Bancassurance Caribbean Limited	Trinidad and Tobago	100.0	100.0
Laevulose Inc. Limited	Trinidad and Tobago	100.0	100.0
Fatum Holding N.V.	Curaçao	100.0	100.0
Fatum Accident & Health N.V.	Curaçao	100.0	100.0
Fatum General Insurance Aruba N.V.	Aruba	100.0	100.0
Fatum General Insurance N.V.	Curaçao	100.0	100.0
Fatum Life Aruba N.V.	Aruba	100.0	100.0
Fatum Life N.V.	Curaçao	100.0	100.0
Thoma Exploitatie B.V.	Netherlands	100.0	100.0
Vanguard Risk Solutions Limited	Cayman Islands	67.7	67.7
Guardian Life Limited	Jamaica	100.0	100.0
Guardian General Insurance Jamaica Limited	Jamaica	100.0	100.0
Guardian Resorts (Jamaica) Limited	Jamaica	100.0	100.0
Guardian Re (SAC) Limited	Bermuda	100.0	100.0
Guardian General Insurance (OECS) Limited	Grenada	100.0	100.0
Guardian Life (OECS) Limited	Grenada	100.0	100.0

Associated companies	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held 2024	2023
RoyalStar Holdings Limited	Property and Casualty Insurer	Bahamas	26.2%	26.2%
RGM Limited	Property Development & Facilities Management	Trinidad and Tobago	33.3%	33.3%
EIKM Holdings Limited	Distribution and sale of pharmaceutical products	Trinidad and Tobago	25.0%	25.0%
Sas Compagnie Hoteliere de la Pointe Simon	Hotel Operations	Martinique	24.0%	24.0%

A number of transactions are entered into with related parties in the normal course of business.

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42. Related party disclosures (continued)

	2024 $'000	2023 $'000
The following transactions were carried out with related parties:		
(a) Premiums received from:		
- Key management personnel	181	192
- Other related parties	40,472	31,731
(b) Claims paid to:		
- Other related parties	3,886	3,023
(c) Commissions paid to:		
- Other related parties	30,540	36,301
(d) Interest income from:		
- Key management personnel	1,097	1,287
- Key associates	12,621	15,134
- Parent company	2,150	450
- Other related parties	9,162	12,043
(e) Interest expense charged by related parties	19,282	19,554
(f) Dividend income from:		
- Key associates	14,193	13,622
- Parent company	5,511	292
- Other related parties	5,322	4,923
(g) Dividend paid to parent company	108,928	106,062
(h) Financial assets (excluding loans) of:		
- Key associates	325,942	330,280
- Parent company	205,695	247,431
- Other related parties	663,891	585,077
(i) Key management personnel compensation:		
- Salaries and other short-term employee benefits	141,437	140,766
- Termination benefits	–	988
- Post-employment benefits (excluding contributions to defined contribution plans)	14,588	15,244
- Contributions to defined contribution plans	1,418	1,310
- Other long-term benefits	24,831	12,197
(j) Insurance contracts and other liabilities		
- Other related parties	32,947	37,489
(k) Borrowings from related parties	277,591	276,416

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42. Related party disclosures (continued)

	2024 $'000	2023 $'000
(I) Loans to related parties:		
Loans to key management of the Group:		
Balance at beginning of year	25,782	28,514
Loans advanced during the year	3,818	5,730
Loan repayments received	(9,753)	(8,450)
Interest charged	1,114	1,288
Interest received	(1,097)	(1,288)
Exchange rate adjustments	27	(12)
Balance at end of year	19,891	25,782
Loans to key associates:		
Balance at beginning of year	71,234	75,304
Loan repayments received	(1,268)	(7,588)
Interest charged	2,536	2,540
Interest received	(2,544)	(2,494)
Exchange rate adjustments	(4,235)	3,472
Balance at end of year	65,723	71,234
Loans to other related parties:		
Balance at beginning of year	–	501
Loans advanced during the year	–	196
Loan repayments received	–	(698)
Interest charged	–	13
Interest received	–	(13)
Exchange rate adjustments	–	1
Balance at end of year	–	–

There was no provision for doubtful debts at the reporting date and no bad debt expense in the year (2023: Nil).

Other related parties primarily include transactions with NCBFG subsidiaries and its parent companies.

Financial assets of key associates comprise multiple corporate bonds plus interest receivable and preference shares issued by RGM to the Group. The preference shares held by the Group are cumulative, non-convertible and redeemable. The corporate bonds carry fixed interest rates and principal and interest are payable semi-annually. All bonds are secured by mortgages on various properties.

Financial assets of other related parties comprise debt, equity and other investments issued by entities controlled by related parties, in the ordinary course of business.

Borrowings from related parties consist of an affiliated company's participation in Series A, B, C and D of the Group's J$13.4 billion bond. Details of the bond are disclosed in Note 21.

Loans to key management and other related parties of the Group are secured and settlement occurs in cash. The details of the loan advanced to CHPS are disclosed in Note 12.

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43. Assets under management

Assets under management, which are not beneficially owned by the Group, but which the Group manages on behalf of investors are listed below:

	Carrying Amount	
	2024	2023
	$'000	$'000
Amounts not included in the consolidated statement of financial position		
Cash and short-term investments	686,408	466,253
Investments	5,764,945	5,143,528
Interest and other receivables	13,040	10,180
	6,464,393	5,619,961

44. Pledged assets

The Group has deposited certain assets with the regulatory authorities in the countries in which it is authorised to conduct business as security for its policyholders. The type and values of these assets are in accordance with the legal requirements of the countries concerned. The carrying value of pledged assets is:

	2024	2023
	$'000	$'000
Statutory deposits/funds	528,745	505,862

45. Restatements and reclassifications

Certain comparative amounts in the Group's consolidated financial statements have been restated, reclassified or re-presented, as a result of the following:

a) Certain data processing errors that caused the understatement of the liability for incurred claims for certain annuity portfolios in prior periods were identified in 2024. These errors were corrected retrospectively in the prior periods to which they relate.

b) A detailed review identified a misstatement of the liability relating to short-term insurance portfolios. Both the liability for remaining coverage and the liability for incurred claims were corrected retrospectively.

c) The Thoma Group classified as "Held for Sale" in accordance with the disclosure requirements of IFRS 5. Refer to Note 17 for more details on the Thoma Group.

The impacted financial statements line items and the amounts are detailed in the tables below.

	As previously reported	Restatement (Note a)	Restatement (Note b)	Restated balances
	$'000	$'000	$'000	$'000
Consolidated Statement of Financial Position (2023)				
Assets				
Investment securities	25,089,815	–	–	25,089,815
Loans and receivables	1,979,838	(11,108)	–	1,968,730
Reinsurance contract assets	721,646	(4,089)	806	718,363
Cash and cash equivalents	2,955,965	–	–	2,955,965
Other assets	4,041,116	–	–	4,041,116
Total assets	34,788,380	(15,197)	806	34,773,989
Equity and liabilities				
Share capital	1,970,043	–	–	1,970,043
Reserves	(519,878)	–	–	(519,878)

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45. Restatements and reclassifications (continued)

	As previously reported $'000	Restatement (Note a) $'000	Restatement (Note b) $'000	Restated balances $'000
Consolidated Statement of Financial Position (2023) (continued)				
Retained earnings	2,399,555	(109,381)	24,542	2,314,716
Equity attributable to owners of the company	3,849,720	(109,381)	24,542	3,764,881
Non-controlling interest in subsidiary	11,930	–	–	11,930
Total equity	3,861,650	(109,381)	24,542	3,776,811
Liabilities				
Insurance contract liabilities	22,201,811	100,944	(23,736)	22,279,019
Financial liabilities	3,269,983	–	–	3,269,983
Investment contract liabilities	2,023,612	–	–	2,023,612
Other liabilities	3,431,324	(6,760)	–	3,424,564
Total liabilities	30,926,730	94,184	(23,736)	30,997,178
Total equity and liabilities	34,788,380	(15,197)	806	34,773,989
Consolidated Statement of Financial Position (2022)				
Assets				
Investment securities	23,493,672	–	–	23,493,672
Loans and receivables	1,795,310	(9,325)	–	1,785,985
Reinsurance contract assets	840,729	(1,553)	670	839,846
Cash and cash equivalents	3,609,114	–	–	3,609,114
Other assets	4,014,070	–	–	4,014,070
Total assets	33,752,895	(10,878)	670	33,742,687
Equity and liabilities				
Share capital	1,970,043	–	–	1,970,043
Reserves	(834,065)	–	–	(834,065)
Retained earnings	1,791,904	(63,671)	29,220	1,757,453
Equity attributable to owners of the company	2,927,882	(63,671)	29,220	2,893,431
Non-controlling interest in subsidiary	11,155	–	–	11,155
Total equity	2,939,037	(63,671)	29,220	2,904,586
Liabilities				
Insurance contract liabilities	21,617,885	52,793	(28,550)	21,642,128
Financial liabilities	3,305,274	–	–	3,305,274
Investment contract liabilities	2,021,560	–	–	2,021,560
Other liabilities	3,869,139	–	–	3,869,139
Total liabilities	30,813,858	52,793	(28,550)	30,838,101
Total equity and liabilities	33,752,895	(10,878)	670	33,742,687

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45. Restatements and reclassifications (continued)

	As previously reported $'000	Restatement (Note a) $'000	Restatement (Note b) $'000	Disposal group held for sale (Note c) $'000	Restated balances $'000
Consolidated Statement of Income (2023)					
Insurance revenue	5,439,385	(977)	–	–	5,438,408
Insurance service expenses	(3,684,312)	(45,570)	(4,814)	–	(3,734,696)
Net expenses from reinsurance contracts held	(1,053,315)	837	136	–	(1,052,342)
Insurance service result	701,758	(45,710)	(4,678)	–	651,370
Net income from investing activities	1,914,299	–	–	34	1,914,333
Net insurance finance expenses	(787,846)	–	–	–	(787,846)
Net insurance and investment result	1,828,211	(45,710)	(4,678)	34	1,777,857
Fee and commission income from brokerage activities	155,893	–	–	(97,050)	58,843
Net income from all activities	1,984,104	(45,710)	(4,678)	(97,016)	1,836,700
Other operating expenses	(900,176)	–	–	81,834	(818,342)
Other finance charges	(176,779)	–	–	738	(176,041)
Operating profit	907,149	(45,710)	(4,678)	(14,444)	842,317
Share of after tax profits of associated companies	15,259	–	–	–	15,259
Profit before taxation	922,408	(45,710)	(4,678)	(14,444)	857,576
Taxation	(221,412)	–	–	8,373	(213,039)
Profit from continuing operations after taxation	700,996	(45,710)	(4,678)	(6,071)	644,537
Profit from discontinued operations after taxation	–	–	–	6,071	6,071
Profit for the year	700,996	(45,710)	(4,678)	–	650,608
Profit attributable to non-controlling interest	(5,178)	–	–	–	(5,178)
Profit attributable to owners of the company	695,818	(45,710)	(4,678)	–	645,430
Earnings per share - Basic and diluted	$ 3.00				$ 2.78
Consolidated Statement of Cash Flows (2023)					
Cash flows from operating activities					
Profit before taxation	922,408	(45,710)	(4,678)	(14,444)	857,576
Profit before taxation from discontinued operations	–	–	–	14,444	14,444

Financial STATEMENTS

45. Restatements and reclassifications (continued)

	As previously reported $'000	Restatement (Note a) $'000	Restatement (Note b) $'000	Disposal group held for sale (Note c) $'000	Restated balances $'000
Consolidated Statement of Cash Flows (2023) (continued)					
Adjustment for specific items included on the accruals basis:					
- Other finance charges	176,779	–	–	–	176,779
- Investment income	(1,389,124)	–	–	–	(1,389,124)
Adjustment for non-cash items	(269,105)	1,784	–	–	(267,321)
Interest received	1,271,283	–	–	–	1,271,283
Dividends received	106,212	–	–	–	106,212
Operating profit before changes in operating assets/liabilities	818,453	(43,926)	(4,678)	–	769,849
Change in insurance contract assets/liabilities	995,669	48,151	4,814	–	1,048,634
Change in reinsurance contract assets/liabilities	(190,167)	2,535	(136)	–	(187,768)
Net increase in investment contracts	23,021	–	–	–	23,021
Purchase of investment securities	(10,694,492)	–	–	–	(10,694,492)
Proceeds from sale of investment securities	9,435,507	–	–	–	9,435,507
Purchase of/additions to investment properties	(6,378)	–	–	–	(6,378)
Proceeds from sale of investment property	22,473	–	–	–	22,473
Additions to properties for development and sale	(16,067)	–	–	–	(16,067)
Proceeds from sale of properties for development and sale	28,712	–	–	–	28,712
Net increase in loans and receivables	(199,870)	–	–	–	(199,870)
Net increase in other operating assets/liabilities	(231,840)	(6,760)	–	–	(238,600)
Cash used in operating activities	(14,979)	–	–	–	(14,979)
Interest paid	(200,818)	–	–	–	(200,818)
Net taxation paid	(243,112)	–	–	–	(243,112)
Net cash used in operating activities	(458,909)	–	–	–	(458,909)
Net cash used in investing activities	(71,447)	–	–	–	(71,447)
Net cash used in financing activities	(106,353)	–	–	–	(106,353)
Net decrease in cash and cash equivalents	(636,709)	–	–	–	(636,709)

Financial STATEMENTS

SUPPLEMENTAL INFORMATION
CONSOLIDATED FINANCIALS
EXPRESSED IN US DOLLARS
31 DECEMBER 2024

The Group's Consolidated Statement of Financial Position, Consolidated Statement of Income and Consolidated Statement of Comprehensive Income expressed in US dollars appears below. The purpose of this publication is to provide readers of the Group's Annual Report, a number of whom are from jurisdictions outside of Trinidad and Tobago, with a quick and convenient overview of the Group's financial performance, referenced against a major international currency. The exchange rate used for this purpose is TT$6.7474 to US$1.00.

Consolidated Statement of Financial Position

	2024 US$'000	Restated 2023 US$'000
Assets		
Property, plant and equipment	94,516	104,907
Right-of-use assets	6,466	8,892
Investment properties	231,132	230,452
Intangible assets	90,499	101,726
Investment in associated companies	48,345	45,762
Investment securities	3,781,040	3,718,442
Loans and receivables	348,291	291,776
Properties for development and sale	22,163	24,813
Pension plan assets	11,903	13,782
Deferred tax assets	24,348	23,616
Reinsurance contract assets	117,841	106,465
Insurance contract assets	22,936	15,266
Taxation recoverable	39,360	29,699
Cash and cash equivalents	599,777	438,089
	5,438,617	5,153,687
Assets held for sale	38,831	–
Total assets	5,477,448	5,153,687
Equity and liabilities		
Share capital	291,978	291,971
Reserves	(53,777)	(77,049)
Retained earnings	439,631	343,053
Equity attributable to owners of the company	677,832	557,975
Non-controlling interest in subsidiary	1,962	1,768
Total equity	679,794	559,743
Liabilities		
Insurance contract liabilities	3,419,751	3,301,867
Reinsurance contract liabilities	20,793	19,323
Financial liabilities	542,616	484,629
Lease liabilities	7,403	10,080
Investment contract liabilities	312,383	299,910
Third party interests in mutual funds	234,118	249,912
Pension plan liabilities	4,371	2,584
Post-retirement medical benefit obligations	18,464	18,211
Deferred tax liabilities	51,198	42,599
Provision for taxation	36,706	27,638
Other liabilities	142,852	137,191
	4,790,655	4,593,944
Liabilities directly associated with assets held for sale	6,999	–
Total liabilities	4,797,654	4,593,944
Total equity and liabilities	5,477,448	5,153,687

Financial STATEMENTS

SUPPLEMENTAL INFORMATION
CONSOLIDATED FINANCIALS
EXPRESSED IN US DOLLARS (CONTINUED)
31 DECEMBER 2024

Consolidated Statement of Income

	2024 US$'000	Restated 2023 US$'000
Insurance revenue	871,207	806,001
Insurance service expenses	(546,322)	(553,501)
Net expenses from reinsurance contracts held	(193,599)	(155,963)
Insurance service result	131,286	96,537
Investing activities		
Investment income from financial assets measured at amortised cost and fair value through other comprehensive income	123,164	117,321
Investment income from financial assets measured at fair value through profit or loss	88,633	84,035
Net realised gains	7,663	512
Gain on reclassification of financial assets measured at amortised cost to fair value through profit or loss	–	34,260
Loss on reclassification of financial assets measured at fair value through other comprehensive income to fair value through profit or loss	–	(8,533)
Net fair value gains	51,217	31,054
Fee income	12,317	12,557
Other income	30,566	21,791
Net impairment (losses)/gains on financial assets	(6,951)	331
Investment contract benefits	(10,584)	(9,614)
Net income from investing activities	296,025	283,714
Finance expenses from insurance contracts issued	(125,396)	(116,645)
Finance income/(expenses) from reinsurance contracts held	8	(118)
Net insurance finance expenses	(125,388)	(116,763)
Net insurance and investment result	301,923	263,488
Fee and commission income from brokerage activities	8,564	8,721
Net income from all activities	310,487	272,209
Other operating expenses	(123,961)	(121,283)
Other finance charges	(28,157)	(26,090)
Operating profit	158,369	124,836
Share of after tax profits of associated companies	4,575	2,261
Profit before taxation	162,944	127,097
Taxation	(37,198)	(31,574)
Profit from continuing operations after taxation	125,746	95,523
Profit from discontinued operations after taxation	1,242	900
Profit for the year	126,988	96,423
Profit attributable to non-controlling interest	(992)	(767)
Profit attributable to owners of the company	125,996	95,656
Earnings per share		
- Basic and diluted	0.54	0.41
- Basic and diluted - for continuing operations	0.54	0.41

Financial STATEMENTS

SUPPLEMENTAL INFORMATION
CONSOLIDATED FINANCIALS
EXPRESSED IN US DOLLARS (CONTINUED)
31 DECEMBER 2024

Consolidated Statement of Comprehensive Income

	2024 US$'000	Restated 2023 US$'000
Profit for the year	126,988	96,423
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	(8,182)	(5,677)
Net fair value gains on debt securities at fair value through other comprehensive income	4,417	7,670
Net change in allowance for expected credit losses on debt securities at fair value through other comprehensive income	(258)	(2,078)
Net gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal	(97)	-
Cumulative loss on debt securities reclassified from fair value through other comprehensive income to fair value through profit or loss	–	8,533
Finance income from insurance contracts issued	29,008	44,300
Finance income from reinsurance contracts held	15	38
Taxation relating to components of other comprehensive income	(1,225)	(6,006)
Net other comprehensive income that may be reclassified subsequently to profit or loss	23,678	46,780
Items that will not be reclassified subsequently to profit or loss:		
Gains/(losses) on property revaluation	1,068	(852)
Remeasurement of pension plans	(5,198)	(183)
Remeasurement of post-retirement medical benefit obligations	386	(2,265)
Share of other comprehensive income of associated companies	25	467
Taxation relating to components of other comprehensive income	38	(498)
Net other comprehensive loss that will not be reclassified subsequently to profit or loss	(3,681)	(3,331)
Other comprehensive income for the period, net of tax	19,997	43,449
Total comprehensive income for the period, net of tax	146,985	139,872
Comprehensive income attributable to non-controlling interest	(1,001)	(758)
Comprehensive income attributable to owners of the company	145,984	139,114

Guardian Group

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH 81:01
[SECTION 143 (1)]

1. Name of Company: **GUARDIAN HOLDINGS LIMITED** Company No. G - 967 (C)
2. Annual Meeting of the Company to be held in the Atrium, Guardian Corporate Centre, 1 Guardian Drive, Westmoorings, Trinidad and Tobago, on Monday, 12th May, 2025 at 1:00 in the afternoon, in a hybrid format whereby Shareholders may attend the Meeting in person or via a live webcast.

I/We (block capitals please) _____ being Shareholder(s) in the above Company (or in the case of an owner whose shares are held in a Clearing Agency being authorised by the Clearing Agency to do so) appoint(s) the Chairman of the Meeting, or failing him, _____ of _____ to be my/our Proxy to attend and vote for me/us on my/our behalf at the above meeting and any adjournment thereof as indicated below on the Resolutions to be proposed in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof.

Please indicate with an "X" in the spaces below how you wish your Proxy to vote on the resolutions referred to. If no such indication is given the Proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting:

	FOR	AGAINST
RESOLUTION 1: BE IT RESOLVED that the Audited Financial Statements of the Company for the year ended 31st December, 2024, along with the Reports of the Directors and Auditors thereon, be received and adopted.		
RESOLUTION 2:		
(a) BE IT RESOLVED that Mr. Michael Lee-Chin be and is hereby re-elected a Director of the Company for a term of one (1) year expiring at the close of the first Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(b) BE IT RESOLVED that Mr. Charles Percy be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(c) BE IT RESOLVED that Mr. Michael Liam Gerrard be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1;		
(d) BE IT RESOLVED that Ms. Patricia Ghany be and is hereby re-elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No. 1; and		
(e) BE IT RESOLVED that Ms. Colette Delaney be and is hereby elected a Director of the Company for a term of three (3) years expiring at the close of the third Annual Meeting of the Company following this appointment subject to the provisions of Regulation 4.5 of By-Law No.1.		
RESOLUTION 3: BE IT RESOLVED that PricewaterhouseCoopers be re-appointed as Auditors of the Company and that the Directors be authorised to fix their remuneration for the ensuing year.		

Signature(s) _____ **Date:** _____

Form of Proxy (continued)

NOTES:

1. If it is desired to appoint a proxy other than the Chairman of the Meeting, the necessary deletion must be made and initialed and the name of the proxy inserted in the space provided.
2. In the case of joint holders, the signature of any holder is sufficient but the names of all joint holders should be stated.
3. If the appointor is a corporation this form must be under its common seal or under the hand of its attorney, in fact.

Mail or deliver to: The Corporate Secretary
Guardian Holdings Limited
P.O. Box 88
1 Guardian Drive, Westmoorings, 110612
Trinidad and Tobago

For official use only	
Folio Number	
No. of Shares	