Change, Growth, Opportunity.

Annual Report and Accounts 2025

JUST

Our purpose

We help people achieve a better later life.

We believe that every decision we make and every action we take should help us fulfil our purpose.

Approval
The Strategic Report was approved by the Board of Directors on 26 February 2026 and signed on its behalf by:

John Hastings-Bass
Chair

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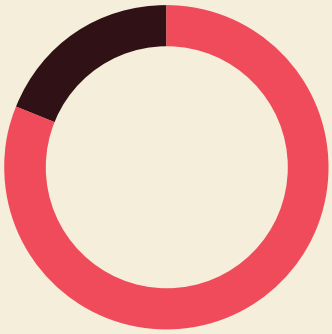
Investing customers money

Individuals and corporates use their pension savings to purchase our products and solutions, which provide guarantees, security and peace of mind (see pg 5). We invest our customers' money into a diversified portfolio of fixed income investments, using our asset origination capabilities to select the most attractive investment opportunities. These investments generate cashflow to pay our customers and expenses, and provide profit margin. We manage our risks prudently and hold significant capital resources as a buffer to ensure that we can continue to meet our customer promises well into the future.

£4.3bn

Retirement Income sales, FY25



DB de-risking	£3.1bn
Retail (GIfL/Care)	£1.3bn

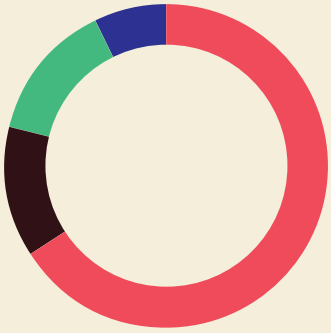
£31bn

of customer payment promises, 31 December 2025

DB de-risking	£19bn
Retail (GIfL/Care)	£12bn

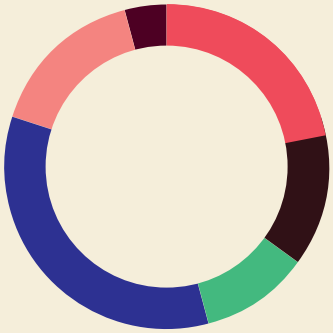
→ **Read more about our products on P5**

Where we invest our customers' retirement savings



UK	66%
Europe	13%
North America	14%
Rest of the world	7%

How we invest our customers' retirement savings



Lifetime mortgages	20%
Infrastructure	15%
Secured property lending	11%
Corporate bonds	34%
Government bonds	16%
Cash	4%

Lifetime mortgages
Lending to homeowners

Infrastructure
Financing essential infrastructure, including renewables

Secured property lending
Providing finance to owners of commercial property

Corporate bonds
Lending to investment grade companies

Government bonds
Lending mainly to the UK government

→ **Read more about how we invest on P18**

2025 highlights

Financial and operational highlights

Tangible net asset value per share[1]

257p

2024: 254p, up 3p

Return on equity[1]

8.6%

15.3% at 31 December 2024

Retirement Income sales (shareholder funded)[1]

£4.3bn

2024: £5.3bn, down 18%

New business profit[1]

£249m

2024: £460m, down 46%

Underlying operating profit[1]

£305m

2024: £504m, down 39%
Equivalent to underlying EPS[1] 22p 2024: 36p

IFRS loss before tax

£(118)m

2024: £113m

Cash generation[1]

£130m

£119m at 31 December 2024

New business strain[1]

2.7%

2024: 1.3%

Solvency II capital coverage ratio[1,2]

179%

204% (proforma) at 31 December 2024

Financial strength and other indicators

A+

Fitch insurer financial strength rating
for Just Retirement Limited (2024: A+)

A

Fitch issuer default rating
for Just Group plc (2024: A)

Awarded further recognition for outstanding service

Financial Adviser: 5 star service award

1 Alternative performance measure ("APM") (unaudited, the explanations and definitions of APMs can be found in the glossary). Reconciliations are included in the Business Review for: New business strain, Cash generation and Solvency coverage ratio which are reconciled to Solvency II excess own funds; New business profit and Return on equity and Underlying EPS which are both based on Underlying operating profit, are reconciled to IFRS profit before tax; and Tangible net asset value is reconciled to IFRS total equity. Retirement Income sales (shareholder funded) are reconciled to premium cash flows in note 2 to the Consolidated financial statements.

2 Solvency capital coverage ratios as at 31 December 2025 and 31 December 2024 include a recalculation of transitional measures on technical provisions ("TMTP") as at the respective dates. Following the implementation of the UK Reforms to Solvency II on 31 December 2024, TMTP is now recalculated quarterly using the new simplified method. Firms are no longer required to seek PRA approval for their recalculations. The estimated 2024 ratio is presented after the impact of the pre-funded repayment of Tier 3 debt in February 2025. The reconciliation to the regulatory capital position is explained in note 30.

At a glance

**Leaders in our markets.
We positively disrupt markets where we can become a leader and deliver great outcomes for customers. In doing so, we create value for shareholders.**

Trustees and scheme sponsors: Providing member security and de-risking pension liabilities

Defined benefit pension schemes de-risking their liabilities by securing member benefits with an insurance contract.

£1 trillion
addressable market

We are a specialist in our chosen markets, serving four distinct groups...

Individuals: Providing retirement income

People who have built up pension savings throughout their career and want a guaranteed income, flexible income, or a combination in retirement.

>£1 trillion
DC pension savings reaching retirement age (2025-2034)

Homeowners: Accessing property wealth

People aged 55+ who want to access wealth locked up in their property.

>£3.5 trillion
property wealth owned by people aged 55+

Corporate clients: Solving problems for companies

We develop scalable retirement-focused solutions for banks, building societies, life assurance companies, pension scheme trustees, other corporate clients and for their customers, clients and members.

Retirement focused solutions

...with products and services

Competitive position:
L A leader Developing

Marketed products[1]

Services	Benefit and competitive position	
Defined Benefit De-Risking Solutions ("DB") Solutions for pension scheme trustees to reduce the financial risks of operating pension schemes and increase certainty that members' pensions will be paid in the future.	We have developed "Beacon", a proprietary technology platform to underpin our highly successful bulk quotation service. We are a leader in the small to medium size transaction space, with a differentiated position and competitive advantage.	L
Guaranteed Income for Life ("GIfL") A solution for individuals/couples who want the security of knowing they will receive a guaranteed income for life.	By using our unrivalled intellectual property, Just provides an individually tailored solution providing customers typically with double-digit percentage increases in income compared to standard products.	L
Secure Lifetime Income ("SLI") SLI is a tax-efficient solution for individuals who want the security of knowing they will receive a guaranteed income for life and the flexibility to make changes in the early years of the plan.	Just's pioneering Secure Lifetime Income product enables customers to select a guaranteed income from within a Self-Invested Personal Pension. This enables a customer to manage and blend their total pension assets tax efficiently within a single technology platform.	↗
Care Plans ("CP") A solution for people moving to residential care who want the security of knowing a regular payment will be made to the care provider for the rest of their life.	Just's Care Plans can be tailored to the individual and offer a tax-efficient solution by making payments to residential care providers.	L
Lifetime Mortgages ("LTM") Solutions designed for people who want to release some of the value of their home.	By using our unrivalled intellectual property, Just provides an individually tailored solution providing around six-in-ten customers with a lower interest rate or a higher borrowing amount compared to standard products. Just provides a range of lifetime mortgages, enabling people to meet a variety of needs in later life.	L

1 Reported in our Insurance segment.

Professional services[2]

Services	Benefit and competitive position	
HUB group Our professional services and distribution businesses delivering technology, broking and advice solutions for corporate clients and pension schemes. We also provide regulated financial advice on how people should use pension, investment and savings, or release some of the value from their homes. Support for organisations wanting to deliver whole-of-market shopping around services to source retirement income products for their customers, employees or pension scheme members. HUB Financial Solutions is the UK's largest GIfL broker.	HUB Financial Solutions offers an innovative approach that provides affordable regulated advice to people with modest pension savings. It also delivers face-to-face advice at a time and place to suit the client. Provides a range of business services tailored to the needs of the organisation, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.	L

2 Reported in our Other segment.

Change, Growth, Opportunity.

"This has been a defining year for our Company and marks the beginning of an exciting new chapter in our journey."

John Hastings-Bass
Group Chair

I am pleased to introduce Just Group plc's 2025 Annual Report. This has been a defining year for our Company. Following the Board's comprehensive review, our proposal to shareholders to accept an offer from Brookfield Wealth Solutions Ltd ("BWS") was supported, moving us towards the beginning of an exciting new chapter in our journey.

An exciting future

The decision reflects both the strength we have built as an independent listed business and the opportunities that lie ahead as part of a larger global organisation. On behalf of the Board, I would like to thank our shareholders for the trust and unwavering support they have shown over many years. Their confidence has enabled us to build a company of substance, resilience and purpose.

Our progress has been underpinned by a clear strategy and by the dedication of our colleagues, whose expertise and integrity have earned the confidence of clients and partners alike. Together we have navigated a period of change in our markets, delivering consistent performance and a strong platform for long-term growth. It is from this position of strength that we now move forward.

The Board's recommendation of the BWS offer was based on a shared conviction that combining our capabilities will create greater opportunities for all stakeholders. As part of BWS, under the leadership of David and his team, we will benefit from global reach, enhanced resources and the ability to accelerate our growth ambitions. Importantly, our business will become the cornerstone of BWS UK strategy – a growth platform from which new products, client relationships and innovation can flourish.

Looking ahead, our purpose and values remain unchanged. We will continue to focus on delivering for our customers, supporting our colleagues, and contributing positively to the markets and communities we serve. While this year marks the end of our journey as an independent listed company, it also marks the start of a new and exciting phase – one in which our heritage, expertise and ambition will play a central role within a world-class organisation.

2025 overview

The primary focus of our Group is to deliver ongoing sustainable growth through the capture of profitable business, investing for the future, and ensuring our business model continues to be financially resilient.

This has resulted in a robust balance sheet and positive business momentum. The Group's financial strength and performance are both set out in detail in the Business Review.

Dividend

Given the close proximity to concluding the acquisition by BWS, the Board is not making any ordinary dividend declarations at this date.

Board composition and governance

We welcomed Matt Saker to the Board in August as an Independent Non-Executive Director. Matt has considerable experience within the insurance industry, having served in a number of senior leadership positions at FTSE 100 companies including as Chief Risk Officer at Aviva. Matt is Chair of the Risk and Compliance Committee.

I take great pride in leading the Board and the Group's governance function, and my introduction to the Corporate Governance report on page 70 provides further information on our governance and decision-making processes. We have an excellent team in place that will ensure the Company is effectively governed and well led. I would like to thank the Board for their significant contribution. You can read more about the Directors of the Company on pages 72 to 74.

Supporting UK growth, productivity and sustainability

Our number one priority is to deliver the promises we make to our policyholders. In order to meet these promises, we invest billions of pounds into the UK. We have expanded our investment capabilities and have originated a wider range of assets to meet the demands of our growing business.

→ **Read more about our productive investments on P18-19 and at justgroupplc.co.uk**

We are making excellent progress towards our goal to become net zero and doing our part to help the world transition towards a sustainable environment and low carbon global economy. You can read our transition plan on our Group website and this year's Annual Report provides insight into our climate-related risks and opportunities. Our disclosures are consistent with those recommended by the Taskforce on Climate-related Financial Disclosures and you can read more on pages 36 to 51.

Engagement with our stakeholders

The Board engages directly and indirectly with our customers, shareholders, colleagues, regulators, government, professional bodies and wider society to promote the interests of our customers more broadly. We place great importance on working effectively with these groups and actively seeking their feedback.

We work hard to ensure our customers benefit from our products, services and our shareholders receive the benefit of long-term value creation.

Throughout this report you can read how the Board takes into consideration feedback from the Company's stakeholders and how the Board, and colleagues from across the Group, promote the success of the Company.

Purpose driven

We help people achieve a better later life, this is our purpose, it's why we exist. We fulfil our purpose by delivering excellent products and services, so our customers achieve great outcomes.

People don't get a chance to experience retirement before it happens. Managing finances without regular salary payments can be complicated and stressful. We assist individuals in envisioning their post-work life and offer support, guidance, and advice to help them confidently take the next steps.

Our purpose is just as meaningful today as it was when we first established it. It's clear, authentic and it acts as a beacon for colleagues throughout the entire Group to embody our purpose daily.

Outlook

There are strong structural drivers of long-term growth in our chosen markets, which remain attractive.

We continue to focus our leadership team on delivering great outcomes for customers, driving profitable growth and investing for the future.

On behalf of the Board, I would like to conclude by expressing gratitude to David, his team, and all our colleagues across the Group for their dedication to supporting our customers and delivering a strong set of results. I also extend my thanks to our business partners for trusting us to provide excellent service to their clients.

We are helping our customers, rewarding our shareholders, fulfilling our purpose and contributing to growing the UK economy. We are excited and optimistic about the future as we look to join the wider Brookfield ecosystem and lead the insurance growth in the UK through the Just brand.

John Hastings-Bass
Group Chair

Confident future outlook

"As we enter a new chapter under new ownership, we do so with optimism, continuity of purpose, and a clear ambition for the future."

David Richardson
Group Chief Executive Officer

This has been a momentous year for Just Group.

The proposed combination with Brookfield Wealth Solutions Ltd ("BWS") is a fantastic outcome for customers, shareholders and our colleagues. It reflects the strength of the Just platform and the long-term value of the strategy we have developed. BWS and the wider Brookfield scale, investment expertise and alignment with our purpose will enable Just to broaden its reach and enhance its offering.

Increasingly competitive markets in 2025, particularly in DB, led to an 18% fall in shareholder funded sales to £4.3bn, which has delivered underlying operating profit for the year of £305m, down 39%. Our disciplined approach to new business pricing means that we consistently write business at or above our target mid-teen IRR on shareholder capital invested in new business, which in 2025 came at the expense of volumes. Both our DB and Retail business units are benefitting from long-term structural trends, and we are committed to compounding the growth in value of the Group over the long term. During 2025, the Group's tangible net asset value increased to £2.7bn.

Defined Benefit De-Risking

I am extremely pleased with the strategic execution of our DB business, which has had another industry record year. We completed 130 transactions (2024: 129 transactions), which delivered £3.1bn of new business, making Just the number one DB provider by deal number. Over the past four years, we have completed more than 300 transactions via our proprietary platform, Beacon. We priced multiple large DB schemes, but pricing was unusually competitive in the context of the prevailing credit spread environment. This dynamic lead to our DB business completing five transactions above £100m in 2025 (largest £270m) compared to nine transactions above £100m in 2024 (largest £1.8bn).

We expect an increased DB market opportunity in 2026, following the fall in the market in 2025 to c.£40bn. The reduction was due to fewer large transactions, which we believe was a consequence of market uncertainty during the first half of the year ahead of the publication of the Pension Schemes Bill in June. Otherwise the market was busy in 2025 and overall activity continues to increase with c.350 transactions completed, a new record (source: LCP, 2024: 300 transactions).

Guaranteed Income for Life

Our Retail business had a very encouraging year as sales were up 23% to £1.3bn, with excellent traction in the second half due to our improved advisor proposition, reflecting ongoing development expenditure. Market demand has remained strong and took a small step up to £7.4bn in 2025 (source: ABI, 2024: £7.0bn), which represents a more than doubling since 2022. We utilise proprietary medical underwriting to risk select the most profitable parts of the market. Guaranteed income has enormous long-term growth potential due to the steady growth of defined contribution savings and increasing willingness of advisors to utilise guaranteed income solutions.

Alignment of purpose with our investments capability

The tighter credit spreads available in public markets during 2025 meant our successful illiquid asset origination strategy was more important than ever. We sourced £2.2bn of illiquid investments during 2025 at attractive spreads above equivalent public assets, with two thirds of this total sourced internally. We remain committed to continuing to invest in assets that support a positive impact, with recent investments taking advantage of strong market momentum for green buildings, energy-efficient properties and infrastructure.

Financial performance, underlying operating profit down 39%

In 2025, underlying operating profit was down 39% to £305m, driven by a reduction in new business margin on lower sales, partially offset by higher recurring in-force profit. New business margin was impacted by a combination of tighter credit spreads, the effect of increased competition on pricing, lower volumes, and business mix. We incurred strategic costs as we continued to invest in new proposition development, and reported non-operating investment and economic losses, which when combined with other items resulted in an adjusted profit before tax of £120m for 2025 (2024: £482m). After allowing for deferral of profit into the CSM balance sheet reserve, the IFRS loss before tax was £(118)m (2024: £113m profit).

Our purpose and our customers

We help people achieve a better later life, this is our purpose, it's why we exist. We fulfil that purpose by delivering market-leading products and award-winning services to over 700,000 customers.

Furthermore, we are continuing to invest to help more people across the wider retirement markets. During the year, we acquired two smaller businesses, which add capability and accelerate our participation in the "approaching retirement" segment.

Sustainability

We are committed to a sustainable strategy that protects our communities and the planet we live on. We are proud to have achieved our first net zero target: net zero by 2025 in our own operations (Scope 1 and 2 emissions).

Our Scope 3 emissions, which are principally comprised of carbon emissions, are largely driven by our investments (credit portfolio and lifetime mortgages). Our target is to reduce our applicable Scope 3 carbon emissions by 50% by 2030. We have made strong progress – achieving a 46% reduction in our investment portfolio financed emissions intensity by the end of 2025 relative to our 2019 baseline. Within this, we have delivered a 57% reduction in our credit portfolio financed emissions intensity. For further details, please refer to our TCFD disclosures on pages 36–51.

Our people

As we look forward to the new opportunities created by our change in ownership, we will be harnessing the power of our highly talented, ambitious and engaged colleagues to deliver strong business growth and fulfil our purpose. I would like to thank all my colleagues for their hard work and dedication – it's always a team effort and our people make Just a brilliant place to work.

In conclusion

Over the last five years, we have doubled our sales and established Just as a leader in our chosen markets. These markets present multiple opportunities and structural growth for many years to come.

I am really proud of what the Just team has accomplished and personally grateful for the valuable support our shareholders have shown us since I became CEO in 2019. We look forward to working with our new owners, BWS, and building on our successful growth strategy and strong culture as we enter this exciting new phase for Just.

David Richardson
Group Chief Executive Officer

Helping customers and corporates strengthen their financial resilience

Structural drivers in our markets mean we can grow profits sustainably while delivering better outcomes for customers.

The retirement shift from DB to DC is gathering momentum. DB or final salary pension schemes are gradually being paid or transferred to insurers, while DC retirees are seeking options to address their needs and wants. Guaranteed income and hybrid products provide customers with the peace of mind they seek in retirement.

Defined Benefit de-risking solutions

Private and public sector employers traditionally provided Defined Benefit ("DB") pension schemes, often called final salary schemes, as an important benefit for employees. The employer would share some responsibility for the wellbeing of their former workers when they retired by providing a guaranteed retirement income based on their earnings history and length of employment.

Over time, providing these guaranteed benefits became expensive. More than 95% of the UK's private sector DB pension schemes are now closed to new members and/or future DB accrual (source: PPF, Purple Book). Continuing to operate these schemes has become more onerous for employers.

The DB de-risking business has allowed these employers to alleviate the financial and operational challenges of running these schemes by passing responsibility for the schemes to insurers who can fully or partially de-risk the employer's defined benefit obligations.

Current market

As of 31 March 2025, total UK DB obligations (insurer basis) were over £1tn. Within this, just under 80% of the almost 5,000 schemes have assets of less than £100m, but account for c.10% of the total DB obligations. This skewed distribution of scheme number versus value has lead to insurers setting up streamlined processes and providing dedicated resources to enable schemes of all sizes access to the DB de-risking market.

Over the past 10 years, the funding levels of all schemes on an insurer buyout basis has increased from 57% to 96%. Improvement in funding levels was initially driven by sponsoring company contributions and insurers' ability to access improved reinsurance terms. Since 2022, the main driver has been higher long-term interest rates, which reduce the liability value of the DB pension obligation by more than the reduction in the scheme's asset value. To date, c.22% of the outstanding DB liabilities have been transferred from corporate balance sheets to insurers, with decades remaining as DB pensions are gradually paid.

Competitive factors

2025 was a record year of activity for DB insurance transactions with c.350 transactions completed (LCP, 2024: 300 transactions). This translated into c.£40bn of DB market new business premium (source: LCP), compared to £48bn in 2024. The reduction in market value was driven by fewer large deals (>£1bn), although two of the largest deals on record did transact during 2025. There is an active insurance de-risking market for DB pension schemes, as evidenced by multiple insurers competing for schemes of all sizes. Royal London, M&G (who both entered in 2023) and Utmost (2024) continue to steadily build their bulk annuity franchises. In 2026, three DB insurance providers including Just Group are expected to change ownership, subject to regulatory and other customary clearances. From a market perspective, Just Group and BWS's Blumont UK are expected to operate as a single group under the Just brand, and therefore the market will have ten participants.

Outlook

In the decade to 2034, £350-550bn of DB liabilities are expected to transfer to insurers (source: LCP). Just Group is continuing to invest in its proposition, resources and service to ensure that schemes we work with can realise their de-risking ambition and provide the best member outcomes and experience.

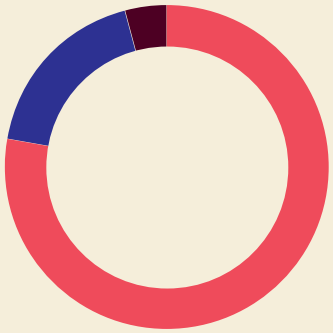
"There is an active insurance de-risking market for defined benefit pension schemes as evidenced by multiple insurers competing for schemes of all sizes."

Individual Retirement Income market

Guaranteed Income for Life

Guaranteed Income for Life ("GIfL") products are bought by individual customers who want to convert some or all of their accumulated pension savings into a guaranteed income for their retirement. This provides people with peace of mind, knowing the income they receive will continue to be paid for as long as they, or their spouse, lives. Using a financial adviser, pension customers can compare the GIfL offer provided by their existing pension company with what is available on the open market, ensuring they are able to secure the best deal available to them. Alternatively, customers interested in purchasing the product can do so via a non-advised broking route, where HUB Financial Solutions is a market leader.

Total DB liabilities (£1.1tn as of December 2025)[1]

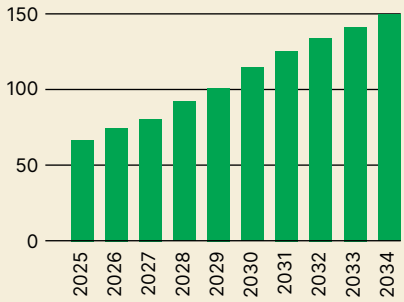


Remaining DB liabilities	78%
2007-24 Buy-in/Buy-out (est.)	19%
2025 Buy-in/Buy-out (est.)	3%

1 Source, PPF 7800 index as of 31 December 2025, s.179 liabilities. Just estimate to convert to a full Buy-out basis.

Annual DC assets reaching retirement age (£'bn)[2]

c.£1tn of decumulation flows over the next decade



2 Source: Broadridge 2024 Navigator

Continuing developments are driving growth over the medium term:

- the structural drivers of growth in the retirement income market are strong. Assets accumulating in defined contribution ("DC") pension schemes are projected to increase consistently over the next decade, driven by auto-enrolment.
- the market is currently benefitting from the return of UK long-term interest rates to more normalised levels. The rate of income on GIfL has risen by around 50% compared to 2021.
- new solutions are being introduced to the market to provide financial advisers with more sophisticated options to blend a guaranteed income producing asset with other investments to deliver improved outcomes for their clients.

The combination of these factors has doubled the size of the market during the last three years to more than £7bn.

Regulatory developments

The introduction of the FCA's Consumer Duty in July 2023 and the findings from the FCA's Thematic Review of Retirement Income Advice published in March 2024 are leading advisers to re-examine the importance of guaranteed income to help customers achieve their objectives. The Consumer Duty introduced a new consumer principle that requires firms to act to deliver good outcomes for retail customers. The outcomes relate to (i) products and services; (ii) price and value; (iii) consumer understanding; and (iv) consumer support.

In June 2025, the FCA introduced The Advice Guidance Boundary Review, which aims to improve customer access to financial support to address a growing concern that most customers in the UK are not getting the financial help they need. Targeted support forms a key part of the FCA's review. It introduces a new set of conduct standards and is complementary to Consumer Duty. Simplified advice can complement targeted support where a customer has straightforward needs, or indeed, can be a stepping stone towards additional advice for complex needs.

The ambition is for a thriving and trusted market for different forms of advice, targeted support and guidance, so that consumers can access the help they need, at a cost they can afford and when they need it.

Financial adviser engagement

More customers are now seeking professional help, while improved GIfL rates have helped advisers to increasingly position the financial security of guaranteed income as a cornerstone of retirement planning. The adviser will highlight the open market option, and availability of an individually underwritten GIfL, which takes into account an individual's medical conditions, personal and lifestyle factors to determine their life expectancy. Medical underwriting can typically achieve an additional double-digit percentage income increase compared to purchasing a standard GIfL.

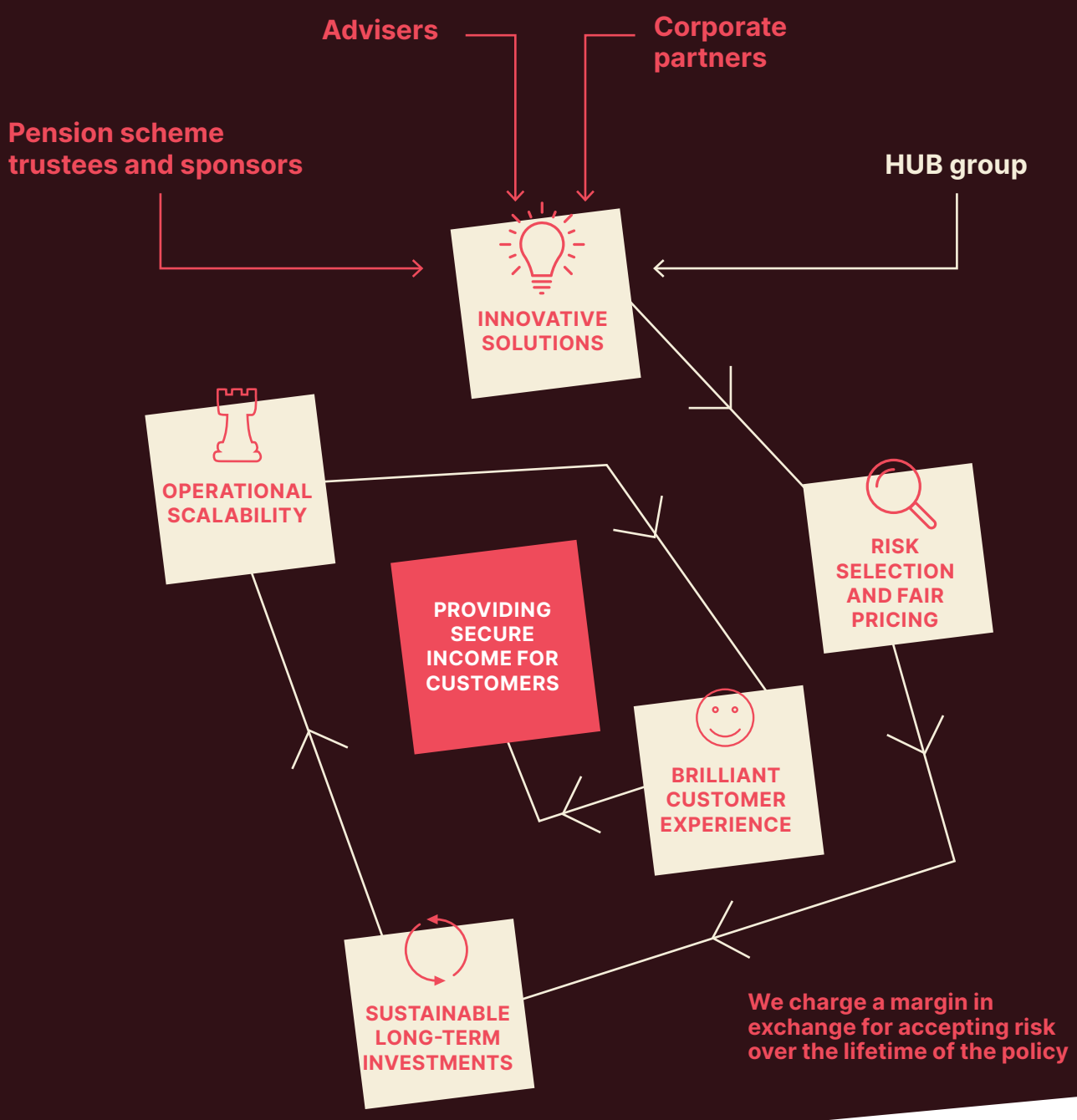
Advisers value the flexibility to blend guaranteed income with other retirement products such as investment funds. Depending on client circumstances and their retirement goals, advisers are increasingly seeking to manage sequencing risk, where the timing of withdrawals during the pension decumulation phase can have an adverse impact on the overall pension pot size and how long it might last. This includes the client building a cash buffer, temporarily adjusting spending, and adjusting the pension assets towards guaranteed income via bonds and/or an annuity, as the client ages and the pension pot decreases in size. The decumulation advice journey can help manage overall risk and sustainability, including the opportunity to leave an inheritance to loved ones.

We expect these positive trends to continue, in tandem with more and more people reaching retirement age with larger pension pots. Over the next decade, it is estimated that £1tn (cumulative) of defined contribution savings will enter the spending phase of retirement, and advisers will need to respond to these customers' needs.

Business model

Our purpose is to help people achieve a better later life. We fulfil our purpose by addressing changing retirement needs with financial products, advice and guidance. We deliver sustainable value for customers, shareholders, partners and colleagues while protecting the planet we live on.

How we create value through our retirement expertise



Innovative solutions

Our insurance and investment offerings help customers manage risks such as exposure to their defined benefit pension schemes running into difficulties, running out of money or facing unaffordable care costs.

Risk selection

Prognosys™ is our proprietary engine for individual medical underwriting, giving us sharper insight into the risks we choose to take on and supporting stronger outcomes for customers.

Sustainable investments

Our investment expertise and proven illiquid origination strategy supports the management of a diversified asset portfolio, delivering sustainable returns for both policyholders and shareholders.

Operational scalability

We continue to focus on automating processes and modernising infrastructure to lower operating costs and maintain high service standards as we grow.

Brilliant customer experience

Our colleagues work hard to understand and serve customers as individuals, be there for the moments that matter, and minimise their administration.

We create value for

Shareholders

Through disciplined resource management, we generate returns above our cost of capital and sustain strong organic capital generation, fuelling investment in growth and supporting sustainable dividends.

Customers

Our medical underwriting approach ensures fair pricing and better customer outcomes, supported by a resilient business model where customers can trust us to pay claims over the long term.

Partners

We partner with trustees and scheme sponsors to de-risk pension liabilities and provide long term security for members.

Colleagues

Our purpose-led, high-performing culture creates an environment where ambitious, curious, and collaborative people can thrive.

Environment

We remain committed to reducing our investment emissions by 50% by 2030, invest in green infrastructure, and we achieved net-zero in our operations in 2025.

Strategic priorities

Our purpose: We help people achieve a better later life. Underpinned by our five strategic priorities:

Principal risks and uncertainties

Ongoing risks:

- A Market
- B Credit
- C Insurance
- D Liquidity
- E Conduct and operational
- F Strategic

Risk outlook:

- 1 Political and regulatory
- 2 Climate and environmental, social and governance ("ESG")
- 3 Cyber and technology
- 4 Insurance
- 5 Market and credit
- 6 Liquidity
- 7 Strategic

Grow sustainably

Focus

We strengthened our investment capabilities and scaled responsibly, while balancing growth with resilience to generate long-term value.

2025 progress

- Further improved risk controls and enhancing our internal asset origination capabilities.
- Strengthened our investment governance and capabilities to ensure our robust operating model is future ready.
- Enhanced internal origination capability, completing 41 in-house investment transactions during the year.
- Secured PRA approval for Matching Adjustment amendment, providing additional capacity for growth.

2026 focus

- We will continue to strengthen and expand our investment capabilities, whilst maintaining our financial discipline. The proposed combination with BWS would enhance our investment origination capability, capacity and flexibility.

Link to ongoing risks:

A B C D E F

Link to risk outlook:

1 2 3 4 5 6 7

Scale with technology

Focus

To enable future productivity gains, we continued to modernise our legacy infrastructure by migrating end-of-life systems and automating processes.

2025 progress

- Enhanced our DB operations capability and productivity through our reinsurance platform and migration of c.400 schemes.
- Continued modernisation of our Retail new business systems.
- Enhanced our financial resilience by improving our Stress and Scenario Testing framework.
- Continued to build on data foundations and delivering AI use cases across the Group.
- Continued migration of our infrastructure to the cloud, with over 60% of core infrastructure now cloud-based, improving resilience, scalability and cost efficiency.

2026 focus

- We will continue to modernise systems and actively leverage technologies to improve productivity, enhance resilience and accelerate innovation across the Group.

Link to ongoing risks:

A B C D E F

Link to risk outlook:

1 2 3 4 5 6 7

Reach new customers

Focus

We expanded reach through partnerships and adviser technology integration to meet customer needs.

2025 progress

- Launched our Fixed Term Investment (FTI) product on the Fundment adviser platform, expanding adviser access and adoption.
- Quoted on over half of all £1bn+ DB transactions in the market, while maintaining pricing discipline in a highly competitive environment.
- Strengthened DB onboarding through proactive engagement with trustees, administrators and EBCs.

2026 focus

- We will drive growth through deepening partnerships, expanding adviser engagement and leveraging innovation and technology to improve accessibility to our solutions.

Link to ongoing risks:

A B C D E F

Link to risk outlook:

1 2 3 4 5 6 7

Be recommended by our customers

Focus

We used data insights to enhance experiences, build deeper relationships, and deliver more personalised outcomes.

2025 progress

- Continued to deliver good outcomes for our customers, supported by research and customer insight.
- Enhanced customer journeys through deeper use of data driven insight.
- Expanded support for customers with our specialist team dedicated to looking after the best interests of our customers who may be vulnerable, with complex needs.
- Achieved our 21st consecutive 5 Star Award for Pensions & Protection Providers and our 16th for Mortgage Providers at the Financial Advisor Service Awards.

2026 focus

- We will continue to enhance the customer experience by embedding data driven insights across journeys and improving personalisation.

Link to ongoing risks:

A B C D E F

Link to risk outlook:

1 2 3 4 5 6 7

Be proud to work at Just

Focus

We built a high-performing culture and organisation where colleagues are proud to work for Just.

2025 progress

- Raised over £50,000 for our chosen charity Hourglass, more than 50% above last year.
- Achieved a 92% emissions reduction in operational emissions.
- Enhanced our colleagues workplace environment, moving into our new Reigate offices.
- Named Company of the Year at the Financial Advisor Service Awards.

2026 focus

- We are committed to be a destination employer by enhancing our colleague experience, and by continuing to invest in colleagues' continuous growth and development.

Link to ongoing risks:

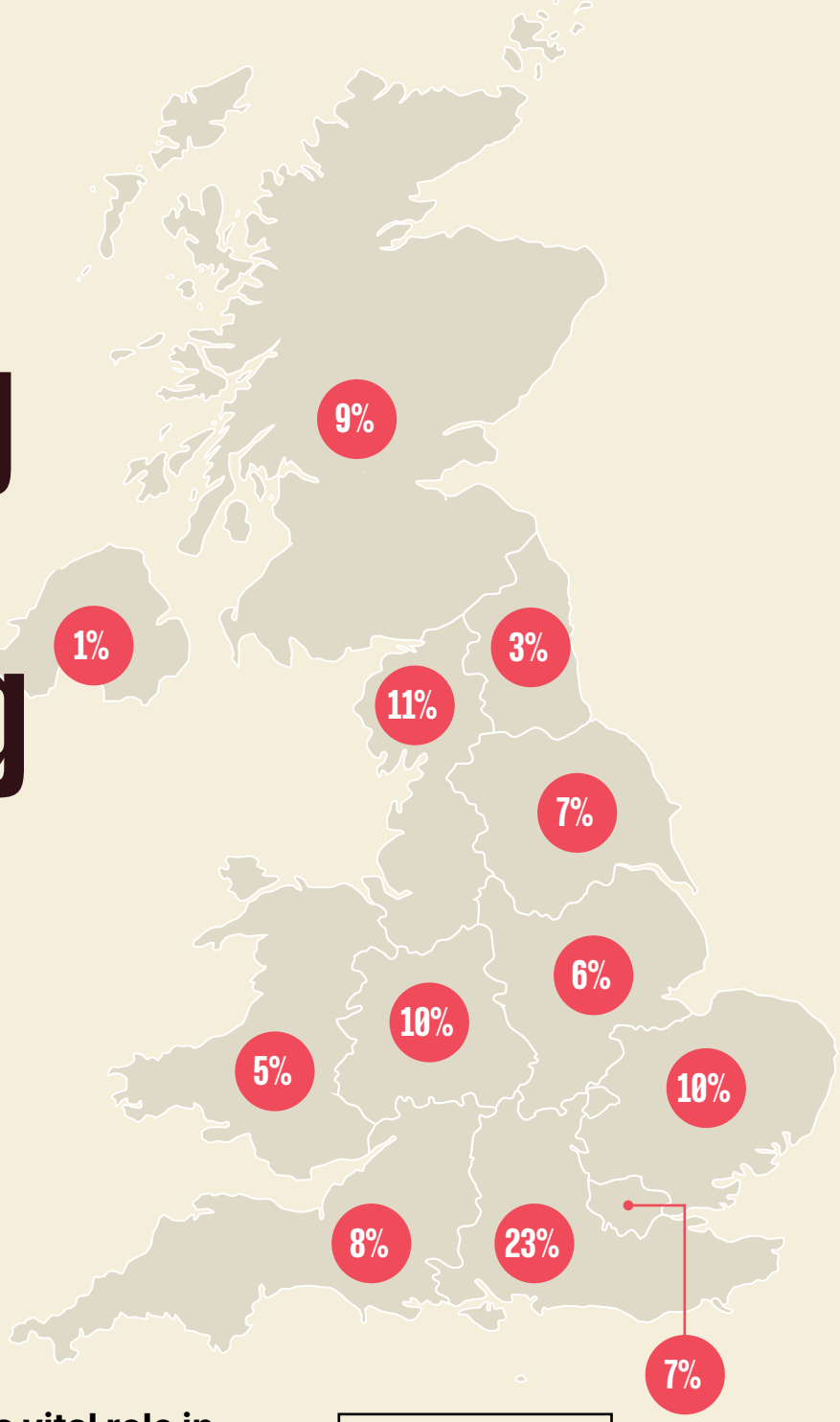
A B C D E F

Link to risk outlook:

1 2 3 4 5 6 7

Strategy in action

Protecting pensions, supporting growth, investing in the UK



As a leading insurer, we play a vital role in the UK economy. We support UK economic growth by providing businesses with financial certainty, delivering long-term security to pension scheme members and investing pension savings into productive assets across the country.

>180k

Defined Benefit pension scheme members across the UK

We offer companies and pension scheme trustees a clear and secure route to transfer their defined benefit pension liabilities to an insurance company.

Using our risk transfer solutions, we remove the investment, inflation and longevity risks that can otherwise limit a business's capacity to grow. We have taken responsibility for these legacy obligations from hundreds of companies all over the UK, enabling sponsors to redirect capital and management focus within their businesses towards innovation, productivity and job creation.

The pension savings we receive from pension schemes are invested into the real economy. We deploy them into productive finance – including infrastructure, housing, sustainable energy and other long-term investments – helping to fund projects that drive economic growth and support communities.

We provide an outstanding service to the members, trustees and sponsors of large schemes, small schemes and all those in between. Scheme members achieve peace of mind knowing their future pension income is secure. Our capital strength and robust, disciplined, long-term investment approach underpin our ability to meet the lifetime promises we have made to our customers, often extending many decades ahead.

The many
600+
Defined Benefit pension schemes helped

The big
£1.8bn
for 22,500 G4S members

The small
£0.4m
for <10 members

with
£900m+
paid to members and schemes in 2025

John Cotton Group

Yorkshire

An £11m full scheme buy-in insures current and former members of the John Cotton (Mirfield) Limited Retirements Benefits Scheme. The John Cotton Group is a family company established in 1916 and based in Yorkshire. They have been redefining fabrics and fibres for over a century and are the UK's largest manufacturer of pillows, duvets and protectors. The buy-in insures the benefits of all 105 uninsured lives, comprising 48 deferred members and 57 pensioners.

→ Find out more at **www.justgroupplc.co.uk/JohnCottonGroup or scan the QR code**

Brother UK

North West

A £56m full scheme buy-in insures all 679 members of the Brother Staff Retirement Benefits Scheme (the "Scheme"). The Scheme is sponsored by Brother International Europe Limited and Brother UK Limited, part of the Brother Group, a manufacturer of technology solutions with a UK base in Manchester. They offer a wide range of printers, scanners, and labelling devices alongside personalised business technology services.

→ Find out more at **www.justgroupplc.co.uk/BrotherUK or scan the QR code**

Scottish Milk

Scotland

A £42m full scheme buy-in for all 452 members of The Scottish Milk Limited Retirement Benefits Plan (the "Scheme"). The Scheme is sponsored by First Milk, a B corp and a co-operative, with around 700 farming families spread across Britain. It provides farmers with security and stability, allowing them to plan for the future and develop their farming business for the next generation.

→ Find out more at **www.justgroupplc.co.uk/ScottishMilk or scan the QR code**

GKN Aerospace

West Midlands, South West and Southern England

A £513m full scheme buy-in insuring the benefits of 2,262 pensioners and 1,963 deferred members of the GKN Group Pension Scheme (No. 4). GKN Aerospace is a global multi-technology leader in the aerospace industry. It has around 3,600 employees spread across six locations in the UK.

→ Find out more at **www.justgroupplc.co.uk/GKNAerospace or scan the QR code**

Welcome Break

Nationwide

A £23m buy-in with the Welcome Break Pension Plan insuring the benefits of all 348 members. Welcome Break is one of the UK's leading motorway service operators, running 60 service areas and 31 hotels up and down the country. They welcome more than 85 million customers every year.

→ Find out more at **www.justgroupplc.co.uk/WelcomeBreak or scan the QR code**

G4S

Nationwide

A £1.8bn full scheme buy-in with the G4S Pension Scheme, covering the benefits of around 22,500 members. G4S is a leading security and facility services company that provides security services and cutting-edge smart technology to deliver tailored security solutions. It has 31,000 employees in the UK and Ireland.

→ Find out more at **www.justgroupplc.co.uk/G4S or scan the QR code**

Turning pension savings into UK growth

Utilities
Investment in critical infrastructure assets including the Haweswater Aqueduct Resilience Programme, delivering drinking water to 2.5m people.

Social housing
Lending to a social housing provider to help expand its investment capacity and deliver 56,500 new homes in England over the next 15 years.

Education
Long-term financing for Lucy Cavendish College, University of Cambridge, to provide accommodation for its students. This will help the college meet its aim to increase the number of students from disadvantaged and under-represented backgrounds.

Solar
Investment in a portfolio of solar assets across England and Wales with a combined peak capacity of 365MW.

Pubs
Investment to refinance debt and provide expansion capabilities for the UK pub portfolios held by Pantheon Holdings and let to major operators in the sector such as Greene King, Marston's and Stonegate.

As a trusted provider of long-term retirement savings solutions, we invest the pension savings of hundreds of thousands of our customers to meet the lifetime promises we have made to them. The investments we make on behalf of our customers are also supporting the UK's long-term economic growth.

We have been trusted to safely invest £30 billion of our customers' pension savings. We take this responsibility very seriously. Our investment strategy is designed to generate secure, predictable returns over many decades so we can meet every pension promise we have made, in full and on time.

£30bn

pension savings our customers have trusted us to invest

£20bn

invested in the UK

180+

sustainable investments[1]

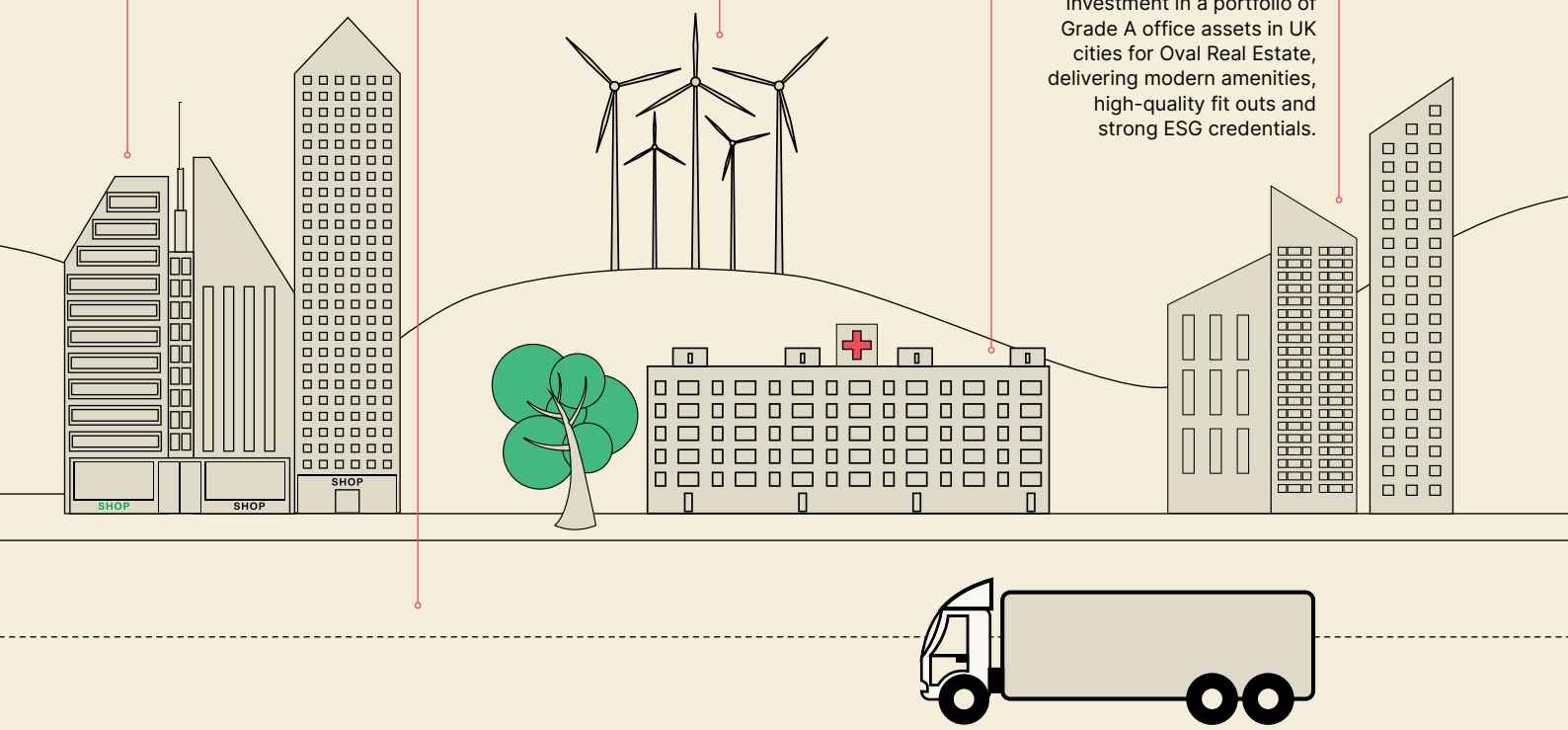
Community and retail
Investment in a high-quality, retail led mixed-use development in Lincolnshire designed to have a positive local social impact by regenerating the town centre.

Motorways
Our investment in the M6 Toll Road, Midland Motorways Group, will contribute to upgrades for smart motorway integration and modernised toll systems.

Renewables – wind farms
Multiple investments in a group of offshore windfarms located in the Irish Sea, which have a combined capacity of over 1,000MW.

Healthcare
Finance for the NHS Tunbridge Wells Hospital to help fund the construction of new accommodation and teaching space for medical students – including 144 residential units for student doctors.

Commercial real estate
Investment in a portfolio of Grade A office assets in UK cities for Oval Real Estate, delivering modern amenities, high-quality fit outs and strong ESG credentials.



We have invested billions of pounds into the UK. This includes long-term investments in areas such as infrastructure, housing, renewable energy, and health. These sectors provide resilient and predictable investment returns so we can meet our promises to customers and in parallel support growth in the UK economy. Our investments support jobs, enhance public services, and help build the foundations for sustainable growth.

By combining disciplined, long-term asset management with a commitment to directing capital into productive UK opportunities, we ensure that the money we invest works on two fronts: protecting customers' financial futures and strengthening the UK's economic resilience.

We help people achieve a better later life, that's our purpose and why we exist. Our positive investment approach helps us to fulfil this purpose for our customers, and to improve the communities they and other citizens rely upon.

1 This includes Renewable Energy, Green Buildings, Clean Transportation, Access to Essential Services, Affordable Housing and Green, Social and Sustainability labelled bonds.

Financial Key Performance Indicators

Measured against our strategic priorities

The Board has adopted the following metrics, which are considered to give an understanding of the Group's underlying performance drivers. These measures are referred to as key performance indicators ("KPIs").

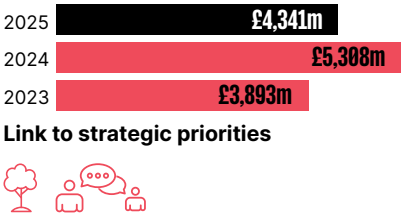
The Board keeps KPIs under review to ensure they continue to reflect the Group's priorities and strategic objectives. We have refocused our capital generation metric to cash generation which monitors the capital generated from the in-force book of business less fixed expenses, with the balance remaining available to re-invest back into the business. Our KPI for sales measures performance against our growth ambitions. Monitoring KPIs for tangible net asset value and capital coverage ratio provide measures of our financial strength and combined with the profit, return on equity and capital KPIs, enables the Group to monitor performance against our strategic priority of sustainable growth.

Retirement Income sales (shareholder funded)[1]

£4,341m

Retirement Income sales (shareholder funded) include DB, GIfL and Care premiums written. It is a demonstration of the Group's ability to originate profitable new business to grow shareholder value.

In 2025, Retirement Income sales (shareholder funded) were £4.3bn as strong growth in GIfL partially offset a fall in DB de-risking sales.

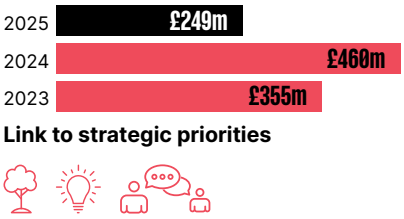


New business profit[1]

£249m

New business profit represents the profit generated from the new business written during the year and is a key measure when assessing business performance.

New business profit fell due to lower volumes and margins, and is reconciled to underlying operating profit in the Business Review.

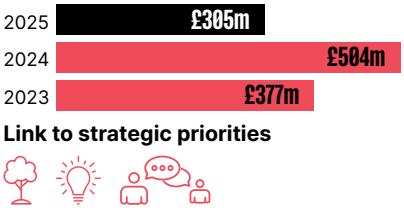


Underlying operating profit[1]

£305m

Underlying operating profit growth was down 39% driven by the decline in new business profit, partially offset by increased recurring in-force profits as the balance sheet grows.

Underlying operating profit is reconciled to IFRS profit before tax in the Business Review.

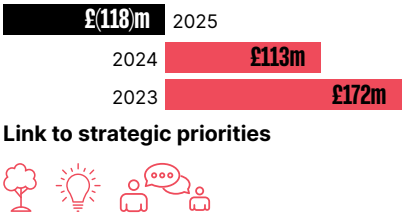


IFRS loss before tax

£(118)m

IFRS profit/(loss) before tax is the primary IFRS statutory KPI used by management to monitor the profit/(loss) before tax attributable to equity holders.

We delivered £305m of underlying operating profit. After operating experience, assumption changes, strategic costs and various other non-operating items, and deferral of profit to CSM, the IFRS loss before tax was £(118)m (2024: £113m profit).



1 Alternative performance measure, see page 24. See glossary on page 226 for definition.

2 Solvency capital coverage ratios as at 31 December 2025 (estimated) and 31 December 2024 include a recalculation of transitional measures on technical provisions ("TMTP") as at the respective dates. 2024 capital position is presented on a proforma basis after the impact of the February 2025 repayment of Tier 3 subordinated debt.

3 Performance against our non-financial strategic priorities are included on page 60.

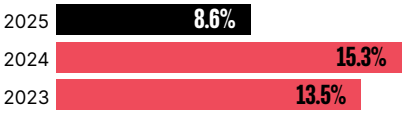
Return on equity[1]

8.6%

Return on equity is the measure used by management to monitor the Group's generation of underlying operating profit from its tangible net asset base.

In 2025, Return on equity decreased as underlying operating profit after tax fell by 39%.

Return on equity is based on underlying operating profit, which is reconciled to IFRS profit, and tangible net asset value, which is reconciled to IFRS total equity in the Business Review.



Link to strategic priorities

Tangible net asset value per share[1]

257p

Tangible net asset value ("TNAV") represents the tangible net assets attributable to the shareholders and is our primary metric used to measure the increase in shareholder value delivered the year. 2025 TNAV has increased by 33p (16%) since 2023.

Tangible net asset value is reconciled to IFRS total equity in the Business Review.

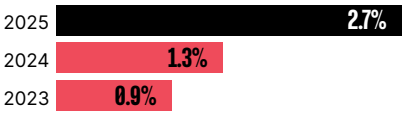
Link to strategic priorities

New business strain[1]

2.7%

New business strain is a key measure reflecting the amount of capital invested as a percentage of premium to write the new business volumes. It is assessed against our target of below 2.5% of premium.

2025 underperformance was driven by increased competition, lower volumes and business mix.



Link to strategic priorities

Cash generation[1]

£130m

Cash generation provides insight into the capital sustainability of the business. It is the amount of capital generated by the in-force business, net of Group overheads and management expenses, and debt interest. Cash generation is part of movement in excess own funds.

The increase in 2025 was due to greater releases of capital and risk allowances, reflecting recent high volumes of profitable new business.

Link to strategic priorities

Solvency capital coverage ratio[2]

179%

Solvency capital and its trajectory is a key focus for the Board in capital and business planning. It expresses the regulatory view of the available capital as a percentage of the required capital.

In 2025, the coverage ratio fell due to the capital invested in new business and non-operating items.

The reconciliation to the regulatory capital position is explained in note 30.

Link to strategic priorities

Measured against our strategic priorities

- Grow sustainably
- Be recommended by our customers[3]
- Scale with technology
- Reach new customers
- Be proud to work at Just[3]

→ See our Strategic Priorities on P14

Building long term value

"During 2025, we proactively managed our capital resources and constrained volumes. Long term growth drivers remain intact, and we are well positioned."

MARK GODSON
Group Chief Financial Officer

We price with discipline, risk select and innovate, ensuring our business model delivers long-term value for customers and shareholders. The Business Review presents the results of the Group for the year ended 31 December 2025, including IFRS and Solvency II ("SII") information.

The growth and success of the business is built on the foundation of our low capital intensity new business model, supported by a strong and resilient capital base. In line with our investment strategy, we continue to diversify the asset portfolio by originating a wide variety of high quality investments, while remaining disciplined in how and when we invest. We continue to target investment in process transformation, systems and people to enable the business to scale efficiently. As we innovate and further broaden our growth strategy, increased product development investment will be aligned to our purpose to help people achieve a better later life through the before, at, and in-retirement phases of life.

Sales

During 2025, we delivered Retirement Income (shareholder funded) new business sales of £4.3bn (2024: £5.3bn), as strong growth in GIfL partially offset a fall in DB de-risking sales. We took a proactive approach to manage our capital resources, and in a very competitive market for DB, especially in the second half of the year, we chose to constrain sales volume. Instead, we maximised our leadership position in the <£100m small scheme transaction segment, and wrote 125 deals, the majority of which were originated via Beacon, our proprietary price monitoring service. These smaller transactions were augmented by a further five medium sized transactions, for a total of 130 transactions during the year (2024: 129 transactions). These activity levels represent c.40% of all transactions in the market over the past two years and demonstrate our operational excellence and strategic execution.

Following the completion of Just's largest transaction to date, a £1.8bn deal with the G4S pension scheme in November 2024, we priced multiple large DB schemes (£1bn+), however, pricing was very competitive in the context of the prevailing credit spread environment. There were also fewer and lower average case sizes for medium transactions (£100m-£1bn) available in the market. In 2025, Just's activity translated into an 8% share by value of a c.£40bn DB market (source: LCP) that was split c.1/4 in the first half and c.3/4 in the second half (source: Just analysis). We believe that the fall in the market and increased seasonality was a consequence of market uncertainty during the first half of the year ahead of the publication of the Pension Schemes Bill in June. During 2025, DB new business was down 28% to £3.1bn (2024: £4.3bn). We expect an increased DB market opportunity in 2026, with the strong tailwind of H2 25 and competitive pricing encouraging schemes of all sizes to come to market as corporates choose to offload legacy and complex DB pension risk to insurers.

Our Retail business had a strong 2025, as customers continue to benefit from higher and more normalised long-term interest rates, which directly increase the GIfL rate on offer. Just's sales grew ahead of the market due to our improved advisor proposition, which reflects ongoing development expenditure. We continue to maintain strong pricing discipline in a market that has enormous long-term growth potential due to the steady growth of defined contribution pension pots and advisors increasing willingness to utilise guaranteed retirement income solutions. During 2025, we wrote £1.3bn of GIfL/Care new business, up 23% year on year (2024: £1.0bn).

Profit

In 2025, underlying operating profit was £305m (2024: £504m), down 39% year on year.

The £4.3bn of Retirement Income sales (shareholder funded) generated a new business profit of £249m, down 46% (2024: £460m), translating to a new business margin of 5.7% (2024: 8.7%). New business margin was impacted by the increase in competition, which hampered our ability to reprice and offset the trend of tighter credit spreads as the year progressed, lower volumes, and business mix. Growth of the in-force book of business together with continued higher and more normalised long term interest rates boosted the return on surplus assets, thereby increasing our recurring in-force operating profit, up 4% to £246m (2024: £236m). Finance costs were broadly stable at £71m, and we invested £36m (2024: £35m) in development expenditure regarding new systems and processes to scale the business efficiently for the future.

After non-operating items, we recorded an adjusted profit before tax of £120m (2024: £482m). After allowing for the deferral of profit into the CSM balance sheet reserve, the IFRS loss before tax is £(118)m (2024: £113m IFRS profit before tax).

Increasing shareholder value

Each year, the upfront profit delivered from new business increases the Contractual Service Margin ("CSM") reserve, offset by the profits earned as we pay the customer pensions due on business written in prior years. Our store of value (post-tax) grows strongly as the increase in CSM from selling profitable new business far outweighs the release of CSM stock from the back book.

When added to equity attributable to shareholders (excluding intangible assets), Just's adjusted equity or tangible net assets is 257p per share (31 December 2024: 254p per share), on which we earned an 8.6% return (2024: 15.3%). The internal rate of return ("IRR") on shareholder capital invested in new business remains above our "mid-teen" target, as available capital is tactically allocated to exploit the opportunities available – both today and in the future.

Capital

The Group's estimated Solvency II capital coverage ratio remains robust at 179% (31 December 2024: 204%[3]), driven lower by investment in new business and non-operating items. Cash generation was up 9% to £130m (2024: £119m), due to our growing in-force book of business from the high volumes of profitable business written in prior years, and the release of capital and risk allowances as we pay our existing customers. Organic capital consumption at £(30)m (2024: £81m organic capital generation) swung to a negative driven by the increase in new business strain to £116m (2.7% of new business premium), and the £(17)m net impact of other operating items. This compares to £71m of new business strain (1.3% of new business premium) and £58m of positive management actions in 2024. The 2025 new business strain represents a satisfactory result in the difficult market conditions. It was above our target of less than 2.5% of premium, and compares to the average of 1.7% of premium since 2020. Our through the cycle new business strain reflects a strong pricing discipline, focused risk selection and our ability to originate increasing quantities of high-quality illiquid assets. Non-operating items summed to a £(322)m reduction in surplus, which led to a 15% fall in the capital coverage ratio. This included the £28m shareholder dividend paid during 2025, £(66)m from the effect of rising long term interest rates, £(43)m from property growth experience, and asset trading timing and other economic variances of £(112) m. We also incurred £(73)m of strategic expenses, driven higher by our BWS offer transaction costs and a bolt-on acquisition. We continue to closely monitor and prudently manage our risks, including interest rates, inflation, currency, residential property and credit. The Solvency II sensitivities are set out in the Capital management section of the Business Review.

Business Review continued

Outlook

The normalisation of long-term interest rates and the attractiveness of the guarantees embedded in our products continue to drive demand from our customers. Our markets are large, with huge untapped potential. The proposed combination with BWS will enable us to capture both the nearer term DB de-risking opportunity through an enlarged balance sheet, while also enhancing our ability to capitalise on evolving retirement trends, including the growing opportunities in defined contribution pensions. Through accessing Brookfield Asset Management's industry leading investment expertise, we will be able to continue to deliver competitively priced products and services to our customers. Our culture, reputation and capabilities, including investment in our people enable us to continue to strongly execute as we take advantage of the multiple growth opportunities in our chosen markets.

Alternative Performance Measures And Key Performance Indicators

The Group uses a combination of alternative performance measures ("APMs") and IFRS statutory performance measures. The Board believes that the use of APMs along with the IFRS measures, gives a useful insight into the underlying performance of the Group.

The Directors have concluded that the principles used as a basis for the calculation of the APMs remain appropriate. Just Group has been growing strongly for a number of years and regards the writing of profitable new business contracts as a key objective for management. As a result, in management's view, the use of a performance measure which includes the value of profits deferred for recognition in future periods is a useful alternative to IFRS profits under IFRS 17 which exclude the deferred profits from new business sales.

Further information on our APMs can be found in the glossary, together with a reference to where the APM has been reconciled to the nearest statutory equivalent.

KPIs are regularly reviewed against the Group's strategic objectives. Reflecting the performance conditions and targets for the 2024 and 2025 long term incentive plan, cash generation has replaced underlying organic capital generation as a KPI. The Group's KPIs are discussed in more detail on the following pages.

The Group's KPIs are shown below:

	2025	2024	Change
Retirement Income sales[1]	**£4,341m**	£5,308m	(18)%
New business profit[1]	**£249m**	£460m	(46)%
Underlying operating profit[1]	**£305m**	£504m	(39)%
IFRS (loss)/profit before tax	**£(118)m**	£113m	n/a
Return on equity[1]	**8.6%**	15.3%	(6.7)pp
Tangible net asset value per share[1]	**257p**	254p	3p
New business strain[1] (as % of premium)	**2.7%**	1.3%	1.4pp
Cash generation[1]	**£130m**	£119m	9%
Solvency II capital coverage ratio[2,3]	**179%**	204%	(25)pp

1 Alternative performance measure, see glossary for definition.

2 Solvency capital coverage ratios as at 31 December 2025 (estimated) and 31 December 2024 include a recalculation of TMTP at the respective dates.

3 2024 capital position is presented on a proforma basis after the impact of the February 2025 repayment of Tier 3 subordinated debt.

Tangible net assets / Return on equity (underlying)

The return on equity in the year to 31 December 2025 was 8.6% (2024: 15.3%), based on underlying operating profit after attributed tax of £229m (2024: £378m) arising on average adjusted tangible net assets of £2,652m (2024: £2,475m). Tangible net assets are reconciled to IFRS total equity as follows:

	31 December 2025 £m	31 December 2024 £m
IFRS total equity attributable to ordinary shareholders	**788**	924
Less intangible assets	(47)	(40)
Tax on amortised intangible assets	1	1
Add back contractual service margin	2,566	2,328
Adjust for tax on contractual service margin	(639)	(578)
Tangible net assets	**2,669**	**2,635**
Tangible net assets per share	**257p**	**254p**
Return on equity % (underlying)	**8.6%**	**15.3%**

Underlying operating profit

Underlying operating profit is a core performance metric on which we measure the year to year performance of the business. It includes the value of profits deferred for recognition in future periods. Underlying operating profit captures the performance and running costs of the business including interest on the capital structure, but excludes operating experience and assumption changes, which by their nature are less predictable and can vary substantially from period to period.

2025 underlying operating profit reduced by 39% to £305m (2024: £504m), due to lower new business volumes and margins as we faced increased competition and tighter credit spreads. Our pricing discipline led to our decision to constrain volume appetite and stay within our available capital budget. Recurring in-force operating profit rose by 4% to £246m, with other group companies' costs and development costs and other broadly stable. Finance costs rose by 3% to £71m (2024: £69m), following a bond refinancing in September 2024.

We expect an increased DB market opportunity in 2026, after the market fell to c.£40bn (2024: £48bn) due to fewer £1bn+ transactions. Our confidence is due to the c.£30bn DB market H2 25 run-rate and large deal pipeline. However, we will maintain our pricing discipline and continue to pivot volumes between different segments of the DB and GIfL markets we operate in, so that we continue to earn an appropriate return on capital deployed in new business.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Change %
New business profit	**249**	460	(46)
CSM amortisation	(67)	(71)	(6)
Net underlying CSM increase	**182**	**389**	**(53)**
In-force operating profit	246	236	4
Other Group companies' operating results	(16)	(17)	(6)
Development costs and other	(36)	(35)	3
Finance costs	(71)	(69)	3
Underlying operating profit[1]	**305**	**504**	**(39)**

1 See reconciliation to IFRS profit before tax further in this Business Review.

Underlying earnings per share

Underlying EPS (based on underlying operating profit after attributed tax) has decreased to 22.0 pence (2024: 36.3 pence).

	Year ended 31 December 2025	Year ended 31 December 2024
Underlying operating profit (£m)	**305**	**504**
Attributable tax (£m)	(76)	(126)
Underlying operating profit after attributable tax (£m)	**229**	**378**
Weighted average number of shares (million)	1,042	1,040
Underlying EPS[1] (pence)	**22.0**	**36.3**

1 Alternative performance measure, see glossary for definition.

Earnings per share

Earnings per share (based on net profit after tax, see note 10) has decreased to (10.7) pence (2024: 6.5 pence). This includes any operating experience and assumption changes, the non-operating items and deferral of profit to the CSM reserve, and reflects the IFRS 17 statutory profit.

	Year ended 31 December 2025	Year ended 31 December 2024
(Loss)/Profit before tax (£m)	**(118)**	**113**
Tax (£m)	19	(33)
(Loss)/Profit attributable to equity holders of Just Group plc (£m)	**(99)**	**80**
Coupon payments in respect of Tier 1 notes (net of tax) (£m)	(12)	(12)
Earnings (£m)	**(111)**	**68**
Weighted average number of shares (million)	1,042	1,040
EPS (pence)	**(10.7)**	**6.5**

New business profit

New business profit fell 46% to £249m (2024: £460m) driven by an 18% reduction in shareholder funded Retirement Income sales to £4.3bn (2024: £5.3bn) and lower margins. In a more competitive DB market, we constrained volumes and instead took advantage of our leadership position in the defined benefit de-risking small scheme segment, where we could earn a better margin. We also faced into progressively tighter credit markets during the year, and chose to minimise public credit investments, instead investing in illiquid assets and gilts. These headwinds were partially offset by a focus on pricing discipline, business mix and risk selection. As a result of these factors, new business margin decreased to 5.7% (2024: 8.7%).

Movement In CSM

The total movement in CSM represents the net underlying increase of profit deferral in CSM during the year before any transfers to CSM in respect of operating experience and assumption changes recognised in the current year.

The new business profit of £249m deferred in CSM is well in excess of the CSM in-force release (£174m). This provides a healthy level of replacement profit, and demonstrates the value of new business written during the period relative to the CSM release from existing business. This strong growth dynamic increases the CSM store of value, which predictably releases into the recurring in-force profit in future years.

CSM amortisation is the release from the CSM reserve into profit as services are provided, net of accretion (unwind of discount) on the CSM reserve balance (see below). £67m of net CSM amortisation (2024: £71m) is a £174m release of CSM into profit, offset by £107m of interest accreted to the CSM. The £174m CSM release into profit (2024: £154m) represents 6.4% (2024: 6.2%) of the CSM balance immediately prior to release.

Accretion at locked in rates on the CSM balance was £107m (2024: £83m), adding 4.1% (2024: 3.4%) of the opening plus new business CSM balance. The rate of accretion reflects the interest rates locked in on IFRS 17 transition and prevailing rates for subsequent new business written.

"From an execution perspective, we completed 130 DB transactions (2024: 129 transactions), which represents c.40% of all transactions in the market over the past two years."

£3.1bn

DB de-risking sales
2024: £4.3bn (s/holder)

£1.3bn

GIfL / Care sales
2024: £1.0bn

In-force operating profit

In-force operating profit represents investment returns earned on surplus assets, the release of allowances for credit default, CSM amortisation, release of risk adjustment allowance for non-financial risk and other items. Taken together, these are the key elements of the operating profit from insurance activities on an IFRS 17 basis.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Change %
Investment return earned on surplus assets	146	133	10
Release of allowances for credit default	33	29	14
CSM amortisation	67	71	(6)
Release of risk adjustment for non-financial risk/Other	–	3	n/a
In-force operating profit	**246**	**236**	**4**

The in-force operating profit increased by 4% to £246m (2024: £236m), driven by an increase in investment return, as a result of a greater amount of surplus assets, which reflects our larger balance sheet. The higher release of allowance for credit default reflects the growth in the investment portfolio that backs the insurance guarantees we provide to our customers. CSM amortisation fell due to a one-off adjustment, but ought to increase over time as the stock of CSM reserve grows. The CSM release is offset by a higher accretion rate as noted earlier.

Other Group companies' operating results

The operating result for Other Group companies was a loss of £16m (2024: loss of £17m). These costs include the net cost of corporate and proposition related initiatives in the HUB group of businesses and the Group's holding companies, including plc costs.

Development costs and other

Development costs and other include development costs of £28m (2024: £25m) and £8m of other items (2024: £10m). Development costs relate to investment in systems capability, in addition to various business line and functional transformation. This investment will enable Just to continue to grow efficiently allowing us to increasingly benefit from operational gearing, while managing our risks and delivering products and services to our customers and business partners through the latest technology.

Finance costs

Finance costs were up 3% at £71m (2024: £69m), with the increase reflecting the higher coupon payable on a portion of the Group's debt following a refinancing in September 2024. Finance costs include the coupon on the Group's Restricted Tier 1 notes, as well as the interest payable on the Group's Tier 2 and Tier 3 notes (repaid on maturity in February 2025).

The Group has a £400m revolving credit facility provided by eight banks. This facility is available until June 2027, and has not been drawn upon since inception in June 2022.

On a statutory IFRS basis, the Restricted Tier 1 coupon is accounted for as a distribution of capital, consistent with the classification of the Restricted Tier 1 notes as equity, but the coupon is included as a finance cost on an underlying and adjusted operating profit basis.

Retirement Income sales

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Change %
Defined Benefit De-risking Solutions ("DB")[1]	3,071	4,275	(28)
Guaranteed Income for Life Solutions ("GIfL")[2]	1,270	1,033	23
Retirement Income sales (shareholder funded)	**4,341**	**5,308**	**(18)**
DB Partner (funded reinsurance)[1]	–	1,101	n/a
Total Retirement Income sales	**4,341**	**6,409**	**(32)**

1 Adding the DB shareholder funded and Partner business leads to total DB de-risking sales volumes of £3,071m (2024: £5,376m).

2 GIfL includes UK GIfL, South Africa GIfL and Care Plans.

Despite a more challenging year in 2025, as increased competition and tighter credit markets impacted pricing, our confidence that we can continue to deliver attractive returns and growth rates over the long-term is underpinned by the structural drivers and trends in our markets. Over the past three years, rising long term interest rates have accelerated the closure of, and in most cases eliminated, scheme funding gaps. Therefore, more schemes are able to begin the process to be "transaction ready", with insurance remaining the "gold standard" for trustees and their members amongst the various options available. The retail GIfL market is also healthy, driven by the customer rate available, larger pension pot sizes due to investment performance and advisers shopping around in the open market. The level of long-term interest rates directly influences the customer rate we can offer. With the present higher and more normalised long term interest rates, this increases the value of the guarantee to customers, making the product more attractive relative to other forms of retirement income.

Shareholder funded DB sales at £3.1bn (2024: £4.3bn) were down 28%, reflecting the decision to maintain pricing discipline by constraining volumes, particularly in the very competitive second half of 2025. Our proprietary bulk quotation and price monitoring service, ("Beacon"), continues to grow in popularity with over 400 DB schemes onboarded. From an execution perspective, we completed 130 transactions (2024: 129 transactions), which represents c.40% of all transactions in the market over the past two years (source: Just estimates). Prior investment in our proposition and early positioning enabled Just to continue to take advantage of the very strong market demand for <£100m small scheme transactions. Smaller schemes are typically less hedged to interest rates and also benefit the most from unit cost savings on buyout. In 2025, we maintained our leadership position in the <£100m transaction size segment, writing £2.0bn of business across 125 transactions (2024: £1.8bn across 120 transactions) with a further £1.1bn from the £100m-£1bn medium size segment across five transactions (2024: £2.4bn across nine transactions). Just's activity translated into an 8% share by value of a c.£40bn DB market (source: LCP) that was split c.1/4 in the first half and c.3/4 in the second half (source: Just analysis). We believe that the fall in the market and increased seasonality was a consequence of market uncertainty during the first half of the year ahead of the publication of the Pension Schemes Bill in June 2025, with fewer £1bn+ schemes transacting. This had a knock-on effect, leading to fewer and lower average case sizes for medium transactions. Despite this, the industry responded with a record amount of activity with c.350 transactions (source: LCP, 2024: 300 transactions) completed in 2025, driven by smaller deals.

Following clarity from the Pension Schemes Bill, and continued high funding levels, there are now increased opportunities available. Given the strong industry pipeline, 2026 is forecast to potentially be a record year with up to £55bn of transactions (source: LCP, 5th January 2026). In November 2025, LCP renewed their forecasts, and estimate that £350-550bn of DB buy-in/buyout deals could transact over the decade from 2025-2034. This demonstrates the scale and opportunity available from the £1.1tn of DB liabilities outstanding, of which c.22% have transferred to insurers to date. As part of our proposition to EBCs (employee benefit consultants), trustees, and scheme sponsors, we are always available to service and quote for schemes of all sizes, as evidenced from our consistently high activity levels. This is driven by our talented people, client focussed culture, systems infrastructure and streamlined processes.

GIfL sales were up 23% to £1.3bn (2024: £1.0bn). We performed ahead of market growth due to our improved advisor proposition reflecting ongoing development and transformation expenditure. The GIfL market has experienced very strong growth in 2023/24. In 2025, the UK GIfL market consolidated, growing 4% to £7.4bn.

We expect continued structural growth driven by demographics as more people reach retirement age. These retirees will increasingly have larger defined contribution ("DC") pension pots due to workplace schemes and auto-enrolment, and less defined benefit ("DB"). Changing adviser behaviour, technology tools and consolidation into larger advice networks are driving new trends in distribution, as advisers respond to the changing needs of their customers as they decumulate in the spending phase of retirement. Due to the higher customer rates on offer, and regulatory initiatives including the FCA's Consumer Duty and findings from the thematic review into retirement income advice, advisors and their customers are re-examining the importance of guaranteed solutions to help customers achieve their retirement objectives. In reaction to this, we are investing in our distribution to broaden and deepen our participation in the advisor channel to access this market segment, which contains larger pots and generally healthier lives.

Reconciliation of Underlying operating profit to IFRS (loss)/profit before tax

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Underlying operating profit[1]	305	504
Operating experience and assumption changes	(32)	(37)
Investment and economic movements	(98)	18
Strategic expenditure	(71)	(23)
Adjustment for transactions reported directly in equity in IFRS	16	20
Adjusted profit before tax[1]	**120**	**482**
Deferral of profit in CSM	(238)	(369)
(Loss)/Profit before tax	**(118)**	**113**

1 Alternative performance measure, see glossary for definition.

Operating experience and assumption changes

Negative operating experiences were driven by lower than expected mortality, £(20)m, see note 22(b)(ii) for further details on our mortality assumptions. It also includes £(6)m due to modelling updates and £(6)m from minor assumptions strengthening.

Investment and economic movements

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Change in risk free rates and inflation	12	3
Property growth experience	(55)	(22)
Other	(55)	37
Investment and economic movements	**(98)**	**18**

Investment and economic movements were negative at £(98)m (2024: £18m positive). Movements in risk free rates have had a negligible effect[1] due to the strategic hedging strategy that was first implemented in the latter part of 2022 and has continued since. This includes the initial purchase and accumulation of £4.0bn portfolio (31 December 2024: £4.0bn) of long dated gilts held at amortised cost under IFRS. This approach has almost eliminated the IFRS exposure[1] whilst also containing our Solvency II sensitivity to future interest rate movements (see estimated Group Solvency II sensitivities below).

LTM portfolio property growth was slightly negative, thereby performing below the 3.3% annual long-term property growth assumption (2024: 3.3% annual property growth assumption), resulting in a negative variance. Other includes a strengthening of the lifetime mortgage voluntary redemptions assumption, partially offset by a number of positive assumption changes in relation to inflation and credit defaults. It also includes the effect of asset trading, economic assumption updates, and other one-off negative investment variances.

1 See note 22 for interest rate sensitivities, with a 100 bps increase in interest rates resulting in a increase in pre-tax profit of £18m and a 100 bps decrease in interest rates resulting in a decrease in pre-tax profit of £(16)m.

Strategic expenditure

Strategic expenditure was £71m (2024: £23m). The year on year increase was driven by the £50m cost in relation to Just's transaction advisory fees and accelerating various share based payment schemes into the current year due to the proposed acquisition by BWS, announced on 31 July 2025. Included in 2025 is a provision for the remaining transaction costs on completion. Ordinarily, strategic expenditure relates to investment in the Group's new consumer facing initiative, investment in other retail related propositions and costs associated with the upgrade and expansion of our workplace property facilities.

Deferral of profit in CSM

As noted above, underlying operating profit is a core performance metric. This includes new business profits deferred in CSM that will be released in future. When reconciling the underlying operating profit with the statutory IFRS profit, it is necessary to adjust for the value of the net deferral of profit in CSM.

Net transfers to CSM includes amounts that are recognised in profit or loss including the accretion and the amortisation of the CSM. The table below is on a pre-tax basis:

	Year ended 31 December 2025			Year ended 31 December 2024		
	Gross insurance contracts £m	Reinsurance contracts £m	Total £m	Gross insurance contracts £m	Reinsurance contracts £m	Total £m
CSM balance at 1 January	**2,731**	**(403)**	**2,328**	**2,449**	**(490)**	**1,959**
New Business initial CSM recognised	233	24	**257**	438	24	**462**
Accretion of interest on CSM	117	(10)	**107**	113	(30)	**83**
Changes to future cash flows at locked-in economic assumptions	(106)	154	**48**	(92)	70	**(22)**
Release of CSM	(197)	23	**(174)**	(177)	23	**(154)**
Net transfers to CSM	**47**	**191**	**238**	282	87	**369**
CSM balance at 31 December	**2,778**	**(212)**	**2,566**	2,731	(403)	**2,328**

Capital management

The Group's capital coverage ratio was 179% at 31 December 2025[1] (31 December 2024: 204%)[1,2]. The Solvency II capital coverage ratio is a key metric and is considered to be one of the Group's KPIs. The movement in excess own funds section on page 30 sets out the drivers of the reduction to 179%.

	31 December 2025[1] £m	31 December 2024[2] £m
Own funds	2,740	3,055
Solvency Capital Requirement	(1,531)	(1,494)
Excess own funds	**1,209**	**1,561**
Solvency coverage ratio[1]	**179%**	**204%**

1 Solvency capital coverage ratios include a recalculation of TMTP at the respective dates. Following the implementation of the UK Reforms to Solvency II on 31 December 2024, TMTP is now recalculated quarterly using the new simplified method. Firms are no longer required to seek PRA approval for their recalculations.

2 2025 regulatory position is estimated. 2024 capital position is presented on a proforma basis after the impact of the February 2025 repayment of Tier 3 subordinated debt. As reported in Note 30 the capital ratio at 31 December 2024 was 211% prior to this repayment.

The Group has approval to apply the matching adjustment and TMTP in its calculation of technical provisions and uses an internal model to calculate its Group Solvency Capital Requirement ("SCR").

Business Review continued

Movement In Excess own funds[1]

The business is delivering sufficient cash generation, which augmented with management actions, supports the deployment of capital to capture the significant growth opportunity available in our chosen markets, provide returns to our capital providers and further investment in the strategic growth of the business.

The table below analyses the movement in excess own funds, in the year to 31 December 2025.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Excess own funds at 1 January (proforma)[3]	**1,561**	**1,527**
Operating		
In-force surplus net of TMTP amortisation	195	178
Financing costs	(54)	(48)
Non-life costs	(11)	(11)
Cash generation	**130**	**119**
New business strain[2]	(116)	(71)
Development costs and other	(27)	(25)
Management actions and other operating items	(17)	58
Organic capital generation	**(30)**	**81**
Non-operating		
Strategic expenditure	(73)	(17)
Dividends	(28)	(23)
Economic movements	(221)	49
Regulatory changes	–	(42)
Capital actions[3]	–	(14)
Excess own funds	**1,209**	**1,561**

1 All figures are net of tax and include a recalculation of TMTP where applicable.

2 New business strain calculated based on pricing assumptions.

3 The opening excess own funds is stated on a proforma basis after the £155m Tier 3 debt repayment in February 2025. Capital actions reflect the effect of repayment of the Tier 3 in 2025 and the Tier 2 refinancing in 2024. Capital actions is net of the positive effect (if any) from release of Solvency tiering restrictions.

Cash generation and new business strain

The Group is focused on sustainable growth, whereby the various costs of the business including TMTP amortisation, finance, development and other costs, and new business strain is funded through the capital generation from the existing in-force book. This is further augmented by management actions.

During 2025, the business delivered £130m of cash generation (2024: £119m), driven by 10% growth in cash from in-force to £195m, reflecting the release of risk allowances and capital held against the high volumes of profitable new business written in recent years. The increase in financing costs reflects the timing of interest payments following new debt issuance in September 2024, while non-life costs remained stable at £11m (2024: £11m). We invested £116m in new business capital strain with the year-on-year increase due to writing business at 2.7% of premium (2024: 1.3% of premium). By remaining disciplined and return focused, we maximised our available capital budget, but this resulted in an 18% reduction in new business volumes to £4.3bn. This level of new business strain is slightly above our target of below 2.5% of premium, and relative to a weighted average of 1.7% of premium over the past six years (2020-25 inclusive). Development costs and other were £27m (2024: £25m). Management actions and other operating items were £(17)m due to negative operating experience and assumption changes, partially offset by modelling refinements (2024: £58m positive, driven by PLACL adoption of internal model). When aggregated, this led to £(30)m of organic capital consumption (2024: £81m organic capital generation).

Non-operating items

Changes in the capital surplus were as follows. Together, economic movements summed to a £(221)m reduction, accounting for a 9pp decrease in the capital coverage ratio ("CCR"). This is derived from the £(66)m effect from higher long term interest rates during the year (4pp decrease in the CCR). Reflecting that property price growth experience was slightly negative in 2025 (compared to annual 3.3% long-term growth assumption), this led to a £(43)m decrease (3pp decrease in the CCR). Asset trading timing, and other residual economic variances summed to a £(112)m reduction (2pp decrease in the CCR). Payment of shareholder dividends during 2025 cost £28m while strategic expenses reduced the capital surplus by a further £73m. Strategic expenses include investments to bring to market various retail related propositions and cost of new workplace property facilities. In 2025, strategic costs also includes Just's costs in relation to the BWS transaction.

There were no capital restrictions in the 31 December 2025 capital position.

Estimated Group Solvency II sensitivities[2,3]

The Group assesses the sensitivity of the Solvency II balance sheet to potential changes in economic parameters and mortality. The results of sensitivities applied to the 31 December 2025 Solvency II balance sheet are reported below.

	At 31 December 2025	
	CCR %	Excess own funds £m
Solvency coverage ratio/excess own funds at 31 December 2025[1,2,3,4]	**179**	**1,209**
Impact of sensitivity applied increase/(decrease)		
-50bps fall in interest rates	**(1)**	**76**
+50bps increase in interest rates	**0**	**(70)**
+100bps credit spreads	**14**	**129**
Credit quality step downgrade[5]	**(7)**	**(100)**
-10% property values[6]	**(14)**	**(198)**
-5% mortality	**(9)**	**(141)**

1 The sensitivities above are determined by applying stresses to single risk factors. Stresses to multiple risk factors at the same time can create more severe outcomes than on individual factors as reported above.

2 In all sensitivities the Effective Value Test ("EVT") deferment rate is allowed to change subject to the minimum deferment rate floor being met.

3 The results do not include the impact of capital tiering restriction, if applicable.

4 Sensitivities are applied to the reported capital position which includes a TMTP recalculation where applicable.

5 Credit migration stress covers the cost of an immediate big letter downgrade (e.g. AAA to AA or A to BBB) on 10% of all assets where the capital treatment depends on a credit rating (including corporate bonds, long income real estate/income strips; but lifetime mortgage senior notes are excluded). Downgraded assets are assumed to be traded to their original credit rating, so the impact is primarily a reduction in Own Funds from the loss of value on downgrade. The impact of the sensitivity will depend upon the market levels of spreads at the balance sheet date.

6 Property sensitivity reflects the strengthening of the PRA EVT minimum deferment rate to 4.5% (31 December 2024: 3.5%) and the impact of basis updates. Sensitivity is applied after the application of NNEG hedges.

Reconciliation of IFRS equity to Solvency own funds

	31 December 2025 £m	31 December 2024 £m
IFRS net equity	**1,110**	1,246
CSM	2,566	2,328
Goodwill	(43)	(34)
Intangibles	(4)	(6)
Solvency risk margin	(212)	(194)
Solvency TMTP[1]	360	409
Other valuation differences and impact on deferred tax	(1,662)	(1,316)
Ineligible items	(4)	(3)
Subordinated debt	659	643
Group adjustments	(30)	(18)
Solvency own funds[1]	**2,740**	**3,055**
Solvency SCR[1]	(1,531)	(1,494)
Solvency excess own funds[1,2]	**1,209**	**1,561**

1 Solvency capital coverage ratios include a recalculation of TMTP at the respective dates. Following the implementation of the UK Reforms to Solvency II on 31 December 2024, TMTP is now recalculated quarterly using the new simplified method. Firms are no longer required to seek PRA approval for their recalculations.

2 2025 regulatory position is estimated. 2024 capital position is presented on a proforma basis after the impact of the February 2025 repayment of Tier 3 subordinated debt. As reported in Note 30 the capital ratio at 31 December 2024 was 211% prior to this repayment.

Business Review continued

Reconciliation from Operating profit to IFRS Consolidated statement of comprehensive income

The table below presents the reconciliation from the Group's APM income statement view to the IFRS statement of comprehensive income for the Group for 2025. The equivalent reconciliation for the comparative year is in the Additional Financial Information on page 222.

					Statutory accounts format				
Alternative profit measure format 31 December 2025	**Reported[1] £m**	**Quote date difference[2] £m**	**CSM Deferral[3] £m**	**Adjusted Total[4] £m**	**Insurance service result £m**	**Net investment result £m**	**Other finance costs £m**	**Other income, expenses and associates £m**	**PBT £m**
New business profit	249	8	(257)	–					
CSM amortisation	(67)		67	–					
Net underlying CSM increase	**182**	**8**	**(190)**	**–**					
In-force operating profit:									
Investment return earned on surplus assets	146			146		146			146
Release of allowances for credit default	33			33		33			33
CSM amortisation	67			67	174	(107)			67
Release of risk adjustment for non-financial risk	–			–	(3)	3			–
Other Group companies' operating results	(16)			(16)				(16)	(16)
Development costs and other	(36)			(36)				(36)	(36)
Finance costs	(71)			(71)			(71)		(71)
Underlying operating profit	**305**	**8**	**(190)**	**123**					
Operating experience and assumption changes	(32)		(48)	(80)	(1)	(79)			(80)
Investment and economic movements	(98)	(8)		(106)		76	(190)	8	(106)
Strategic expenditure	(71)			(71)				(71)	(71)
Adjustment for transactions reported directly in equity in IFRS	16			16			16		16
Adjusted loss before tax	**120**		**(238)**	**(118)**					
Deferral of profit in CSM	(238)		238	–					
Loss before tax	**(118)**			**(118)**	**170**	**72**	**(245)**	**(115)**	**(118)**

1 The rows and first numeric column of this table present the Reported alternative profit measure (APM) format as presented in the Underlying operating profit section and Reconciliation of Underlying operating profit to IFRS profit before tax section of this review.

2 The Quote date difference adjustment is made because Just bases its assessment of new business profitability for management purposes on the economic parameters prevailing at the quote date for GIfL business and market condition date for DB business instead of the IFRS 17 recognition date (see new business profit reconciliation in the additional information section on page 221).

3 The CSM column presents how elements of the APM basis result are deferred in the CSM reserve held on the IFRS balance sheet consistent with the table in the Deferral of profit in CSM section of this review. Under IFRS 17, new business profits and the impact of changes to estimates of future cash flows are deferred in the CSM reserve for release over the life of contracts.

4 The Adjusted total column is then transposed in the columns on the right-hand side into the IFRS statutory accounts format. Figures are presented on a net of reinsurance basis.

The IFRS loss before tax of £(118)m (2024: £113m profit) is reported after deferral of £249m new business profit in CSM (2024: £460m) and any experience/assumption changes (2025: £48m, 2024: £22m) in the balance sheet. The CSM amortisation recognised in the IFRS result of £67m (2024: £71m) reflects the recognition of services provided in the year net of accretion. This is expected to increase as our stock of CSM grows with new business. The pre-tax CSM closing balance stands at £2,566m (2024: £2,328m), as per note 22.

Investment and economic movements recognised within IFRS finance costs of £190m (2024: £192m) includes interest on repurchase agreements of £166m (2024: £146m) that fund the Group's amortised cost portfolio of sovereign gilts that stands at £4.0bn. Interest earned on the amortised cost gilts of £176m (2024: £135m) is reported within net investment result.

Net interest received on collateral of £7m is reported gross within net investment result for interest income of £31m and in finance costs for interest paid of £(24)m. The remaining impact on Net investment result, and IFRS PBT, from investment and economic movements of £89m (2024: £57m) relates to changes in exchange rates, long-term interest rates, and where the impact on the investment portfolio backing insurance contracts does not perfectly match the impact on reserves.

Highlights from Condensed consolidated statement of financial position

The table below presents selected items from the Condensed consolidated statement of financial position. The information below is extracted from the statutory consolidated statement of financial position.

	31 December 2025 £m	31 December 2024 £m
Assets		
Financial investments	37,273	34,390
Reinsurance contract assets	2,055	2,067
Cash available on demand	758	808
Other assets	688	657
Total assets	**40,774**	**37,922**
Share capital and share premium	199	199
Other reserves	944	944
Retained earnings	(355)	(219)
Total equity attributable to ordinary shareholders of Just Group plc	**788**	924
Tier 1 notes	322	322
Total equity	**1,110**	**1,246**
Liabilities		
Insurance contract liabilities	31,386	27,753
Reinsurance contract liabilities	125	94
Payables and other financial liabilities	7,344	7,889
Other liabilities	809	940
Total liabilities	**39,664**	36,676
Total equity and liabilities	**40,774**	**37,922**

The amounts reported in the Condensed consolidated statement of financial position above for Insurance and Reinsurance contracts include our future cash flows, risk adjustment and contractual service margin ("CSM"). The analysis of these as reported in note 22 is included below.

	31 December 2025			31 December 2024		
	Gross £m	Net Reinsurance £m	Net £m	Gross £m	Net Reinsurance £m	Net £m
Future cash flows	27,351	(813)	**26,538**	23,970	(838)	**23,132**
Risk adjustment	1,257	(905)	**352**	1,052	(732)	**320**
CSM	2,778	(212)	**2,566**	2,731	(403)	**2,328**
Net closing balance	**31,386**	**(1,930)**	**29,456**	**27,753**	**(1,973)**	**25,780**

After tax, the closing CSM is £1,927m (31 December 2024: £1,750m).

Business Review continued

IFRS net assets

The Group's total equity at 31 December 2025 was £1.1bn (31 December 2024: £1.2bn). Total equity includes the Restricted Tier 1 notes of £322m (after issue costs) issued by the Group. The total equity attributable to ordinary shareholders decreased to £788m (31 December 2024: £924m).

The closing CSM balance (post-tax) at 31 December 2025 is £1,927m (31 December 2024: £1,750m), which when added to £788m of total equity attributable to ordinary shareholders (31 December 2024: £924m) less £46m (post-tax) intangible assets (31 December 2024: £39m), results in Tangible Net Assets of £2,669m or 257p per share (31 December 2024: £2,635m and 254p respectively), on which we earned an 8.6% Return on equity (2024: 15.3%).

Financial investments

During the year, financial investments increased by £2.9bn to £37.4bn (31 December 2024: £34.5bn). Excluding derivatives and collateral, and gilts purchased in relation to the interest rate hedging, the core investments portfolio on which we take credit risk increased to £29.8bn. The increase in the portfolio has been driven by investment of the Group's £4.3bn of new business premiums and credit spread tightening, offset by the increase in long-term risk-free rates at the end of the period compared to 2024 year-end, which decreases the market value of the assets (and matched liabilities). The credit quality of the Group's £21.5bn bond portfolio remains resilient, with 64% rated A or above (31 December 2024: 62%), 35% BBB, and 1% or £186m across 13 credits rated BB or below (of which £70m has been upgraded since year end to BBB).

We have positioned the portfolio with a defensive bias. The Group has very limited exposure to those sectors that are most sensitive to structural change or macroeconomic conditions, such as auto manufacturers, consumer (cyclical), energy and basic materials. The Group has further increased its infrastructure investments, driven by new private placement assets, and selectively increased the commercial mortgages investments.

We continued to add a significant amount of government bonds due to the continued tight corporate credit spread environment, with excess gilts expected to be recycled into corporate credit and illiquid assets as opportunities arise. The BBB rated bonds are weighted towards the most defensive sectors including infrastructure, utilities, communications and technology, and consumer staples including healthcare.

We prudently manage the balance sheet by hedging all foreign exchange and inflation exposure, and continue to execute strategic interest rate hedging. This involves the purchase and accumulation of a £4.0bn held to maturity long dated gilts portfolio, which are held at amortised cost under IFRS. In the Solvency II balance sheet, this portfolio is held at fair value and used to manage interest rate volatility.

Illiquid assets

To support new business pricing, optimise back book returns, and to further diversify its investments, the Group originates illiquid assets including infrastructure, real estate investments, private placements and lifetime mortgages. Income producing real estate investments are typically much longer duration and hence the cash flow profile is very beneficial, especially to match DB deferred liabilities.

In 2025, we funded £2.2bn of illiquid assets, which represents 51% of new business premiums. Over the past three years, we have progressively increased our investments capability, and are now directly originating from particular illiquid asset classes (e.g. social housing, private placements, infrastructure and commercial ground rents), in addition to lifetime mortgages. In parallel, we also originated illiquid assets via a panel of 11 specialist external asset managers, each carefully selected based on their particular area of expertise. In future, we will gain access to the investment expertise at Brookfield Asset Management. Our illiquid asset origination strategy allows us to efficiently scale origination of new investments, and to flex allocations between sectors depending on market conditions and risk adjusted returns.

To date, Just has invested £7.8bn in non-LTM illiquid assets, representing 27% of the investments portfolio (31 December 2024: 24%), spread across over 350 investments (average £22m), both UK and abroad. We have invested in our in-house credit team as we have broadened the illiquid asset origination, and work very closely with our specialist asset managers on structuring to enhance our security, with a right to veto on each asset.

Lifetime mortgages at £6.0bn represent 20% of the investments portfolio, which we expect to gradually reduce over time as we originate fewer new LTMs and diversify the portfolio with other illiquid assets. The loan-to-value ratio of the in-force lifetime mortgage portfolio was 41% (31 December 2024: 39%), reflecting the gradual seasoning of the mortgages across our geographically diversified portfolio. In 2025, shareholder funded LTM advances were £421m (2024: £326m), as we reacted to the tight spreads on public credit by originating a greater proportion of illiquid assets and gilts.

Green and social assets

Over the three years from 2023-25, we invested £893m in eligible green and social assets (target: £825m). These assets contributed towards completion of our £400m green and social asset allocation commitment arising from the sustainability tier 2 bond issued in September 2024. Eligible investments include green buildings, renewable energy, clean transportation, access to essential services, and affordable housing. Example investments are included on pages 18 and 19.

During 2025, we invested £230m in green buildings, a significant increase on previous years. This reflects broader market developments, including stronger tenant and landlord preferences for more sustainable, energy-efficient assets. These investments help reduce long-term financial risk and deliver attractive risk-adjusted returns, while supporting our sustainability strategy and contributing to positive environmental and social outcomes.

The sector analysis of the Group's financial investments portfolio is shown on the next page. The portfolio continues to be well diversified across a variety of industry sectors.

	31 December 2025 £m	31 December 2025 %	31 December 2024 £m	31 December 2024 %
Basic materials	97	0.3	109	0.4
Communications and technology	967	3.2	1,154	4.3
Auto manufacturers	50	0.2	85	0.3
Consumer staples (including healthcare)	1,114	3.7	1,226	4.5
Consumer cyclical	165	0.6	178	0.7
Energy	214	0.7	278	1.0
Banks	1,325	4.5	1,469	5.4
Insurance	864	2.9	745	2.8
Financial – other	796	2.7	590	2.2
Real estate including REITs	651	2.2	630	2.3
Government	4,867	16.4	3,081	11.4
Industrial	558	1.9	524	1.9
Utilities	2,236	7.5	2,452	9.1
Commercial mortgages[1]	1,327	4.5	809	3.0
Long income real estate[2]	1,776	6.0	1,808	6.7
Infrastructure	4,438	14.9	3,512	13.0
Other	41	0.1	43	0.2
Bond total	**21,486**	**72.3**	**18,693**	**69.2**
Other assets	1,030	3.5	888	3.3
Lifetime mortgages	6,015	20.1	5,637	20.9
Liquidity funds	1,234	4.1	1,792	6.6
Investments portfolio	**29,765**	**100.0**	**27,010**	**100.0**
Derivatives and collateral	3,645		3,564	
Gilts (interest rate hedging)	3,996		3,951	
Total	**37,406**		**34,525**	

1 Includes investment in trusts which are included in investment properties in the IFRS Consolidated statement of financial position.

2 Includes direct long income real estate and where applicable, investment in trusts of £133m which are primarily included in investments accounted for using the equity method in the IFRS Consolidated statement of financial position. Long income real estate includes £1,622m commercial ground rents/income strips and £154m residential ground rents.

Events after the reporting period

In January 2026, the Government published the draft Commonhold and Leasehold Reform Bill, aimed at phasing out the current leasehold system in England and Wales. Key proposals include banning new leasehold flats, making commonhold the default tenure, capping ground rents at £250 per annum (reducing to a peppercorn), and abolishing forfeiture. Announcements from the previous Conservative government and the King's Speech following the election of a new Labour government in May 2025 meant that the Group had been closely monitoring the new Government's agenda and the possible impact of this on the Group's £154m portfolio of residential ground rents. The value of these assets had previously been adjusted to reflect an expected increase in credit spread and a consequential increase in the credit risk deduction for default. The Group has not made any change to the approach for determining this adjustment as at 31 December 2025. For further information see note 34 Post balance sheet events.

Given the proximity to concluding the acquisition by Brookfield Wealth Solutions Ltd, the Board is not recommending the payment of a final dividend.

Mark Godson
Group Chief Financial Officer

Achieving our first net zero target

Our sustainability strategy has three pillars:

- Making a positive impact
- Leaving a responsible footprint
- Creating a fair world

You can discover more about our sustainability story on our Group website

justgroupplc.co.uk/sustainability

OUR COMMITMENT TOWARDS NET ZERO

Scope 1 and 2

NET ZERO BY 2025

All emissions

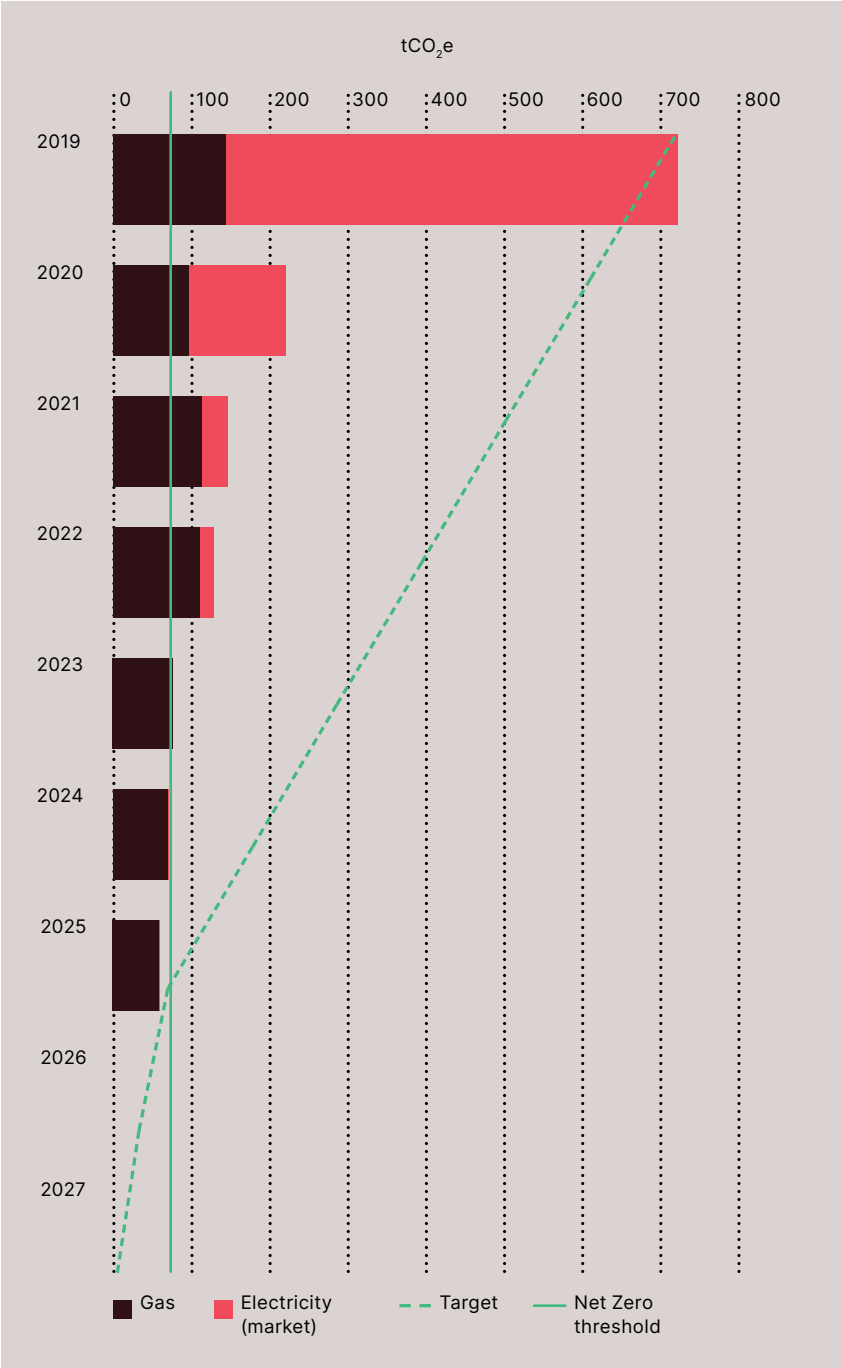
50% REDUCTION BY 2030

(includes all Scope 3 emissions categories as per GHG protocol)

All emissions

NET ZERO BY 2050

(includes all Scope 3 emissions categories as per GHG protocol)



Methodology: We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), and 2025 emission factors from the Department for Energy Security and Net Zero. The organisational boundary of our emissions reporting is operational control. Our operational boundary, comprises our directly owned and leased offices and building emissions (including gas, fugitive gas, and electricity) as well as Scope 3 categories 1, 3, 4, 5, 6, 7 and 15. We use both a sales intensity metric (tonnes of CO2e per £m retirement income sales) and an employee intensity metric (tonnes of CO2e per employee) to normalise our data and provide useful performance indicators. Eshcon Ltd conducts an annual review of Just Group plc's data collation and calculation processes and provides verification of the GHG Emissions Statement to ISO 14064-3 standards, with the exception of our investments emissions (Scope 3, category 15). We are in the process of setting near and long-term targets aligned with a 1.5°C science based target trajectory for our investment-related emissions. 100% of the reported emissions relate to emissions in the UK area.

Achieving our first net zero target

Just set an ambitious target to reach net zero in our own operations (Scope 1 direct emissions and Scope 2 indirect emissions) by the end of 2025 and we are proud to report that we have achieved this. Our Scope 1 and 2 emissions have seen an absolute reduction of 92% (663 tCO_2e) against our 2019 baseline year. In line with the Science Based Targets initiative's standards for net zero, having made a 90% minimum absolute reduction against baseline, we have retired some of our available carbon credits (equivalent to 60 tCO_2e) to achieve the final reduction required to reach net zero.

Our carbon credits were obtained through a tree planting partnership with EcoTree and have already certified 59,518 tCO_2e of ex-ante credits for use against our net zero target. These carbon credits originated from the planting of 250,000 trees over a five year period (2021 – 2025) across four sites in the UK and France and have been verified by Bureau Veritas.

In line with our ambitious nature, we will continue to make further absolute reductions in Scope 1 and 2 in the coming years. By 2027, we anticipate a 99% absolute reduction in these combined scopes. This has been possible due to the implementation of our new property estate strategy, due to our offices' transition to a mixture of renewable electricity from Renewable Energy Guarantees of Origin[1] (REGO) certified energy, augmented by on-site renewables. The remaining 1% of our emissions will come from shared facilities at one of our three tenanted properties we will occupy, with the other two buildings being completely powered from renewable sources. We feel this voluntary step allows us to acknowledge that we still have some indirect gas emissions from our tenanted offices footprint, and to take responsibility to engage with our landlords to assist with their own transition.

1 The Renewable Energy Guarantees of Origin (REGO) scheme provides transparency to consumers about the proportion of electricity that suppliers source from renewable electricity.

Sustainability: TCFD continued

Net Zero
in Scope 1 and 2 emissions

99%
of our purchased electricity is from renewable sources (REGO certified)

£893m
Amount invested in green & social assets between 2023 and 2025

Leaving a responsible footprint

We are proud to have achieved our first net zero target: net zero by 2025 in our Scope 1 and 2 emissions. Despite this significant achievement, we acknowledge that there is still more work to be done and each year that passes brings a greater sense of urgency for meeting the goals of the Paris Agreement on climate. We look now to our 2030 target to reduce our Scope 3 (value chain) emissions by 50% against our 2019 baseline. Our investment activities make up the majority of our Scope 3 emissions, and as of 31 December 2025, we have achieved a 46% emissions reduction on our investment portfolio (on a tCO_2e/$m nominal invested intensity basis). The carbon footprint for our investments does not include reinsurance assets, cash and cash equivalents, derivatives and liquidity funds.

This year marks the first year all applicable Scope 3 categories (1, 3, 4, 5, 6, 7, 15) have been included in our calculated emissions and reporting. We continue to make notable progress in areas such as business travel (64% absolute reduction) and employee commuting and homeworking (30% absolute reduction). In 2026, we plan to understand how we can actively make reductions across all our Scope 3 emission categories ahead of publishing an updated Transition Plan in 2027. The development of a comprehensive suite of reporting and methodologies is the first step in helping us realise this ambition. We are proud that this year our TCFD report publicly presents figures across all applicable Scope 3 categories, providing even greater transparency. We are continuing with colleague education on the impact of climate change both on our world and our industry.

This year, we launched our first internal Environmental, Social and Governance training module, accessible to all colleagues and developed by Just and our chosen training provider. This bespoke training offers our people a better understanding of how climate change will affect the financial services industry, the risks and opportunities, what we are doing at Just and what our colleagues can do to help support our sustainability strategy and take an active role.

Creating a fair world

Creating a fair world is directly influenced by the way we carry out our business and also the way we treat each other, namely colleagues, customers, suppliers, or members of the wider society.

We have committed to: The HM Treasury Women in Finance Charter, The BITC Race at Work Charter, The Centre for Ageing Better's Age-friendly Employer Pledge, The Workplace Menopause Pledge, The ABI's Transparency on Parental Pay and Making Flexible Work campaigns, the Asset Owner's Diversity Charter and the Disability Confident Employer Scheme.

We are members of the Group for Autism, Insurance, Investment and Neurodiversity, and the UK Stewardship Code.

This year we have partnered with impact platform, OnHand, allowing colleagues to track their sustainability actions alongside local opportunities to do good.

You can read more about Creating a fair world within our Colleagues and Culture section on pages 52 to 55.

Making a positive impact

The majority of our Scope 3 emissions come from our investments. Our current progress is encouraging, demonstrating that a transition to a green economy and the unlocking of associated investment opportunities can still come with the same, if not better returns. So far we have made an emissions reduction of 46% on our investment portfolio, whilst still achieving growth in line with our ambitions. Our Responsible Investment Framework has been instrumental in driving significant emissions reductions across our investment portfolio to date; however, we acknowledge that there is still substantial progress to be made. We remain committed to continuing to invest in assets that support a positive impact having achieved £893m of investments in green and social assets between 2023 to 2025, inclusive.

38%

of the plc board are women (as at 31 December 2025)

44%

women in the most senior population* exceeding our 40% by 2026 target

13%

of senior leadership are from ethnic minority backgrounds, target of >16%*

£111k

donated to charity by the business and our colleagues in 2025

* The 'senior population' definition for our December 2026 targets have been aligned with the HM Treasury Women in Finance Charter and comprises Executive committee members and their direct reports.

Below, we provide a breakdown of all emission categories relevant to Just, as per the Greenhouse Gas Protocol. We do not consider Scope 3 categories 2 and 8-14, inclusive, to be relevant to us due the nature of our business. For our Scope 3 emissions, our investments (category 15) make up the majority and we have made good progress in reducing these by 46% since 2019. We are on course to reach our 50% overall emissions reduction target by 2030.

Emissions – tCO_2e[1]	2025	2024	2019 (baseline year)
Scope 1 natural gas and fugitive gas[2]	**78**	70	144
Scope 2 purchased electricity	**183**	202	579
Total emissions (location based)	**261**	272	723
Scope 1 natural gas and fugitive gas[2]	**59**	70	144
Scope 2 purchased electricity	**1**	2	579
Total emissions (market based)	**60**	72	723
Scope 3 fuel and energy-related activities	**31**	30	155
Scope 3 upstream transportation and distribution	**206**	238	75
Scope 3 waste generated in operations	**5**	5	3
Scope 3 business travel	**198**	166	554[3]
Scope 3 employee commuting/homeworking	**1,003**	1,016	1,438
Emissions – tCO_2e[1] per £m			
Scope 3 purchased goods and services[4]	**n/a**	3,827	2,131
Emissions – tCO_2e[1] per $m nominal invested			
Scope 3 investments[5]	**155**	215	290
Usage – KwH			
Scope 1 natural gas and fugitive gas	**425,771**	382,241	780,517
Scope 2 purchased electricity (location based)	**1,035,296**	974,407	2,265,415
Scope 2 purchased electricity (market based)	**3,776**	7,552	2,265,415

	Market based		Location based	
Intensity ratios[6]	**2025**	**2024**	**2025**	**2024**
tCO_2e per £m sales	**0.00**	0.01	**0.00**	0.04
tCO_2e per FTE	**0.05**	0.05	**0.19**	0.20

1 Tonnes of carbon dioxide equivalent ("tCO_2e").

2 Fugitive emissions (nil) are based on any on-site chiller system refrigerant gas escape.

3 The baseline has been restated due to an improvement in historic data.

4 Data is reported with a one-year lag. Supplier emissions data is mainly available from larger organisations, so extrapolating across the full supply chain may overstate emissions by inflating averages. This effect should reduce as more, smaller suppliers begin measuring and reporting emissions. In 2024, data covered 49% of suppliers by spend (47% in 2019).

5 Data as of 31 December 2025. Prior year was as of 28 June 2024. We have restated our baseline for the credit portfolio, given more accurate data has become available. See page 40 for a breakdown.

6 Intensity ratios based on Scope 1 and Scope 2.

Sustainability: TCFD continued

Carbon footprint – Investment portfolio

The carbon footprint breakdown of our credit and LTM portfolios are shown in the table below. The emission figures are shown for both our baseline year (2019) and 2025. We recognise that carbon footprint calculations can involve double counting, so our data has been disclosed by scopes. Our carbon footprint for the credit portfolio does not include reinsurance assets, cash and cash equivalents, derivatives and liquidity funds.

Our credit portfolio financed emissions represents 100% of the in-scope assets. This coverage reflects both the percentage of the Partnership for Carbon Accounting Financials ("PCAF") aligned data (data quality scores 1 to 5) and the percentage of data we have estimated using internal sector averages. Our sector averages are calculated in line with the principles of PCAF. The coverage shown in the table below is the percentage of data that has PCAF data quality scores 1 to 5 only.

In 2025, we have utilised analytics to challenge movements within our credit portfolio financed emissions. As at 31 December 2025, c.24% of our data was calculated using sector averages. This includes 14% which relates to investments made towards the end of the year after our last data collection. It also includes data that we have overridden due to lack of supporting information provided by our third party provider. We expect data quality to improve in future years, therefore reducing the percentage of data in our credit portfolio requiring sector averages.

Investment portfolio	2025[1]	2019 (baseline year)
Credit portfolio[2] (tCO_2e/$m nominal invested)	Scope 1 and 2: 66[3]	Scope 1 and 2: 92 [3]
	Scope 3: 123[3]	Scope 3: 343 [3]
	Coverage: (Scope 1, 2 and 3): 76%[4]	Coverage: (Scope 1, 2 and 3): 77%[3,4]
LTM portfolio[5] (tCO_2e/$m nominal)	Scope 1 and 2: 9.2	Scope 1 and 2: 10.3
	Coverage (Scope 1 and 2): 100%	Coverage (Scope 1 and 2): n/a
Combined (tCO_2e/$m nominal invested)	Scope 1 and 2: 55	Scope 1 and 2: 64
	Scope 3: 100	Scope 3: 226

1 Date as at 31 December 2025.

2 A combination of latest available reported and estimated data has been used to calculate the carbon footprint of the credit portfolio using nominal values; this includes our third party data provider aiming to apply the principles under version one of the PCAF Financed Emissions Standard. For asset classes where no approach has yet been identified by PCAF, our third party data provider has applied an appropriate approach that is similar to the PCAF standard. Where data was not available an unweighted sector average was applied to produce a full portfolio footprint. Data could be subject to change due to improvements in data quality going forward.

3 We have restated our baseline for the credit portfolio, given more accurate data has become available.

4 Percentage represents the proportion of our portfolio with PCAF aligned data (data quality scores 1 to 5). Data coverage varies across individual scopes of emissions, therefore the weighted average of coverage across all scopes is shown.

5 The LTM portfolio's carbon footprint is calculated using actual emissions from the Energy Performance Certificate ("EPC") where it exists and is active, and are modelled emissions for the rest of the portfolio. The EPCs are associated for those properties secured against a LTM. Electricity is based on a rolling 12 month average CO_2 intensity factor from the National Grid based on the Distribution Network Operator for the region where that property is located. For other sources, the most recently published intensity factors from the Department for Energy Security and Net Zero 'Government conversion factors for company reporting of greenhouse gas emissions' report is used in place of the SAP 2012 factors. For 41% of properties we use the rating on the record, and for 59% of properties we use an estimated rating. The results of the existing data were then extrapolated to represent the whole portfolio. There is not an emissions standard for LTMs. We calculated the emissions intensity based on the PCAF residential mortgage standard. The contribution of an individual property to the carbon emissions of the overall portfolio is based on current loan-to-value ratio of the relevant LTM. We have used the current loan balance and property value to calculate the loan-to-value ratio.

Strategy and governance

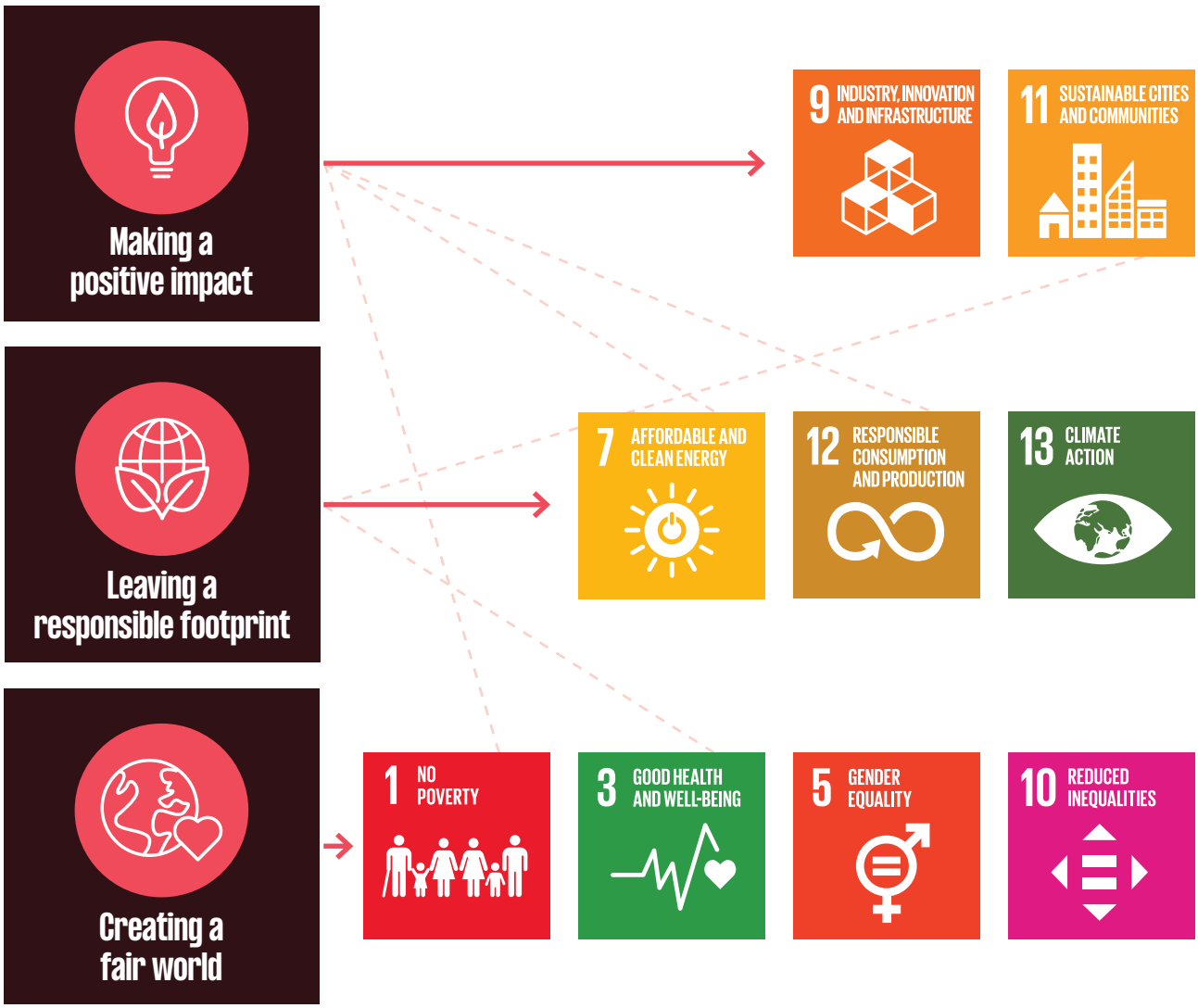
Strategic overview

We have built our sustainability strategy around the United Nations' Sustainable Development Goals and three guiding themes: Making a positive impact, Leaving a responsible footprint and Creating a fair world. The strategy is aligned to those Sustainable Development Goals where we believe we can make the most difference.

We have already achieved net zero in our Scope 1 and 2 emissions and are committed to reaching net zero in all other emissions (Scope 3) by 2050, with a 50% reduction overall by 2030. This commitment also aims to align with the Association of British Insurers' Climate Change Roadmap, published on behalf of the insurance industry.

We also remain committed to setting targets validated by the Science Based Targets initiative for both the near and long term. This year the Science Based Targets initiative have granted an extension to submission deadlines for financial institutions, which we have accepted. The timing of our submission for validation will therefore align with the revised deadline of 2027.

In 2024, we published the second iteration of our Transition Plan, which can be found on our Group website: **www.justgroupplc.co.uk/sustainability**. In 2027, we will publish the third iteration of our Transition Plan.



Sustainability: TCFD continued

Strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

The Group's strategic objectives are aligned to business growth. Careful planning is needed to achieve growth without an undue impact on our transition to net zero. Climate change and wider sustainability issues are important considerations when we make strategic decisions as a business. Just incorporates sustainability into the Group strategy development process and subsequently the Group strategy execution plan. The sustainability strategy progress is monitored monthly by the Group Executive Committee and quarterly by the Group Board. The link between our Group strategic objectives and those of our sustainability strategy (our three sustainability pillars), is summarised below:

Our pillars	Our commitment	How will we achieve our ambition?	2026 focus	Link to Just's strategic objective
Making a positive impact	Develop and offer sustainable products	Innovate to support our existing and new customers by delivering sustainable products	Explore propositions to support our customers	
	Increase our green financing opportunities	Look for further opportunities to fund green and social assets	Continue allocating in line with existing targets	
Leaving a responsible footprint	Protect our business	Grow in a sustainable way so Just remains strong for future colleagues and customers	Further embed sustainability into strategic planning	
	Invest responsibly	Continue to integrate responsible investment criteria into our investment decisions	Continue enhancing our approach to responsible investment integration within investment decision-making, including considerations around nature	
	Attain net zero in our Scope 3 emissions by 2050 (including a 50% reduction by 2030)	Decarbonise our investment portfolio	Submit targets for validation from the Science Based Targets initiative	
		Continue to support our colleagues in finding ways to reduce their own emissions	Encourage further uptake of our new in-house ESG training module. Develop a Travel Action Plan for our office locations to identify and embed sustainable travel initiatives for our people	
		Engage with our supply chain and partners to understand their plans for net zero and encourage reductions	Continue engaging and offering stewardship to our supply chain partners, where possible	
Creating a fair world	Manage with good governance	Continue to integrate sustainability throughout our business and ensure it is governed to a high standard	Increase employee's awareness of sustainability issues through training, communications and engagement opportunities	
	Improve inclusion and belonging	Build an inclusive workforce where colleagues feel a strong sense of belonging	Monitor and review progress against our ethnicity and gender targets	
	Support health and well-being of our colleagues	Continue to deliver against our strategic objective of building a workforce that is proud to work at Just	Retain a positive and supportive culture	
	Support our customers (poverty income and housing)	Continue to provide sound and helpful advice and continue to provide support to our charitable partners	Increase awareness of initiatives to support our customers	

Sustainability and climate change governance

The Group Board is responsible for setting the Group's sustainability strategy and targets. The Group Chief Executive Officer is responsible for delivery of the sustainability strategy and associated emissions targets, delegating responsibilities, as appropriate, to management and various governance bodies shown in the table below. The Director of Sustainability & Responsible Investments has been designated the responsibility of the Senior Management Function for climate and sustainability. The Group Board also includes a sustainability sponsor responsible for ensuring the Board is appropriately discussing sustainability matters, including climate change. For information on the sustainability skills of our Board, please refer to the skills and expertise matrix on page 95. A section of the Group Executive Committee and the Group Board meetings are dedicated to sustainability on a quarterly basis. More information on the activities of the Group Board in the reporting year can be found in the Governance section on page 81. Our governance structure is regularly reviewed to ensure it remains appropriate for the business and ensures sustainability matters are given sufficient time and debate at the appropriate level. The frequency and level of oversight are listed in the table below:

		Focus Area	Frequency	Chair/Owner
	Responsible Lead			
1	Sustainability lead (Non-Executive Director)	Responsible for championing sustainability at Board level	Ongoing	Mary Kerrigan
		Meets regularly with executive and senior management to discuss sustainability initiatives and emerging developments	Quarterly	
2	Group Chief Executive Officer	Executes the sustainability strategy	Ongoing	David Richardson
3	Director of Sustainability and Responsible Investments	Oversees and communicates sustainability initiatives to the business. Holds the delegated senior management function for identifying and managing financial risks from climate and sustainability	Ongoing	Rowena Dailey
	Committees			
4	Group Board	Sets sustainability strategy and targets	Annual	Board Chair
		Receives updates on sustainability initiatives and activities	Quarterly	
		Approval of the Annual Report and Accounts, which includes sustainability reporting	Annual	
5	Group Executive Committee	Oversees new sustainability initiatives including emissions reduction strategies	Quarterly	Chief Executive Officer
		Monitors progress of ongoing sustainability initiatives and activities	Quarterly	
		Oversees progress to reach our diversity and inclusion targets	Quarterly	
		Reviews any proposed changes to our sustainability strategy and targets	Annual	
		Tracks sustainability management information and progress against the Group Strategy Execution Plan	Monthly	
6	Group Audit Committee	Reviews the appropriateness and clarity of climate related disclosures and compliance with financial reporting standards in the annual report	Annual	Chair of Audit Committee
7	Group Nomination and Governance Committee	Considers sustainability as part of the skills gap analysis and any impact on succession planning for future director appointments	At least annually	Board Chair
8	Group Risk and Compliance Committee	Receives an update on the status of various climate risk actions and any concerns about the delivery of the actions	As required	Chair of Group Risk and Compliance Committee
		Oversees sustainability and climate-related risks in the full group ORSA and quarterly ORSA updates	Annual and quarterly	
		Consider sustainability and climate-related risks within the Risk Appetite Framework	At least annually	
9	Group Executive Risk Committee	Considers the reports for Group Risk and Compliance Committee prior to submission	As per 8 above	Chief Risk Officer
10	Remuneration Committee	Formulates and monitors performance-related criteria for Executive Directors and Senior Management (see page 105), which include relevant sustainability targets	Annual	Chair of Remuneration Committee

Sustainability: TCFD continued

		Focus Area	Frequency	Chair/Owner
	Committees continued			
11	JRL and PLACL Investment Committees	Approval of the Responsible Investment Framework which forms part of the overall investment strategy	Annual	Chair of JRL and PLACL Investment Committees
		Oversight and review of ongoing adherence of investment activities to meet the Group's net zero commitment	Quarterly	
		Oversight and review of climate risks impacting the investment portfolio	Quarterly	
12	JRML Board	Oversight of approach to reduce the emissions associated with the LTM portfolio to support our net zero commitments	Quarterly	Chair of JRML Board
		Oversight and review of climate risks impacting the LTM portfolio	Annual	
13	Sustainability Bond Forum	Reviews the assets eligible for allocation to green and sustainability bonds issued by Just, against our Sustainability Bond Framework	Quarterly	Director of Sustainability and Responsible Investments
14	Executive Sustainability Steering Committee	Oversight and approval of the implementation of various sustainability initiatives across the group and recommends items to the Group Executive Committee and other committees as appropriate. Reviews the appropriateness and clarity of climate-related disclosures	Quarterly	Director of Sustainability and Responsible Investments
15	Sustainability Working Group	Monitors the status of various sustainability initiatives and risks, reporting into the Executive Sustainability Steering Committee. Act as a forum for the sharing of knowledge relating to existing and future sustainability related activities, market and regulatory developments.	Monthly	Sustainability and Reporting Manager

Risks and opportunities

The management, identification and disclosure of climate-related risks and broader sustainability risks are key for Just. We recognise that the potential impact from these risks may influence Just's strategy. We also recognise that sustainability and climate-related risks impact many of the other types of risks faced by Just, such as credit, market, operational, reputational, compliance and legal.

We consider our business and strategy to be sufficiently resilient and prepared against climate change risk. We acknowledge that there is still more that we can, and plan, to do.

The management of sustainability and climate change risk are embedded within Just's risk governance and management structures and reflected within Just's Enterprise Risk Management Framework as both a risk theme and also as a risk in its own right.

Within Just's risk management system, controls are linked to both the core risks and the sustainability and climate change risk. This ensures that the relevant business area remains responsible for managing the risk, whilst also allowing visibility by the Group Sustainability team.

Climate scenario analysis

We conduct climate scenario analysis on an annual basis. Scenario analysis remains a key tool for ensuring we have a deep understanding of the risks and opportunities the Group faces over a long-term time horizon.

From this, we better understand what early warning indicators we may need to be looking out for and what management actions we can take; both now to help prevent the risks from materialising or weaken their impact upon the business if they did materialise, and what actions we may want to take in the future.

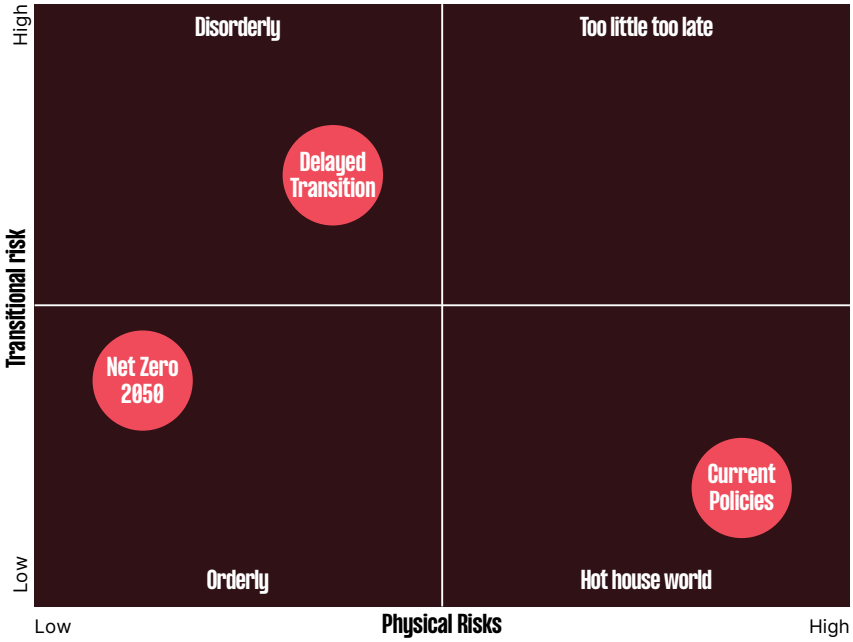
Three Network for Greening the Financial System (NGFS) scenarios were used again for 2025. We have taken an approach to assess the most extreme transition and physical risk scenarios to better understand the extent to which this may affect the Group, alongside a third scenario that takes a more 'balanced' path. We have continued to use three scenarios from the NGFS. These are Delayed Transition, Net Zero 2050 and Current Policies. Descriptions can be found on the NGFS' website: www.ngfs.net/ngfs-scenarios-portal/explore

The qualitative side of our scenario testing exercise for 2025 consisted of the running of five workshops each centred around a key risk. These were: energy supply and business interruption, litigation and regulation, insurance (mortality, longevity and morbidity), residential property (LTMs) and our investment portfolio. The workshop discussions then took each of the three NGFS scenarios in turn, considering specifically what risks could materialise in each scenario, alongside what early warning indicators and pre-emptive and mitigatory management actions could be taken. This enabled us to identify gaps between what we are currently doing, what we could do, and what we may need to consider should the scenario begin to materialise. This also gave us an insight into the opportunities that could exist for us to capitalise on.

For the quantitative side of the exercise we utilise MSCI data, by mapping to the three chosen NGFS scenarios, to produce an updated Climate Value at Risk (CVaR) metric for our investment portfolio (excluding LTMs, which use a Property Value at Risk metric). We have chosen not to disclose these values this year. We explain this further in the Data Limitations section on page 50.

Separate CVaR metrics are produced for both the physical and transition risks under each of the three scenarios. The Current Policies scenario does not have transition CVaR values as it assumes only currently implemented policies are preserved so there is no policy risk or technology opportunity to be realised. Transition and physical CVaR values are then combined to give an aggregate CVaR value for each investment and the portfolio as a whole, under each scenario. CVaR data is predominantly only available for our public investments. Sector-duration averages are used to fill gaps in coverage and provide a proxy for the climate risk of private investments. The purpose of this data is to understand, directionally, the potential impact of different climate change scenarios on our investment portfolio and to assist in providing an assessment of the portfolio's exposure to physical and transition risks.

"The opportunities to Just are emerging as we develop our sustainability strategy."



Summary of key opportunities

The opportunities to Just are emerging as we develop our sustainability strategy and the wider transition to a green economy progresses. We believe that certain opportunities have the potential to materially impact our business by increasing revenue, while others, although not as impactful, could still offer positive financial or societal benefits. Below we list those we believe to be material, which are linked to our strategic objectives to grow sustainably and reach new customers.

Opportunity	Timescale	Link to Just's strategic objectives
Investments: Emerging technology and innovation are seen as potential investment opportunities. New products available via external asset managers, which focus more specifically on climate and sustainability objectives, represent an opportunity to provide diversification across our investment portfolio. Central government is developing plans to significantly expand the private and public-private investment opportunities in the net zero transition.	<5 years	
Defined Benefit: There are opportunities to support a diversified client base of scheme trustees in achieving their responsible investment and climate change goals. Additionally, as ESG considerations become increasingly important for trustees when choosing an insurer, we have the opportunity to position ourselves ahead of the market.	<5 years	
Retail: New products are emerging in the market that focus on responsible investment and 'green' products. We are considering how best to further enhance our approach, products and services.	5 – 10 years	

Strategic priorities

Grow sustainably

Reach new customers

Sustainability: TCFD continued

Summary of key risks

The key risks we have identified through our climate scenario analysis can be seen in the table below. The table also shows whether there have been any changes in risk exposure since the previous reporting period. Additionally, the key risks are categorised as either a physical or transition risk, or both. Physical risks are those related to the physical effects of climate change and transition risks are those relating to an economy-wide transition to a low-carbon economy. We treat the timescale as to when we could expect the risk to become a material concern to the business. Our climate risk assessment remains that our investment portfolio is the area with the largest potential exposure to climate-related transition and physical risks.

Risk	Impact	Type	Timescale	Mitigation	2025 change
More stringent energy performance standards for commercial and residential property	Property values may fall below the level of the loan leading to losses	Transition	5 – 10 years	Fund the Energy Performance Certificate ("EPC") ratings for new LTM customers to improve the energy performance data we hold and help borrowers to improve the energy efficiency of their property. We already offer discounted mortgage rates to customers with more energy efficient homes. Potential government assistance for property owners' energy improvement costs. Consider energy performance ratings when lending on LTMs. Structure commercial loans to include key performance indicators for energy efficiency and other climate related factors.	No change to risk identified
Increased impacts and threats from flooding and coastal erosion. Particular geographical areas become uninsurable or uninvestable	For infrastructure and income producing real estate, the borrower's ability to service and repay the loan could be affected by increased cost due to physical risks	Physical	<5 years	Potential government action to protect populated areas. Review technical and environmental due diligence reports to avoid vulnerable infrastructure and income producing real estate.	No change to risk identified
Green investments become difficult to source or produce lower yields	Unable to meet the objectives outlined under our Responsible Investment Framework while meeting investment return needs	Transition	<5 years	Increase the range of sources of origination for potential investments. Availability of green investments expected to continue to increase due to Government focus.	No change to risk identified
Credit investments seen as exposed to climate risks lose market value	Income should continue but with increased risk of default if issuers cannot refinance at an affordable price	Transition and physical	10+ years	Reduce and avoid such investments in line with the Responsible Investment Framework.	No change to risk identified
Targets for reducing emissions are missed by Just	Reputational damage from failing to meet stated commitments	Transition	<5 years	Commit and align with external initiatives and guidance required to reduce emissions. Monitor progress. Maintain adherence to our Responsible Investment Framework. Enhance LTM proposition strategy to support customers with energy efficiency improvements. Engage with our supply chain to reduce their emissions.	Identified that reputational risk could also come from investments in certain sectors deemed to be incompatible with the transition to a net zero economy, even if our stated commitments are being met.
Energy load shedding, rationing or rapid increase in prices	Increased costs for employees and the business and a reduction in operational capabilities	Transition	10 years+	Continued monitoring of government intention around minimum energy performance standards, energy security and production capacity. Increase due diligence on third party suppliers to assess their understanding and readiness to handle energy supply risks.	No change to risk identified

Risk	Impact	Type	Timescale	Mitigation	2025 change
Damage to server centres or other critical third party infrastructure	Reduction in operational capabilities or complete cessation of critical operations	Physical	10 years+	Continue to conduct annual failover and disaster recovery tests. Complete validation of the recovery capability and resilience of services from other key suppliers.	No change to risk identified
Group action lawsuits against our business or the wider financial services industry	Increased scrutiny of our climate strategy and those of the wider industry, reputational damage, costly and resource intensive to defend	Transition	10 years+	Maintain our progress towards achieving established net zero targets. Continue engagement with industry bodies (such as the ABI), including monitoring of current and future climate change related group action lawsuits.	No change to risk identified
New climate-related regulation or legislation	Increased need for resources or material adaptation in our products and services to remain compliant	Transition	<5 years	Continue engagement with industry bodies (such as the ABI) and horizon scanning.	No change to risk identified
Mortality, longevity and morbidity model assumption inaccuracies	Model risk failures if the effects both negative and positive of climate change are not properly factored	Physical, Transition	10 years+	Continue to track behavioural and health trends and, as needed, modifying assumptions and adjusting reinsurance percentages.	No change to risk identified

Further examination of climate scenario analysis

For the qualitative part of the analysis, we chose to conduct five workshops each focusing on a key risk theme. A summary of the sub-risks identified from these are contained in the table above and a more detailed description of the findings is outlined below.

Energy supply and business interruption

Energy supply risks were identified across all three scenarios. This includes load shedding, rationing or a rapid increase in prices. The effects of this risk include increased demand for office space, increased costs for employees and the business and a reduction in operational capabilities. Physical risks of severe weather events could result, in some scenarios, in damage to our servers or other critical third-party infrastructure. Energy security concerns for the UK were identified as being possible in all three of our chosen scenarios, with a view that this risk is already starting to materialise.

In the 'Net Zero 2050' scenario, the risk was still considered to remain through, for example, an increase in the deployment of retrofitting technologies and associated energy demand. Current management actions are helping to manage the risk on our critical infrastructure, such as annual failover and disaster recovery tests that are conducted with our third-party data centres. Opportunities include reducing our reliance on fossil fuels, which is already being addressed through our property strategy.

Litigation and regulation

Litigation risk comes from class action lawsuits against Just or the wider financial services industry. In scenarios with a high physical risk, windfall taxes could be introduced on businesses seen to profit from the negative effects of climate change, such as life insurers. Additionally future climate-related litigation and regulation are uncertain and could create an increased need for resources or material adaptation in our products and services to remain compliant.

In scenarios where the transition away from fossil fuels nears completion, it was considered that the focus of climate-related class action lawsuits could start to turn to other high emitting sectors. The financial services industry produces the most emissions from its investments and it was discussed that in all scenarios, those who fail to make progress on decarbonising their investment portfolio or meet publicly stated targets, could conceivably become the new target of such litigation.

The risk of an increase in climate-related regulations for the financial services industry materialising was viewed as already happening with new legislation and regulation expected in 2026 following multiple consultations in 2025. Whilst the 'Current Policies' scenario looks at an effective freeze on any further legislation and regulation, it was considered to be unrealistic. In a net zero scenario this looked like an introduction of minimum energy standards for properties as well as more stringent prudential regulatory capital requirements, as regulators seek to ensure businesses can cope with the physical losses of climate change or the transitional burdens. This could be through increased quantitative requirements, increased risk management requirements and/or increased disclosure requirements, the latter we are already starting to see governments and regulators move towards. Potential opportunities were identified that could include the availability of tax breaks or other financial incentives from central government e.g. for early-adopters in a Net Zero 2050 scenario.

Sustainability: TCFD continued

Insurance risk (mortality, longevity and morbidity)

The Group's primary insurance risk exposure is to longevity risk, through the products we sell. In recent decades, life expectancy has improved due to medical advances and lifestyle changes, which can be expected to continue. Interacting factors, including government policy and individual lifestyle choices, make it difficult to accurately predict how much climate change could impact longevity, but this can be expected to evolve gradually over the years. All the three scenarios explored could benefit the profitability of the products we sell, however consideration needs to be given to the reliability of models upon which this is based. Windfall taxes could be imposed on businesses seen to profit from the negative effects of climate change on people, especially in high physical risk scenarios. In all scenarios, the inaccuracy of mortality assumptions could lead to model risk failures if the effects of climate change are not properly factored in. Examples include an increase in mortality from heat-related deaths and reductions in mortality from improved air quality or a society-wide transition to a vegetarian or low-meat diet. Opportunities discussed included the creation of an enhanced insurance product with higher benefits, in an extreme physical risk scenario, to address the increased mortality and morbidity rates. This could provide better coverage for policyholders and potentially attract new customers. There could also be an opportunity in reviewing the reinsurance on our back book to capitalise on positive experience variances, especially in a scenario with worsening mortality rates. This could bring a reduction in costs and improve profitability in light of worsening mortality rates. Conversely, in a Net Zero 2050 or Delayed Transition scenario with a healthier population, there could be an opportunity to offer products that cater to a healthier and longer-living population. This could include annuities and other retirement products that provide financial security for longer lifespans.

Investment portfolio:

We assess the climate risk on our investment portfolio through a qualitative and quantitative exercise. We view the risk both in terms of transition and physical risk.

Transition risks: The issuers we invest in could face additional costs due to the nature and pace of the transition or, if not enough is done, certain assets could become stranded.

Physical risks: Depending on their location, issuers we invest in may face higher costs from extreme weather events or sustained asset damage. There may also be long term or permanent business interruption from the physical impacts of a changing climate.

In general, material increased costs to the borrower, as a result of climate change, may affect their ability to meet their debt repayment obligations, increasing the risk of default. Sensitivity analysis of the risk of default on our credit portfolio is included in note 16.

Reviewing the risks on a scenario basis, we concluded that in the Current Policies scenario physical risks were greatest. Early warning indicators may include, significant changes in insurance costs or coverage, energy usage in warmer climates and adaptation spending. Possible management actions identified to help in this scenario, included monitoring the impact and frequency of climate hazards and any action taken as a result of these.

In the Net Zero 2050 and Delayed Transition scenarios, transition risks were greatest. Early warning indicators may include, policy changes, green investment volume, technology emergence and market appetite for investment in potentially stranded assets. Possible management actions identified included leveraging the insights of external asset managers, boosting origination capabilities in emerging technologies and green assets and continued responsible investment input into our credit analysis.

Analysis of the portfolio shows transition CVaR is largely driven by systemic increases in the transition risk of the scenario, which are then offset by the trading activity we are carrying out to reduce the financed emissions of the portfolio. This is supported by a continued decrease in our credit portfolio financed emissions during the period, one of the main drivers of transition risk.

Going forward, we will continue to monitor how our investment decisions are influencing the transition risk of the portfolio.

We acknowledge that we cannot infer or analyse trends in the physical risk data to the same extent as transition risk as there is a requirement to improve the geospatial accuracy of the physical risk data that feeds into our CVaR analysis. We do however undertake a physical risk assessment as part of the due diligence process for our private investments. Improving the accuracy and sophistication of our physical risk modelling is a key priority for next year.

Property investment risk

The risk is attributable to both our LTMs and property-related investments in our wider investment portfolio. In high transition risk scenarios, the greatest risk may come from the introduction of legislation and regulation mandating the retrofitting of properties as well as the introduction of minimum energy performance rating standards. Any such legislation could lead to significant costs for property owners, with the burden being passed on to businesses through their investment interests for property and a reduction in future investment opportunities in property.

The introduction of minimum energy standards or retrofitting technologies could affect the value of properties which fail to meet these standards. Significant costs associated with retrofitting or repairing properties could impact the ability of commercial property owners to repay their debts, posing a risk to the company's financial stability. For residential property owners, a large number of property owners could struggle to fund the needed improvements, without government funding.

In all scenarios, particularly those with a high physical risk, flooding is the largest threat to existing infrastructure and income producing real estate, followed by coastal erosion and subsidence. Linked to these physical risks is the risk of assets becoming stranded. Another risk to be considered is the possibility of compulsory purchase orders on properties for flood or other physical risk mitigation defences.

This would be similar to compulsory purchase orders made for projects such as High Speed (rail) 2 but instead for projects like flood alleviation to protect towns or other important national infrastructure.

With scenarios that represent high transition risks, the demographic make-up of a geographical area could amplify this risk. For example, minimum EPC standards may disproportionally affect areas with larger proportions of less-affluent property owners, suggesting less funds available to pay for improvements to energy efficiency. Such a discrepancy could produce a concentration risk for the geographical area in question, particularly without financial assistance from the government or the relevant local authorities. From this, a geographical clustering of stranded or devalued assets could emerge.

It was identified that for all scenarios, whether the physical risk or the transition risk is the prevalent risk, there could materialise a risk that particular geographical areas become uninsurable or uninvestable. For some areas of the UK already affected by extreme coastal erosion or repeated flooding, this risk has already materialised.

For LTMs, the estimated potential impact of transition risk on property values is based on the government implementing a minimum EPC standard of C. This has not been confirmed as a government policy yet. Any impact would be incremental over a period of years, as and when loans become repayable, following the customer's death or entry into long-term care. The impact could be reduced, to varying degrees, based on any exemptions, government grants or subsidies to assist homeowners.

These LTMs are secured against residential properties located across the UK. If the sale proceeds from the property are insufficient to repay the accumulated loan balance on the death of or at the entry into long-term care of the customer, Just would suffer a loss due to the no-negative equity guarantee.

Actions we take to mitigate climate risks on our investment portfolio

We incorporate responsible investment and climate change risk management across all of the teams within the Investment Function. Our Responsible Investment Framework sets the basis for managing the risk exposure arising from broader environmental, social and governance risks, including climate change, and is monitored by the Investment Committee. At the broader strategic level, we consider the overall financed emissions of the portfolio to assess it's potential future decarbonisation pathway.

For the purposes of implementation, we have split our approach into the following areas:

- Top down: portfolio management and asset manager due diligence.
- Bottom up: credit research and investment due diligence.

Top down:

For internally and externally managed assets, our approach to portfolio management seeks to combine fundamental and responsible investment data, to support with meeting our overarching net zero objectives.

The Investment Function uses outputs from our proprietary emissions modelling tool as an input into the investment decision making process while seeking more information directly from issuer reporting, in the case of internally managed assets, and via asset managers for externally managed assets.

For externally managed assets, we seek to engage with our asset managers to understand their broader approach to responsible investment. We use our internal Responsible Investment Manager Assessment to source information on their approach to responsible investment. This assessment includes an organisational questionnaire and an asset-class questionnaire. This also allows for a qualitative overlay that is informed by a number of factors including responsible investment metrics, such as the percentage of assets originated that have science based targets or are aligned to our Sustainability Bond Framework.

The outputs of our assessment feed into a broader manager performance assessment, the results of which are presented to the Investment Committee and communicated to our asset managers.

More information on our Responsible Investment Manager Assessment can be found in our UK Stewardship Code report, available on our Group sustainability webpage: **www.justgroupplc.co.uk/sustainability**.

Bottom up:

All of Just's existing and prospective investments, where we have veto rights in place, are scored using our internal Responsible Investment Classification System. In 2025 we focused on enhancing our methodology, ensuring this was quantitative and robust. Our Responsible Investment Classification System includes our Exclusion Policy and our Responsible Investment Rating Policy. Our Exclusion Policy applies negative screens to the credit portfolio. Existing investments that do not comply with our Exclusion Policy are marked 'Purple' and are monitored by our Credit Research and Private Assets teams through the Responsible Investment Watchlist to identify divestment opportunities.

Sustainability: TCFD continued

If a prospective investment has successfully passed our Exclusion Policy, it is then given a Responsible Investment Rating in line with the Responsible Investment Rating Policy.

- Red – Very high risk. Action: No new investment, monitored on the Responsible Investment Watchlist.
- Amber – High risk. Action: Invest but advanced monitoring required.
- Yellow – Moderate risk. Action: Investment permitted.
- Green – Low risk. Action: Investment encouraged.

This ensures a consistent and robust approach is taken when assessing environmental, social and governance risks, including climate-related risks. Each Responsible Investment Rating considers environmental, social and governance controversies. Our classification system leverages information from third party data providers, external asset managers (where relevant) and information sourced directly from issuers.

As part of assigning Responsible Investment Ratings to private assets, we apply our Sustainability Bond Framework criteria where relevant. Investments that align to our Sustainability Bond Framework, such as renewable energy generation, are supportive or enabling of the overall transition to net zero.

When assigning a Responsible Investment Rating, a prospective investment's financed emissions is calculated, using reported or estimated data. Where estimates are used, they are calculated using the PCAF guidance, where possible. Where no underlying data has been provided, and therefore estimating in line with PCAF is not possible, sector averages are applied.

What progress have we made to improve the climate risk management of the investment portfolio?

In 2025, we continued to enhance our approach to responsible investment in the following ways:

- Significantly enhanced our internal Responsible Investment Classification System to ensure Responsible Investment Ratings are robust and quantitative.
- Created a Responsible Investment Watchlist to identify and monitor our exposure to restricted or very high risk names as per our Responsible Investment Classification System (those labelled Purple and Red), as well as to identify and monitor issuers with material environmental, social and governance controversies.
- Maintained signatory status to the Financial Reporting Council's UK Stewardship Code.
- Enhanced our approach to calculating financed emissions with a focus on analytics to challenge outliers and unusual movements in our data.
- Improved our overall governance and internal processes, for example created process notes for the stages of our credit portfolio financed emissions calculation and refined our Credit Portfolio Financed Emissions Methodology.

On our LTM investments, our property underwriting assessments allow for existing flood and coastal erosion risk. We have undertaken climate change scenario analysis to improve our understanding of how our lending policy and underwriting approach need to evolve to manage any future exposure to climate change risk. We have been engaging with the Equity Release Council (ERC) and PCAF on developing a standardised approach to emissions reporting and to further support the development of green lending and retrofit mortgages.

Data limitations

To determine the potential impact on the credit portfolio, we have used the data available from our third party data provider, which predominantly covers our liquid credit assets, and then estimated the remaining by taking sector averages, accounting for the investment time horizon.

The results of our quantitative analysis, relating to the credit portfolio (CVaR), does not include the Group's cash/cash equivalent holdings, derivatives, reinsurance assets, liquidity funds and sovereign bonds. The exclusion of sovereign bonds is driven by limitations in our methodology, however this is a key consideration for future enhancements to our assessment.

To produce a full portfolio aggregate CVaR and carbon footprint, where data is unavailable via our third party provider, we apply an unweighted sector average and consider the maturity profile of the individual securities. Sector averages can give an indication of the climate-related risks a company may face but do not account for the company-specific nature of these risks.

The long-term time horizon for projections on the investment portfolio lends itself to greater uncertainty of potential future impacts. As a result, whilst some conclusions can be drawn from our analysis, we acknowledge that our data and the scenarios we use, have limitations associated with them. The CVaR and PVaR are purely illustrative as they project far into the future based on assumptions about our existing portfolio. The longer the time period that data is projected into the future, the more uncertainty in the results. This year we have chosen not to disclose our CVaR or PVaR results in numerical terms as a result of this data uncertainty. In light of the PRA's SS5/25, we will assess the usefulness and reliability of the data outputs of the CVaR and PVaR. We continue to work with our third-party data providers to improve accuracy, reliability and the decision-making usefulness of the results. We have made improvements this year by establishing and analysing the metrics at an asset-class level for transition risk. Next year, we will look to enhance the reliability and accuracy of our physical risk metrics through the inclusion of geospatial mapping.

LTM portfolio

For the LTM portfolio, 41% of the portfolio has an actual EPC rating that is valid and 59% of the portfolio has a modelled rating, which affects the accuracy of the PVaR. This is reflected in the PCAF data quality score of 3.6. We anticipate that over time, issuers will provide greater transparency and reporting on emissions.

Potential future actions to mitigate climate risks and enhance climate scenario analysis

From our climate scenario analysis exercise we were able to identify some further potential actions we could take to help mitigate or manage the risks identified and improve the exercise for next year:

- Increase due diligence on third-party suppliers to assess their understanding and readiness to handle energy supply risks.
- Continue to validate the recovery capability and resilience of services from key third party suppliers.
- Continue engagement with industry and UK government bodies and continue dedicating resources to horizon-scanning.
- Gather more granular data on LTM lending purposes to better understand and spot demand for an opportunity to develop a new product or feature for residential property retrofitting or adaptation lending.
- Include geospatial data in next year's analysis of our credit portfolio to more accurately understand the physical risk exposure of our assets.
- Short-term scenarios have recently been made available by the NGFS, which could be used for both qualitative and quantitative analysis next year. These short term scenarios represent the first publicly available tool offering a dedicated framework to analyse the potential near-term impacts of climate policies and climate change on financial stability and economic resilience. Focused on a five-year horizon, results of analysis using these scenarios would have increasing relevance in informing short-term strategic decision making.
- Expand our analysis to include nature-related risks.

Alignment with TCFD disclosures

In accordance with Listing Rule 6.6.6R(8), climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") are contained in the TCFD section of this report on pages 36 to 50 and in the Risk Management section on pages 63 to 66.

Information on the Group's greenhouse gas emissions, energy consumption and efficiency during 2025 are also included in the TCFD section on pages 37 to 40. In preparing the TCFD disclosures, the Group has considered the guidance for all sectors and supplemental guidance for insurance companies within the TCFD Annex "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures."

TCFD pillars	Recommended disclosures	Disclosure location
Governance: Disclose the organisation's governance around climate-related issues and opportunities	a. Describe the Board's oversight of climate-related risks and opportunities.	Page 43 Pages 92-97 Pages 102-104
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Page 43 Pages 58-61
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	Pages 44-49
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Pages 44-51
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Pages 44-45
Risk management: Disclose how the organisation identifies, assesses and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	Pages 44-45
	b. Describe the organisation's processes for managing climate-related risks.	Pages 44, 49 and 51
	c. Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organisation's overall risk management.	Pages 44, and 63-66
Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Pages 44-45
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions (GHG), and the related risks.	Pages 37-40, 46 and 47
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Pages 36-42

Strong and distinctive culture

As a business we are galvanized around a high-performance, purpose-led culture where our people thrive and are proud to work at Just.

This strong and distinctive culture is crucial to our organisation's success and is a key competitive advantage, particularly in challenging market environments. We understand that a positive culture plays an important role as a destination employer in our sector, ensuring that we attract and retain the right talent to achieve our ambitious growth plans.

High performance doesn't happen by default – it's driven by design – so in particular we have focused on:

- Embedding our new behaviours of ambitious and curious, as part of The Just Way, with the aim of colleagues feeling proud to work at Just
- Specific actions aligned to our three employee engagement priorities – workplace environment, high performing teams and growth/development – supporting our commercial priorities
- Nurturing a sense of belonging in the broadest way, with colleagues understanding the value of working at Just as part of a brilliant employee experience.

Progressing our engagement priorities

Aligned to our three employee engagement priorities for 2025, we communicated our workplace environment strategy at the end of March, with a brilliant new office in Reigate as a customer/operations hub and a new head office in London, opening later this year. We are focused on creating work environments that help colleagues feel engaged with their work, drive high performance and maintain our Just culture.

Tone from the top

95%

of colleagues agreed that they found the October Group-wide town hall valuable.

"...all topics covered were really useful to hear about..."

Attendee at October Group-wide town hall

The Just Way

We are proud that we have good levels of colleague engagement, formally surveyed twice a year through the Peakon engagement tool. We have a well-defined employee communications and engagement strategy, underpinned by our people processes and policies that focus not only on 'what' we do as a business, but 'how' we do it – The Just Way. This is the golden thread that runs through our organisational narrative – from storytelling related to our behaviours by our senior leaders at our Group-wide town halls, through to our performance management system that places equal value on the 'how' as well as the 'what'. This is also supported by a variety of more informal opportunities such as CEO Lean Coffees and Take on Board sessions where we encourage colleagues to be curious and have conversations with our Non-Executive Directors and each other.

During 2025 we have taken a number of opportunities to embed our existing behaviours (for the customer and collaborative) and new behaviours (ambitious and curious) through our updated performance toolkit and in briefings held quarterly for both people managers and all colleagues.

In our learning and development offerings we have focused on embedding our new behaviours within our organisational culture through a range of initiatives, including Learning at Work Week, an updated induction with a digital, collaborative game and new practical toolkits. Group-wide activities have been supported and reinforced at a functional level, including town halls being structured around a different behaviour each time and 'Curious September' with a dedicated programme of learning and development opportunities to bring our core behaviour of being curious to life.

Power Up

Powering up our people managers

We know that leaders and people managers are a critical driver of engagement and performance. As such, we have designed and rolled out development initiatives to strengthen their capabilities. We have supported people managers to have the right feedback and coaching conversations with team members to drive high performance and aligned to this, we have launched new career frameworks for colleagues to plan their career at Just.

Our Power Up programme designed specifically for our people managers has been extremely well received, with our people manager index on Peakon increasing from 83% to 88%. We continue to offer Power Up masterclasses on relevant topics and ran our Power Up Live event with inspirational speakers sharing stories and best practices on high performance capabilities. In addition, we've supported peer learning through Power Up coaching circles, with people managers gathering in small groups to share challenges and solutions. New people managers are invited to a development programme in their first few months of joining or being promoted to ensure they are managing The Just Way, reinforcing the important skills and knowledge required to build a high performing team.

11,000+

hours of digital learning

Our digital learning offering continues to prove valuable, with many colleagues accessing LinkedIn Learning resources. Over 21,000 videos building a whole range of skills have been viewed on a variety of business topics, with increasing demand for AI, change and high performing teams!

> "...these moves are about creating environments which will support us all to have a brilliant experience working at Just and enable us to deliver for our customers."

Ellie Evans
Group Chief People Officer

Looking to the future

For the start of 2026 we have introduced the Just Voice colleague forum. This is a structured platform where colleagues can share feedback, raise concerns and contribute ideas. In addition to the existing ways that we gather feedback and support engagement, this will be an opportunity to foster an even stronger workplace culture and drive high performance through building trust, transparency and a sense of belonging.

Delivering our purpose

As well as supporting our customers in planning for a better later life, we want to provide the best support for our colleagues. Working with our partner and age pioneer champions 55/Redefined we have launched Me/Redefined – an expert-designed digital coaching platform which a number of our colleagues are now benefitting from!

Me/REDEFINED

JUST VOICE
Be Bold, Be Brilliant, Be Just

Realising potential

As part of a suite of learning and development opportunities, many colleagues are now using the LinkedIn Learning app for micro learning bursts on their mobiles, with the AI coaching functionality giving colleagues a personal assistant to help them. More formally, we've supported 58 colleagues in gaining professional qualifications in a range of areas, including actuarial, customer services, compliance and project management.

We are committed to leveraging our Apprenticeship Levy to support the professional development of colleagues, with almost 70 colleagues currently completing apprenticeships across a range of disciplines, including AI, pensions administration, management development and senior leader programmes.

Supporting early careers

We welcomed our new cohort of graduates in 2025 who are working across different business areas and we also continued to run summer intern programmes which have been a successful route into full time graduate roles for a number of colleagues.

We also hired a number of school leaver apprentices into the business, supporting them to learn new skills and knowledge on a Level 3 Pensions Administrator apprenticeship and to apply their learning in their roles within our Operations team.

For the second year we've supported the Data Driven Futures programme with work experience for 16–17 year olds from low socio-economic backgrounds who are looking at a career within Actuarial. We also hosted 3 weeks of work experience for friends and family members over the summer months, with brilliant feedback including:

> "...teams were given complicated project work, that challenged us and made us think ...if we needed any help there was always someone to ask"

Work experience attendee, August 2025

A sense of belonging

2025 has been a year in which we have continued to engender a sense of belonging for Just colleagues, with our third flagship Belonging at Just Week featuring inspirational speakers and powerful conversations. We were delighted to win the 'Championing Women's Equality Award' at the FT Adviser's Diversity Awards in June. The awards aim to showcase the best initiatives, campaigns and success stories when it comes to diversity and inclusion in the financial services sector. To win the 'Championing Women's Equality Award' a company has to demonstrate the equal treatment and inclusion of women at all levels of the organisation. Judges looked at aspects such as working to reverse any gender-biased pay disparity, the recruitment processes, improvements to flexible working policies, as well as creating a positive culture in the office where women can succeed.

Our Diversity, Equity, Inclusion and Belonging (DEIB) networks have gone from strength to strength, bringing people together to share ideas, listen, support our communities and celebrate. We've launched our Neurodiversity Nook and our InterGen Connect Tea & Talk sessions, celebrated South Asian Heritage Month for the first time, raised money for men's health with mini-golf in offices, worn it pink to raise money for breast cancer charities, celebrated Pride Month and hosted our first Safe Space conversation on race for Black History Month. We've raised and donated funds for charity through individual and collective efforts, including our Just Oarsome dragon boat race in aid of our corporate charity partner Hourglass, uniting us around our purpose and driving our sense of belonging.

At the end of the year we launched a new approach to recognition and an annual colleague awards programme, ensuring all colleagues feel valued for the brilliant work they do. Our new peer-to-peer recognition platform will empower everyone to celebrate the everyday wins, both big and small, and will increasingly embed appreciation into the fabric of our culture and support high performance.

Just Thrive Live

Through our Just Thrive Live event we engaged with colleagues around our comprehensive benefit offerings, increasing the take-up of our offerings. In support of our climate reduction targets, and in response to colleague feedback, we also launched an electric vehicle salary sacrifice scheme.

Allyship to drive action

We completed the fourth year of our reciprocal mentoring programme where diverse participants are paired with senior leaders for conversations to increase allyship and drive action. We have also taken part in the 30% Club Mission Include cross-company mentoring for the sixth year running for our diverse talent and the Actuarial Mentoring Programme specifically for diverse actuarial talent.

Relationships with stakeholders

The Board recognises that the long-term sustainable success of Just depends on effective engagement with key stakeholders.

We recognise that every stakeholder plays a vital role in our success, and we are committed to fulfilling our responsibilities to each of them. Actively engaging with stakeholders to understand their interests is essential. The summary below outlines our key stakeholders and details the mechanisms through which the Board and Group interact with them.

Stakeholder engagement

Colleagues	Community and the environment
The team of colleagues at Just who deliver exceptional service to customers and to the people who support those that deliver the services.	The environment on which our activities have an impact and the communities in which the business operates.
Link to Strategic priorities	**Link to Strategic priorities**
What matters to them • Our colleagues value working for a Group with a clear vision, which clarifies their roles and fosters a sense of belonging. • Having a positive employee experience that is defined by a supportive environment, meaningful engagement, and opportunities for growth. • Working for a company that promotes open communication to gather feedback and ideas from employees. • Providing training, mentoring, and career progression opportunities to empower staff growth and development. • Diversity, equity, inclusion and belonging initiatives for building a dynamic and inclusive workplace. • Employee wellbeing, supported through the provision of resources that encourage overall health. • Hybrid work arrangements to provide flexibility and enhance work-life balance. • Strong community and environmental credentials.	**What matters to them** • Guidance and support to help individuals transition from work to retirement. • Provision of tailored support for vulnerable customers. • Supporting local and national fundraising initiatives. • Holding and encouraging responsible environmental practices throughout our operations, ensuring we leave a sustainable impact.
How we engage • We connect directly every day through line management and by using a variety of communication channels. • Feedback is collected using multiple methods, including formal surveys and informal conversations. • Our CEO holds quarterly briefing sessions with all colleagues to reinforce Just's purpose and share business updates on major initiatives that support our strategic priorities and help people achieve a better later life. • Our CEO also hosts Lean Coffee and informal executive sessions to discuss topics that are important to our colleagues. • Non-Executive Directors engage with our colleagues to ensure their opinions are heard and represented in boardroom discussions. • We conduct bi-annual employee engagement surveys and develop action plans at Group, departmental, and local levels. • Developing colleagues through in-role experience, mentoring, online learning, and training in ethics, privacy and data security for all employees and contractors. • Maintaining a diverse workforce and inclusive culture at Just, highlighted by our third annual Belonging at Just Week and events organised by our seven employee networks. • Providing support and guidance for our colleagues around mental, physical, social and financial wellbeing. • Promoting hybrid work to enhance collaboration, innovation, and Just's culture. • Providing volunteering opportunities to positively impact our local communities.	**How we engage** • We maintain active engagement with the financial advice community. • We have and continue to launch initiatives to raise awareness amongst the financial advice community, aiming to better serve vulnerable customers. • Our customer websites provide helpful tips and guidance on a number of retirement-themed topics. • Our efforts continue toward achieving our carbon net zero targets. • By participating in external sustainability initiatives, such as conducting a community litter pick to mark World Clean Up Day across three of our office locations (London, Belfast and Reigate), collecting over 100kg of litter, and publishing climate-related disclosures for greater transparency around our progress. • We maintain an ongoing partnership with EcoTree, a sustainable forestry management company, to plant trees as part of our sustainability initiatives programme. • We partner with charities to support local communities. • Each year, we support a charity that aligns with our purpose. In 2025, we partnered with Hourglass for the second year running – a national charity dedicated to end the harm, abuse and exploitation of older people in the UK.

Strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

The Section 172 statement can be found on page 59. Examples of principal decisions taken by the Board impacting stakeholders are contained within the Governance in Operation report on pages 86 to 87.

Regulators

Organisations who regulate the conduct of firms and their financial stability.

Link to Strategic priorities

What matters to them

- Boards and senior management understand the regulatory objectives, and seek to ensure good consumer outcomes are achieved and policyholder commitments are met.
- A culture that supports adherence to the spirit and letter of regulatory rules and principles.
- Fostering open and transparent communications with our regulators.
- Positive engagement to encourage effective competition and consumer protection which results in better customer outcomes.

How we engage

- Conduct formal meetings with regulatory authorities.
- Provide written submissions in response to consultation documents and regulatory inquiries.
- Participating in workshops both directly with regulators and through trade associations.
- Ensuring prompt and constructive engagement with regulators on key regulatory matters and thematic reviews.
- Executing plans to achieve compliance with new regulatory requirements.
- Actively contributing to policy development in collaboration with regulators and trade bodies.
- Preparing and submitting regulatory returns in a timely manner.

Suppliers

The companies providing the services, materials and resources to enable Just to operate the businesses in the Group.

Link to Strategic priorities

What matters to them

- Collaborative relationships with open, honest and transparent communications.
- Fair, transparent and objective process and evaluation criteria when bidding for new business.
- Fair payment terms which are consistently met within deadlines.

How we engage

- Conduct performance reviews of our key suppliers, enabling all parties to align expectations and support each other to optimise delivery.
- Our procurement and outsourcing policy supports fair and transparent tender processes; suppliers receive written feedback on their submissions to clarify the outcomes and encourage continuous improvement. All suppliers are required to comply with relevant legislation and regulatory standards, acting ethically and with integrity. Risk-based assessments conducted on suppliers drive proportionate governance oversight and engagement with Just.
- Sanctions screening is undertaken for suppliers with significant spend to ensure that Just and its suppliers remain free of financial crime risk.
- Oversight of internal controls is maintained to mitigate risks and ensure the delivery of good customer outcomes.
- Conflicts of interest are assessed to prevent any undue advantage arising from personal relationships.
- Performance metrics are established with key suppliers at the outset, providing a basis for measuring ongoing success.
- The Supplier Code of Conduct is communicated to new suppliers as part of our regulatory obligations, ensuring awareness of pertinent internal policies.

Relationships with stakeholders continued

Our stakeholders

Investors

The equity and debt investors who invest the capital to finance the business.

Link to Strategic priorities

What matters to them

- Deliver a sustainable business model and manage the capital base prudently.
- Business performance and executing on opportunities available.
- Returns on investment.
- Sustainability of the Group's external debt and receipt of scheduled interest and principal payments.
- Operate in a socially responsible and sustainable manner.

How we engage

- Direct investor meetings between investors and company representatives, including Board members and Executives.
- Results presentations.
- Participation in industry conferences, marketing roadshows, and engagement initiatives.
- Regular communications.
- Ongoing business and industry news updates.
- Focus on net asset value growth and achievement of performance metrics and targets.
- Engagement with existing and prospective investors regarding Just's performance, strategic developments, and addressing any concerns or issues.
- Maintained a strong level of interaction with investment analysts, complemented by management presentations to equity sales teams at banks and brokers.
- Conducted both international and UK regional roadshows, in addition to attending multiple investor conferences.
- Operated a dedicated fixed income investor relations programme, successfully completed a refinancing exercise, and sustained a stable credit outlook.
- Further enhanced our strategy by establishing clear, specific goals aligned with key and applicable priorities.
- The Board regularly received comprehensive updates regarding investor relations activities and feedback from stakeholders.

Individuals/Financial advisers/Trustees

Individuals wanting help with their retirement finances, financial advisers and trustees accountable for securing good outcomes for pension members and clients.

Link to Strategic priorities

What matters to them

- Security and peace of mind that Just will deliver its promises.
- Financial strength and strong counterparty credentials that deliver security for advisers, trustees and their members.
- Good value for money and product differentiation.
- Quality of service delivered and good customer outcomes.
- Reputation of the Company.
- A secure asset portfolio with ESG and sustainability credentials.

How we engage

- Directly by providing regulated financial advice, comprehensive guidance, and a wide range of customer service solutions.
- Indirectly through collaborations with financial intermediaries and organisations such as pension schemes and corporate entities.
- Commission surveys and conduct research to gather feedback from customers, advisers, and trustees to assess how effectively Just is delivering its services and meeting the needs of our target customers.
- Convene and participate in industry events to unite trustees, advisers, and subject matter experts, fostering dialogue and knowledge sharing.
- Act prudently and uphold robust governance standards to consistently fulfil commitments to our policyholders while ensuring careful consideration of customer outcomes.
- Continue to invest in our colleagues and infrastructure, sustaining our reputation for excellence in service design and delivery, as recognised by our industry awards for outstanding service.
- Differentiate our product offerings by providing unique features, such as our medically underwritten Just For You Lifetime Mortgage ("LTM"), which delivers personalised terms to customers.
- We are committed to further investment in automation initiatives to continuously enhance our services.

Strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

Section 172 statement

Directors' statement

The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the long-term success of the Company for the benefit of its members as a whole, whilst having regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006 in the decisions taken during the year.

Engagement

The Board recognises that our stakeholders have diverse and sometimes competing interests that need to be finely balanced, and that these interests need to be heard and understood in order for them to be effectively reflected in decision making. Information about how the Board has engaged with stakeholders during the year and outcomes of that engagement can be found on pages 56 to 58 and 86 to 87.

Board decisions and oversight

The matters set out in Section 172(1) underpin Just's purpose to help people achieve a better later life. Examples of how stakeholder engagement and Section 172(1) matters have influenced Board discussion and decision making during the year can be found on pages 86 to 87.

The table below sets out where key disclosures in respect of each of the Section 172(1) matters can be found:

Section 172(1) factor	Relevant disclosures	Location
The likely consequences of decisions in the long term	• Strategic priorities • Consideration of Section 172(1) factors by the Board	Pages 14 to 15 Pages 86 to 87
The interests of the Company's employees	• Colleagues and culture • Colleague engagement • Diversity, equity, inclusion and belonging • Relationships with stakeholders • Non-Executive Director lead on employee engagement	Pages 52 to 55 Page 53 Pages 55, 87 and 94 Pages 56 to 58 Page 84
The need to foster the Company's business relationships with suppliers, customers and others	• Strategic priorities • Consideration of Section 172(1) factors by the Board • Relationships with stakeholders	Pages 14 to 15 Pages 86 to 87 Pages 56 to 58
The impact of the Company's operations on the community and environment	• Sustainability: TCFD • Board oversight of sustainability strategy • Relationships with stakeholders	Pages 36 to 51 Pages 81 and 87 Page 56
The desirability of the Company maintaining a reputation for high standards of business conduct	• Business model • Board monitoring of culture • Internal controls	Page 12 Pages 79 to 80 Pages 100 to 101
The need to act fairly between members of the Company	• Business review • Shareholder rights • Annual General Meeting	Pages 22 to 35 Page 122 Page 122

Board sessions with our Belfast colleagues

In November, two of our Board Directors, John Perks and Michelle Cracknell, participated in an afternoon of themed sessions at our Belfast office, which were organised by several teams.

The customer contact team began with an anonymised "customer call listening" session, sharing their customer-centric approach and demonstrating how call agents continuously create positive experiences through the 'Just' customer experience framework.

Next was an engaging 'Take on Board' session which was open to all Just colleagues. Our Board Directors discussed topics including 'What is Strategy?', clarifying the concept and its relevance to the business, 'Board-level Strategy', the Board's role in shaping and guiding strategic decision-making and direction, and 'Strategy in action', how colleagues across Just can contribute to and deliver the strategy. A number of important takeaways were produced, including the value of building strong relationships and achieving brand loyalty by integrating services and learning directly from customers.

The Board then participated in an informative session with several members of the Senior Leadership team who illustrated how our Strategy is being delivered and outlined plans on how the development of scalable technology will be leveraged to improve the overall customer experience.

By sharing valuable insights from both real-life customer stories and the ways in which the senior leadership team are finding bigger and better ways to improve the overall customer experience, it helps ensure everyone at Just remains closely connected to our purpose of helping people achieve a better later life.

"The real key to strategy is not just doing the day job, but trying to make a difference – listening to what the customers are saying and always looking for ways to do things better."

John Perks
Chair, JRL and PLACL Boards

Non-financial and sustainability information statement

This statement explains how Just complies with the non-financial information and sustainability reporting requirements under sections 414CA and 414CB of the Companies Act 2006. For details on Just's business model, see pages 12 to 13.

Non-financial key performance indicators

The Board reviews reports on key non-financial matters, including business change initiatives, investment strategy, operational performance, customer outcomes and colleague-related matters. Just's discretionary short-term and long-term incentive plans for colleagues incorporate stretching financial and non-financial metrics, which are assessed by the Remuneration Committee on behalf of the Board.

As part of its sustainability strategy, Just has set the following key performance indicators. Progress towards meeting these targets is outlined on pages 36 to 51.

Key Performance Indicator	Target
Amount invested in eligible green and social assets.	Invest £825m in green and social assets over 2023 to 2025.
Level of Scope 1 and 2 emissions.	Achieve net zero in our operations (Scope 1 and 2) by the end of 2025.
Level of Scope 3 emissions.	50% reduction of our overall Scope 3 emissions by 2030.
Net zero business.	Operate as a net zero business by 2050.

Non-financial risk management

Our Risk Management report on pages 62 to 63 outlines how we identify, measure, manage, monitor and report risks to support informed decision-making. An overview of our principal risks and uncertainties, including non-financial risks, and the measures we take to manage or mitigate them, can be found on pages 64 to 69. The Group Risk and Compliance Committee ("GRCC") oversees non-financial risks, including those related to colleagues, culture, operations, information security, conduct, and climate change. The aim is to prevent risks that could harm our business, stakeholders, or reputation.

Just's Group Risk Policy Framework is designed to ensure that all policies collectively demonstrate how all core risks to the business are effectively controlled. It comprises the following four Group risk policies, which have been adopted by the Board, and underlying Company risk policies.

1. **Conduct and operational risk policy.** Sets out principles to ensure that decisions and behaviours do not lead to poor outcomes for customers or losses from failed processes, systems, people or external events.

2. **Financial and insurance risk policy.** Sets out principles for how financial and insurance risks taken in activities or transactions to drive the Group's financial performance are identified, measured, monitored, managed and reported.

3. **Risk management policy.** Sets out principles for how risks that could significantly affect the ability of the Group to meet its objectives are identified, measured, monitored, managed and reported.

4. **Strategic risk policy.** Sets out principles to ensure that decisions and behaviours take into consideration external and internal factors, so that they do not lead to poor outcomes for customers, colleagues, investors and other relevant stakeholders. This policy includes risks arising from strategic decisions as well as resulting from reputation risk.

Each Company risk policy has a designated owner and executive sponsor responsible for annual review, approval and attestation of compliance. Material breaches are recorded in our risk management system and escalated to the Group Chief Risk Officer, with serious breaches reported to the GRCC or the Board for prompt remediation.

Non-financial policies and frameworks

Just's non-financial policies and frameworks reflect our commitment to act ethically and with integrity in all of our business relationships, and to protect our stakeholders by growing the business sustainably.

The following table outlines Just's material areas of impact relating to environmental matters and climate change disclosures, colleagues, social matters, anti-bribery and anti-corruption matters and respect for human rights, which are in scope of the reporting requirements contained in the Companies Act 2006. The information listed is incorporated by cross-reference.

Focus areas	Policies and statements	Supporting information
Environmental matters • Delivering net zero targets • Climate risk management • Monitoring carbon metrics and targets • Responsible resource use – water, energy use and air emissions • Managing impacts on the natural environment and biodiversity	• Responsible Investment framework	Page 39
	• Sustainability: TCFD	Pages 36 to 51
	• Procurement and outsourcing policy	Page 85
Colleagues • Culture and ethics • Protecting health, safety and wellbeing • Promoting diversity, equity, inclusion and belonging • Rewards and benefits • Investing in training and career development	• Conduct and operational risk policy	Page 60
	• Conduct and customer risk framework	Sets out the framework of principles, standards and controls around the management of conduct and customer risk by the Group.
	• Health and safety policy	Sets the principles which govern the management of health and safety risk.
	• Diversity equity, inclusion and belonging policy	Concerns the promotion of equality of opportunity, inclusive behaviours and diversity at Just.
	• Board diversity, equity, inclusion and belonging policy	Page 94
	• Performance and capability policy	Sets out Just's approach when dealing with unsatisfactory performance and long-term incapacity.
	• Training and competence policy	Sets out the standards in respect of training and competency requirements within Just.
Respect for human rights • Reinforcing an ethical business culture • Speaking up against wrongdoing • Approach to human rights and modern slavery • Supporting vulnerable customers	• Modern slavery statement	Pages 85 and 125, and www.justgroupplc.co.uk
	• Data protection – personal information policy	Page 85
	• Conduct and operational risk policy	Page 60
	• Conduct and customer risk framework	See above.
	• Financial crime policy	Sets high level standards to meet to manage risks from financial crime.
	• Compliance policy	Sets out the Group's approach to ensure it operates in compliance with relevant laws and regulations.
	• Whistleblowing policy	Pages 79 and 101
Anti-bribery and anti-corruption • Prevention of bribery and corruption • Conflicts of interest • Corporate gifts and hospitality • Anti-money laundering	• Financial crime policy	See above.
	• Compliance policy	See above.
	• Gifts and hospitality procedure	Sets out rules and guidance to ensure no undue influence impacts a business decision.
	• Conflicts of interest policy	Sets minimum standards and provides guidance in relation to activities which may give rise to an actual or potential conflict of interest.
	• Procurement and outsourcing policy	Page 85
	• Whistleblowing policy	Pages 79 and 101
Social matters • Partnership with charities and volunteering initiatives • Support local communities • Support vulnerable customers • Responsible approach to tax	• Charity and community policy	Page 85
	• Conduct and customer risk framework	See above.
	• Tax strategy	Page 85 and www.justgroupplc.co.uk

The Group's enterprise-wide risk management strategy is to enable all colleagues to take more effective business decisions through a better understanding of risk.

Embedding governance via three lines of defence

1st Line
Business operations

The first level of the control environment is the business operations which perform day-to-day risk management activity.

Risk and Control

- An established risk and control environment

2nd Line
Oversight functions

Oversight functions in the Company, such as Risk Management (which includes Regulatory Compliance), support the Board in setting risk appetite and defining risk and compliance policy.

Risk and Control

- Oversight of the risk and control environment
- Independent challenge and reporting on the risk profile and conduct of the business
- Monitoring actions being taken to mitigate risk

3rd Line
Independent assurance

Internal Audit is the third line of defence, providing the Board and executive management with independent assurance over business operations and the level of oversight.

Risk and Control

- Provide independent challenge and assurance

Purpose

The Group risk management framework supports management in making decisions that balance the competing risks and rewards. This allows them to generate value for shareholders, deliver appropriate outcomes for customers and help our business partners and other stakeholders have confidence in us. Our approach to risk management is designed to ensure that our understanding of risk underpins how we run the business.

Risk Framework

Our risk framework, owned by the Group Board, covers all aspects involved in the successful management of risk, including governance, reporting and policies. Our appetite for different types of risk is embedded across the business to create a culture of confident and informed risk-taking. The framework is continually developed to reflect our risk environment and emerging best practice.

Risk Evaluation and Reporting

We evaluate our principal and emerging risks to decide how best to manage them within our risk appetite. Management regularly reviews its risks and produces management information to provide assurance that material risks in the business are being appropriately mitigated. The Risk function, led by the Group Chief Risk Officer ("GCRO"), challenges the management team on the effectiveness of its risk identification, measurement, management, monitoring, and reporting. The GCRO provides the Group Risk and Compliance Committee ("GRCC") with his independent assessment of the principal and emerging risks to the business.

Company policies govern the exposure of risks to which the Group is exposed and define the risk management activities to ensure these risks remain within appetite.

Financial risk modelling is used to assess the amount of each risk type against our capital risk appetite. This modelling is principally aligned to our regulatory capital metrics. The results of the modelling allow the Board to understand the risks included in the Solvency Capital Requirement ("SCR") and how they translate into regulatory capital needs. By applying stress and scenario testing, we gain insights into how risks might impact the Group in different circumstances.

Quantification of the financial impact of climate risk is subject to significant uncertainty. Climate-related transition and physical risks are heavily dependent on government policy developments, social responses to these developments, and market trends. Just will continue to adapt its view of climate risk as both methodologies and data quality evolve.

The identification, disclosure and management of climate-related risks and broader sustainability risks are embedded within Just's Enterprise Risk Management Framework. This includes climate- related scenario analysis, based on Network for Greening the Financial System scenarios, which is a key tool for ensuring we have a deep understanding of the risks the Group faces over a long-term time horizon.

Own Risk and Solvency Assessment

The Group's Own Risk and Solvency Assessment ("ORSA") process embeds comprehensive risk reviews into our Group management activities. Our annual ORSA report is an important part of our business risk management cycle.

It summarises work carried out in assessing the Group's risks related to its strategy and business plan, supported by a variety of quantitative scenarios, and integrates findings from the Group's recovery and run-off analysis. Risk updates are provided to the GRCC each quarter, including factors such as key risk limit consumption, and conduct, operational and market risk developments, to keep the Board appraised of the Group's evolving risk profile.

Monitoring and reporting on climate risk is embedded into the Group's regular reporting.

Viability Statement

The Directors have carried out a robust assessment of the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity, and make this assessment with reference to the risk appetite of the Board and the processes and controls in place to mitigate the principal risks and uncertainties as detailed in the Strategic Report.

Based on the assessments made, the Directors confirm that they have a reasonable expectation that the Group will continue in operation and meet its liabilities, as they fall due, over the next five years.

The Directors note that the Group is subject to the Prudential Regulatory Regime for Insurance Groups, which monitors the Group's compliance with Solvency Capital Requirements. A five-year timeframe has been selected for this statement, although the Group, as with any insurance group, has policyholder liabilities in excess of five years and, therefore, performs its modelling and stress and scenario testing on time frames extending to the expected settlement of these liabilities, with results reported in the Group's ORSA. Given the inherent uncertainty increases as longer time frames are considered, the directors consider five years to be an appropriate time frame upon which they can report with a reasonable degree of confidence. The directors have no reason to believe that the Group will not be viable over a longer period.

In making the viability assessment, the Group considers the Group's business plan approved by the Board, the strategic outlook as described in the Going concern assessment in note 1.1 to the financial statements, the projected solvency and liquidity position of the Company and the Group, impacts of potential economic stresses, current financing arrangements and contingent liabilities, and a range of forecast scenarios with differing levels of new business and associated additional capital requirements to write anticipated levels of new business. Furthermore, the directors note that in a scenario where the Group ceases to write new business, the going concern basis would continue to be applicable while the Group continued to service in-force policies.

The resilience of the Group's capital position is tested under a range of adverse stresses and scenarios before and after management actions within the Group's control. These include testing against Group risk appetites, severe stresses and specific scenarios which reflect the Group's exposures to risks. These include stresses on the credit quality of assets, mortality and risk-free rates. Eligible own funds exceeded the minimum capital requirements in all stressed scenarios described above. The scenarios considered are consistent with the going concern assessment in the Financial Statements in the Annual Report.

Principal risks and uncertainties

Risks and uncertainties are presented in this report in two separate sections: (1) the first section summarises the Group's ongoing principal risks and how they are managed in business as usual; and (2) the second section calls out the risk outlook for subjects that are evolving and are of material importance from a Group perspective.

Ongoing principal risks

Risk	How we manage or mitigate the risk
A Market Risk	**Strategic Priorities**
Arises from changes in interest rates, residential property prices, credit spreads, inflation, and exchange rates, which affect, directly or indirectly, the level and volatility of market prices of assets and liabilities. The Group is not exposed to any material levels of equity risk.	• Premiums are invested to match asset and liability cash flows as closely as practicable. • Market risk exposures are managed within pre-defined limits aligned to risk appetite for individual risks. • Exposure is managed using regulatory and economic metrics to achieve desired financial outcomes. • Balance sheet is managed by hedging exposures, including currency and inflation where cost effective to do so. • Interest rate hedging is in place to manage solvency capital coverage and IFRS equity positions.
B Credit Risk	**Strategic Priorities**
Arises if another party fails to perform its financial obligations to the Group, including failing to perform them in a timely manner.	• Investments are restricted to permitted asset classes and concentration limits. • Credit risk exposures are monitored in line with investment frameworks, driving corrective action where required. • External events that could impact credit markets are tracked continuously. • Credit risks from reinsurance balances are mitigated by the reinsurer depositing back premiums ceded and through collateral arrangements or recapture plans. • Credit risk associated with derivatives is managed through collateral arrangements. • The external fund managers we use are subject to Investment Management Agreements and additional credit guidelines.
C Insurance Risk	**Strategic Priorities**
Arises through exposure to longevity, mortality, morbidity risks and related factors such as levels of withdrawal from lifetime mortgages and management and administration expenses.	Controls are maintained over insurance risks related to product development and pricing. • Approved underwriting requirements are adhered to. • Medical information is developed and used for pricing and reserving to assess longevity risk. • Reinsurance is used to reduce longevity risk exposure, with oversight by Just of overall exposures and the aggregate risk ceded. • Regular monitoring, control and analysis of actual experience and expense levels is conducted. • Group Board review and approve assumptions used.
D Liquidity Risk	**Strategic Priorities**
Failure to meet the Group's financial obligations as they fall due.	• Stress and scenario testing and analysis is conducted: including collateral margin stresses, asset eligibility and haircuts under stress. • Contingency funding plan is maintained with funding options and a process for determining actions.
E Conduct and Operational Risks	**Strategic Priorities**
Arise from inadequate internal processes, people and systems, or external events including changes in the regulatory environment. Such risks can result in harm to our customers, the markets in which we do business or our regulatory relationships as well as direct or indirect loss, or reputational impacts.	• Implement and/ or maintain risk policies, controls, and mitigating activities to keep risks within appetite. • Oversee risk status reports and any actions needed to bring risks back within appetite. • Implement scenario-based assessment to establish the level of capital needed for conduct and operational risks. • Monitor conduct and customer risk indicators and their underlying drivers prompting action to protect customers. • Deliver risk management training and other actions to embed regulatory changes. • Ensure that risks associated with outsourcing and critical third parties, including their suppliers, are adequately mitigated via robust processes and controls. • Ensure data subjects can exercise their GDPR rights including their right to be forgotten and subject access requests to obtain their data held by Just.
F Strategic Risk	**Strategic Priorities**
Arises from the choices the Group makes about the markets and environment in which it competes. These risks include the risk of changes to regulation, competition, or social changes which affect the desirability of the Group's products and services.	• The Group operates an annual strategic review cycle. • Information on the strategic environment, which includes both external market and economic factors and those internal factors which affect our ability to maintain our competitiveness, is regularly analysed to assess the impact on the Group's business model. • Engagement with industry bodies supports our information gathering. • The Group responds to consultations through trade bodies where appropriate.

Measured against our strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

Risk outlook

How this risk effects Just	Just's exposure to risk	Outlook and how we manage or mitigate the risk
1 Political and Regulatory		**Trend: Uncertain** **Strategic Priorities**
Changes in regulation and/or the political environment can impact the Group's financial position and its ability to conduct business.	Just monitors and assesses regulatory developments for their potential impact on an ongoing basis. We seek to actively participate in all regulatory initiatives which may affect or provide future opportunities for the Group. Our aims are to implement any changes required effectively and deliver better outcomes for our customers and a competitive advantage for the business. We develop our strategy by considering planned political and regulatory developments and allowing for contingencies should outcomes differ from our expectations. While the financial services industry continues to see a high level of regulatory activity, HM Treasury's commitment to UK competitiveness and financial services growth, may shape future regulations. Based on existing regulatory plans, we anticipate limited major changes in the near term.	The Pension Schemes Bill is published with Royal Assent expected in early 2026, followed by further consultations over the next 2-3 years. The issues that matter most are: (i) surplus extraction; (ii) potential superfunds; (iii) targeted support; (iv) new Trustee Duty to have a default pension benefit solution. We have participated in the PRA's Life Insurance Stress Test exercise in 2025. Sector-level results were published on 17 November, and firm-level results were published on 24 November. We expect the LIST results to inform regulatory policy and supervisory activity going forward. The Group holds a capital buffer above that required by regulation to withstand a 99.5% 1-year VaR shock. The target level of buffer is maintained in line with industry peers. The PRA have published their final rules on the Matching Adjustment Investment Accelerator (MAIA). This addresses an industry concern that the Matching Adjustment approval process for new assets can act as an inhibitor to investments. Insurers can apply for an MAIA permission to include new MA-eligible assets within their MA portfolio. In September the FCA published its planned areas of focus over the coming year. This supports the FCA 's ongoing oversight of how the Consumer Duty has been embedded across the financial services industry. The Group has closely monitored the Government's leasehold reform agenda and the impact of this on the Group's £154m portfolio of residential ground rents. On 27 January 2026, the Government announced proposed reforms to existing residential ground rents which included a fixed annual cap of £250 on existing residential ground rents which will transition to a peppercorn amount after a period of 40 years. The impact of the proposed changes from 2026 is estimated to be a 1% reduction in the Solvency ratio. The FCA have published their proposals for Targeted support, as they look to bridge the gap between generic guidance and fully personalised financial advice, enabling consumers to make better financial decisions. We are currently reviewing the FCA's June 2025 Discussion Paper DP25/2 on its review of the regulated mortgage market which includes consideration of changes needed to support later life lending and are considering our response.

Principal risks and uncertainties continued

Measured against our strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

How this risk effects Just	Just's exposure to risk	Outlook and how we manage or mitigate the risk
2 Climate and Sustainability		**Trend: Uncertain** **Strategic Priorities**
Climate change could impact our financial position by impacting the value of residential properties in our lifetime mortgage portfolio and the yields and default risk of our investment portfolios. Just's reputation could also be affected by missed emissions targets or inadequate actions on environmental issues or broader sustainability issues.	Our TCFD disclosures explain how climate-related risks and opportunities are embedded in Just's governance, strategy and risk management. The metrics reflect the stress-testing and scenario capabilities developed to date to assess the potential impact of climate risk on the Group's financial position. The value of properties on which lifetime mortgages are secured can be affected by: (i) transition risk – such as potential government policy changes related to the energy efficiency of residential properties; (ii) physical risks – such as increased flooding due to severe rainfall, or more widespread subsidence after extended droughts. A shortfall in property sale price against the outstanding mortgage could lead to a loss due to the no-negative equity guarantee given to customers. The value of corporate bonds and illiquid investments can be affected by physical and transition risks from climate change on the assets or business of corporate bond issuers and commercial borrowers. Yields available from corporate bonds may also be affected by any litigation or reputational risks associated with the issuers' environmental policies or adherence to emissions targets.	We proactively pursue our sustainability responsibilities, recognising our social purpose in delivering retirement and later life solutions. We have achieved net zero for Scope 1 and 2 emissions in 2025, with a target to achieve net zero for our Scope 3 emissions by 2050, with a 50% overall reduction by 2030. Progress towards these targets is regularly monitored and reported. The ABI is maintaining engagement with stakeholders, including Just, to prepare for reporting under the UK Sustainability Reporting Standards and mandatory transition plan publications. Our existing reporting, aligned with TCFD recommendations and supported by transition plan disclosures in 2021 and 2024, positions us to adapt confidently to evolving sustainability reporting requirements. Our Responsible Investment Framework actively addresses sustainability risks, including climate change.

How this risk effects Just	Just's exposure to risk	Outlook and how we manage or mitigate the risk
3 Cyber and Technology		**Trend: Increasing** **Strategic Priorities**
IT systems may not operate as expected or may be subject to cyber-attack to steal or misuse our data or for financial gain. Any system failure affecting the Group could lead to costs and disruption, adversely affecting its business and ability to serve its customers, and reputational damage.	Our IT systems are critical to delivering customer service and financial management across our retirement and later life solutions markets, but unexpected failures could cause losses and disruptions to operations. Cyber attacks, such as ransomware phishing, could compromise our IT systems, undermining operational continuity and customer trust. The potential for loss or breach of personal information poses a significant cyber risk, potentially harming customers and other individuals, damaging our reputation, and incurring significant GDPR fines.	The increasing sophistication and volume of cyber threats, particularly those driven by artificial intelligence, is expected to intensify in the coming years. We are well positioned to mitigate these risks by closely monitoring evolving external threats. Our continued investment in cyberattack countermeasures strengthens our resilience. We have established a robust framework of operational resilience and disaster recovery capabilities to ensure business continuity under adverse circumstances. A specialist security operations centre monitors all our externally facing infrastructure and services, with threat analysis, incident management and response capabilities. The Group's cyber defences are subject to regular external penetration tests to drive enhancements to our technology infrastructure. We conduct severe but plausible cyber desktop scenario exercises to find gaps in our controls. We continue to enhance network architecture to strengthen data security and overall resilience. The development of in-house systems and our use of third-party systems, including cloud and via third-party administrators' arrangements, is continuously monitored by technical teams following established standards and practices. Internal controls are also integral to protecting the integrity of our systems. Our multi-layered approach to information security is supported by training, embedded company policies and governance. We lead business-wide security awareness campaigns that educate and empower our employees to recognise and respond to security threats, fostering a culture of vigilance and proactive defence.
4 Insurance risk		**Trend: Increasing** **Strategic Priorities**
In the long-term, the rates of mortality suffered by our customers may differ from the assumptions made when we priced the contract.	A high proportion of longevity risk we underwrite is reinsured, with retained exposures primarily tied to pre-2016 business. Reinsurance treaties include collateral to minimise exposure in the event of a reinsurer default. Analysis of collateral arrangements can be found in Note 27.	We review and regularly update our demographic assumptions to reflect recent data, best practices, and anticipated trends, ensuring our pricing for retirement income and lifetime mortgage products remains aligned with these evolving risks. We continually evaluate our reinsurance strategy based on pricing and experience. Last year we included an explicit allowance for COVID to reflect the emerging evidence of the future impacts of COVID infections and continuing and likely long-lasting disruption to healthcare services. In this year, the scope has been extended to consider future mortality and mortality improvements in totality, investigating the likely impact of future mortality drivers in the domains of Public Health, Individual Behaviours, Health & Social Care Funding, Medical Advances and Future Developments in Technology. This research has involved longevity experts from different disciplines inside and outside the Group.

Principal risks and uncertainties continued

Measured against our strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be recommended by our customers | Be proud to work at Just

How this risk effects Just	Just's exposure to risk	Outlook and how we manage or mitigate the risk
5 Market and Credit Risk		**Trend: Increasing Strategic Priorities**
Fluctuations in interest rates, residential property values, credit spreads, inflation and currency may result, directly or indirectly, in changes in the level and volatility of market prices of assets and liabilities. **Exposure to credit risk is a result of investing to generate returns to meet our obligations to policyholders and of taking credit counterparty risk from hedging, financing, lending and reinsurance.**	Our business model and risk management framework have been designed to manage exposure to market risks within pre-defined limits and to ensure hedge effectiveness remains high. Investment in fixed income investments exposes the Group to default risk and subsequent losses should collateral and recovery be less than the expected investment value. The Group is exposed to concentration risk and to the downgrade of assets. Credit risk exposures arise from potential counterparty defaults in reinsurance agreements, cash holdings, or derivatives trades used to mitigate market risks. To manage these risks, we diversify counterparties, use collateralised reinsurance and derivative contracts to limit exposures, and align with PRA's SS5/24.	The global economic landscape continues to be influenced by a combination of geopolitical tensions and economic policy uncertainties. Our portfolio is defensively positioned and focused on high-quality investment-grade issuers, minimising default risk. Our established risk management framework limits exposure to credit and market risks through diversified investments, hedging, and asset-liability matching strategies. Balance sheet sensitivities are detailed in Notes 16(f) and 22(h). We mitigate exposure to negative equity guarantee risk from potential shortfalls in lifetime mortgage repayments through rigorous underwriting measures and reduced concentration risks. Sensitivity to a residential property shock can be found in Notes 16(f) and 22(h). Reinsurance collateral provisions in contracts mitigate the credit exposure. Derivative transactions use standardised agreements with collateral arrangements to mitigate counterparty credit risk. Credit risk on cash assets is controlled by setting strict credit rating requirements for third party depositories, ensuring robust management of counterparty exposures.
6 Liquidity Risk		**Trend: Increasing Strategic Priorities**
Having sufficient liquidity to meet our financial obligations as they fall due requires ongoing management and the availability of appropriate liquidity cover. The liquidity position is stressed to reflect extreme market conditions.	Exposure to liquidity risk arises from: • collateral requirements of financial derivatives and reinsurance agreements; • higher-than-expected funding requirements and/or lower redemptions than expected on LTM contacts; and • liquidity transferability risk across the Group.	We conduct rigorous liquidity stress testing and maintain a high level of liquidity coverage above stressed requirements. Medium- and long-term liquidity risk projections are used to support planning for future liquidity requirements. Corporate bond collateral agreements enable the Group to use bonds as collateral to mitigate liquidity risks.

How this risk effects Just	Just's exposure to risk	Outlook and how we manage or mitigate the risk
7 Strategic Risk		**Trend: Increasing** **Strategic Priorities**
The choices we make about the markets in which we compete and the demand for our product and service offering may be affected by external risks including changes to regulation, competition, or social changes.	Changes in the nature or intensity of competition may impact the Group and increase the risk the business model is not able to be maintained. Increased digital innovation in the pensions and annuities markets may expose the Group to risks, including failure to meet evolving customer expectations. Risks to the Group's strategy arise from regulatory change as the Group operates in regulated markets and has partners and distributors who are themselves regulated. Actions by regulators may change the shape and scale of the market or alter the attractiveness of markets.	Intensified competition within the DB & GIfL market may increase pressure on margins. The Group is closely monitoring new entrants and behaviour of existing players, and we continually evolve our propositions to maintain our competitive edge. The FCA's Advice Guidance Boundary Review and introduction of Targeted Support may introduce changes to the distribution landscape, and potentially impact our customer engagement strategy. A range of government initiatives, including the drive for consolidation in workplace DC pensions and potential support for CDC, may reshape the pensions landscape. We expect the accelerated pace of technology innovation/ adoption to continue. The Group's priorities include maintaining compliance, investing in digital capabilities, and ensuring resilience of our infrastructure to be able to adapt to these changes. The strategic risks to the Group are assessed and mitigated throughout our strategy cycle – examining the competitive environment, the Group's capabilities, and ability to deploy resources to take advantage of opportunities.

Chair's Governance Overview

"The resilience of our governance framework has enabled us to pursue opportunities aligned with our strategy, deliver sustainable value, and position the Company for future growth."

JOHN HASTINGS-BASS
Chair

Introduction

In my opening Chair's statement on pages 6 to 7, I provide an overview of our performance and key achievements during the year.

The most significant matter addressed by the Board of Just Group plc (the "Board") in 2025 was the recommended cash offer by BWS Holdings Ltd, a wholly owned subsidiary of Brookfield Wealth Solutions Ltd ("BWS"), to acquire the entire issued and to be issued share capital of the Company. At the General Meeting held on 19 September 2025, shareholders overwhelmingly supported the proposed acquisition, with over 99% of votes cast in favour. The outcome demonstrates the resilience of our governance framework, which enabled us to pursue opportunities aligned with our strategy, deliver sustainable value and position the Company for future growth.

On behalf of the Board, I am pleased to present the 2025 Corporate Governance report, which supplements the information contained in the Strategic report. This section explains how the Board ensures robust governance and oversight to support the creation of long-term, sustainable value for our shareholders and wider stakeholders.

Throughout the Corporate Governance report, we outline how the Board has discharged its responsibilities through its own activities and those of its Committees.

Governance at Just

The Board operates within a robust corporate governance framework that underpins how the Group sets its strategy and objectives, monitors performance, and manages risk. Just has a clear and compelling purpose – we help people achieve a better later life. We do this by providing competitive products, financial advice, guidance and services to those approaching, at or in retirement.

Our priority is to deliver profitable and sustainable growth, enabling us to capitalise on the markets in which we operate. We are committed to ensuring our customers receive high-quality services and our shareholders benefit from long-term sustainable value creation, while also considering the needs of our other stakeholders and the wider social and environmental impact of our operations.

Board and committee composition

Matt Saker was appointed as a Director and Chair of the Group Risk and Compliance Committee ("GRCC") on 1 August 2025 following Kalpana Shah's resignation on 1 March 2025. During the interim period, I served as Chair of the GRCC. Matt also became a member of the Group Audit Committee and the Audit and Investment Committees of Just's life companies.

In addition, Michelle Cracknell joined the Group, JRL and PLACL Audit Committees on 31 January 2025.

UK Corporate Governance Code 2024

The UK Corporate Governance Code 2024 (the "Code"), which is available to view on the Financial Reporting Council's website is the standard against which we measured ourselves in 2025.

Details on how we have applied the Principles and complied with the Provisions set out in the Code and how governance operates at Just have been summarised throughout this Governance section and elsewhere in the Annual Report as set out opposite.

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Board leadership and company purpose	
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Further details on the recruitment process for Matt Saker are contained in the Nomination and Governance Committee report.

The Nomination and Governance Committee continues to monitor the skills and capabilities required to support the Group in delivering its strategic objectives and this will remain a key focus.

Board and committee activity

The Corporate Governance report provides an overview of the work undertaken the Board and its Committees during the year. The recommended offer from BWS made 2025 an exceptionally active year for the Board, requiring significant focus and oversight.

A summary of the matters considered at Board meetings can be found on pages 81 to 83, and further details on the activities of the principal Board Committees are set out on pages 92 to 120.

Stakeholder engagement

The Board considers the views and interests of the Group's stakeholders in all decision making. You can read about how the Board engaged with each of our stakeholder groups in the Strategic report.

Annual General Meeting

The Directors were pleased with the support received from shareholders at the 2025 AGM with investors representing over 80% of the share capital voting and, of those, more than 90% of the votes were in favour of the resolutions.

The 2026 AGM is planned to be a physical meeting in London. Further details will be provided in the Notice of Meeting, which will be published in due course, should the Company remain a listed public company at the time.

Future outlook

The acquisition by BWS is expected to complete in the first half of 2026 through a court-sanctioned scheme of arrangement, subject to the satisfaction or, where applicable, waiver of the remaining conditions, including final Court approval. This transaction represents a significant milestone for Just, positioning the Group for long-term growth and enhanced capabilities under new ownership.

On behalf of the Board, I would like to thank our shareholders for their continued support and our colleagues for their commitment and dedication to Just and its purpose. As we move into this next phase, the Board remains focused on ensuring a smooth transition and maintaining the high standards of governance and service that underpin our success.

John Hastings-Bass
Chair
26 February 2026

Board of Directors

NON-EXECUTIVE CHAIR

John Hastings-Bass

Chair

RE M N RI

Appointed: 13 August 2020 (6 years)

Career and Experience

John brings over 50 years of experience in the insurance and reinsurance sectors. He has served as Chair of Just Group plc since 2020 and has also chaired a number of other publicly listed and privately owned businesses.

John began his career in Hong Kong with Jardine Matheson in 1976. He moved to London and was latterly a Director of JLT Group and Chief Executive Officer of International Business Group. He joined Arthur J. Gallagher in 2007 as Chair of International Development, leading the Asia Pacific business, and served as Chair of Novae Group plc from 2008 to 2017. In January 2015, John was appointed Chair of BMS Group Limited, the private equity backed global insurance broking group, and in October 2022 he was appointed Chair of Dale Managing Agency Limited.

John was a Trustee of the Landmark Trust and Chair of its Audit Committee from 2016 to 2025.

Skills and Competencies

- Strong broad commercial skills in strategy, mergers and acquisitions
- High level of competency managing customer and financial adviser relationships through his brokering experience
- Extensive experience of all aspects of governance from over 15 years as an independent Non-Executive Director

Current other listed Directorships

None

EXECUTIVE DIRECTORS

David Richardson

Group Chief Executive Officer

M

Appointed: 4 April 2016 (10 years)

Career and Experience

David was appointed as Group Chief Executive Officer in September 2019. Before this, he served as Deputy Chief Executive Officer and Managing Director of the DB Solutions business. Previously, he was Chief Financial Officer of Partnership Assurance Group plc from February 2013 until April 2016.

Since becoming Group Chief Executive Officer, David has led a transformation of the business into a customer-focused leader in the retirement market. Under his leadership, the Group has pursued sustainable and profitable growth, delivering clear strategic direction and creating material value for shareholders. He has recently been appointed a Director of the Association of British Insurers (ABI) and Chair of its new Pension Insurance and Investment Board.

Over a 30-year career David has gained deep and varied experience across long-term savings, life insurance, pensions and reinsurance sectors.

Previously, David was Group Chief Actuary of Phoenix Group, where he was the Executive Committee member responsible for restructuring the group's balance sheet and enhancing its overall capital management. Prior to this, David worked in various senior roles at Swiss Re in the UK and USA, across both its Admin Re and traditional reinsurance businesses. David commenced his career at Tillinghast.

Skills and Competencies

- Extensive experience in long-term savings, life insurance, pensions and reinsurance
- Outstanding enterprise-wide executive leadership
- Strategic clarity supported by strong delivery
- Qualified Actuary
- Chartered Financial Analyst (CFA) charterholder

Current other listed Directorships

None

Mark Godson

Group Chief Financial Officer

M

Appointed: 1 December 2023 (2 years)

Career and Experience

Mark brings over 20 years' experience in the insurance industry across several international markets, with particular expertise in delivering growth strategies, business transformation, commercial optimisation, and mergers and acquisitions. Prior to his appointment as Group Chief Financial Officer, Mark was a partner at Ernst & Young (EY), and leader of their UK Actuarial practice.

Prior to EY, Mark was a Director at Swiss Re, leading the pricing, structuring, and due diligence of closed and open book transactions across Europe and the USA.

Skills and Competencies

- Significant international experience across the insurance industry
- Strong understanding of the markets the Group operates in
- Qualified Actuary

Current other listed Directorships

None

PLC committees

- A Group Audit Committee
- RE Remuneration Committee
- M Market Disclosure Committee
- N Nomination and Governance Committee
- RI Group Risk and Compliance Committee
- Committee Chair

JRL and PLACL Committees

- A Audit Committees
- I Investment Committees
- Committee Chair

SENIOR INDEPENDENT DIRECTOR

Mary Phibbs FCA

Senior Independent Director

A RE M N RI A

Appointed: 5 January 2023 (3 years)

Career and Experience

Mary is a chartered accountant with more than 40 years of experience in global financial services at board and senior executive level with expertise in a wide range of disciplines including risk management, finance and accounting, corporate and consumer finance, audit, capital management and complex stakeholder relations.

Previous UK and overseas board experience includes serving as Chair of Virgin Money Unit Trust Managers Limited, and a Non-Executive Director of Morgan Stanley & Co International plc, Novae Group plc, New Day Group Limited, Nottingham Building Society, Friends Life Group plc, and the Charity Bank Limited. Mary has held senior positions at Allied Irish Banks plc, Standard Chartered Bank plc, ANZ Banking Group, National Australia Bank, Commonwealth Bank of Australia, and PricewaterhouseCoopers LLP.

Mary currently serves on the Board of the Institute of Chartered Accountants for England and Wales. She is also a Non-Executive Director of The Canada Pension Plan Investment Board (CPP Investments) in Toronto, and is Chair of its Risk Committee.

Skills and Competencies

- Extensive experience in financial services including retail and investment banking, consumer finance, general and life insurance, mutual and investment management sectors
- Strong experience of financial management, accounting, risk management, internal control and governance matters
- Extensive experience in the application of technology and the management of change
- Chartered Accountant (ACA, FCA)
- Fellow of the Institute of Chartered Accountants in England and Wales
- Fellow of the Institute of Chartered Accountants in Australia and New Zealand

Current other listed Directorships

None

NON-EXECUTIVE DIRECTORS

James Brown (known as Jim Brown)

Independent Non-Executive Director

RE RI I

Appointed: 1 November 2023 (2 years)

Career and Experience

Jim has considerable retail and commercial banking, corporate finance, restructuring and mergers and acquisition experience, and has worked within the financial services industry throughout his career.

Jim was appointed as a Non-Executive Director of Secure Trust Bank plc on 31 March 2024 and as Chair on 16 May 2024. He was Chief Executive Officer of Sainsbury's Bank plc and a member of the Sainsbury's Group Operating Board until his retirement from such roles at the end of March 2024. Prior to this, Jim was Chief Executive Officer of Williams and Glyn between 2015 and 2017 and Chief Executive Officer of Ulster Bank in Northern Ireland and the Republic of Ireland from 2011 to 2015.

Internationally, Jim has held a number of senior roles in Asia, Australia and New Zealand, including Chief Executive Officer of Retail and Commercial Banking, Asia and the Middle East for RBS and ABN AMRO.

Skills and Competencies

- Extensive experience in retail and commercial banking, corporate finance, restructuring and mergers and acquisitions
- Highly competent in change management
- Certified Bank Director

Current other listed Directorships

Secure Trust Bank plc

Michelle Cracknell

Independent Non-Executive Director

A RE N A

Appointed: 1 March 2020 (6 years)

Career and Experience

Michelle brings a wealth of strategic and customer behavioural experience, having spent over 30 years in senior roles in the regulated financial services industry.

Michelle was Chief Executive Officer of The Pensions Advisory Service from 2013 to 2018. Prior to that, she held Director roles in advice firms, pension providers and insurance companies.

In addition to Just Group, Michelle is a Non-Executive Director and Trustee of Lloyds Banking Group Pension Funds, Chair of FIL Wealth Management Limited, and a Non-Executive Director of FIL Holdings Limited and Financial Administration Services Limited. Michelle is also a Non-Executive Director and Chair of the Audit and Risk Committee of PensionBee Group plc, and a Non-Executive Director of Sport England and Chair of its Audit and Risk Committee. She is a Trustee of the charity, Orthogeriatric Research Fund.

Skills and Competencies

- Broad knowledge and understanding of employee benefits
- Extensive experience in later life benefits and regulated financial services
- Chartered Actuary (Fellow)

Current other listed Directorships

PensionBee Group plc

Board of Directors continued

NON-EXECUTIVE DIRECTORS continued

Mary Kerrigan

Independent Non-Executive Director

A | A | I

Appointed: 1 February 2022 (4 years)

Career and Experience

Mary has considerable experience in the pensions, life insurance and investment industries, and is a former partner of Willis Towers Watson.

Outside of Just Group, Mary is a Non-Executive Director of New Ireland Assurance Company plc and Companjon Services DAC, and is Chair of their respective Risk Committees. She is also a Non-Executive Director of Aegon Asset Management UK plc and La Banque Postale Asset Management Limited. Mary is a member of the Independent Governance Committee of Prudential Assurance UK Limited and Trustee of The London Irish Centre.

Skills and Competencies

- Considerable experience in the pensions, life insurance and investment industries
- Qualified Actuary
- Holds a Chartered Financial Analysts Certificate in ESG Investing

Current other listed Directorships

None

Matthew Saker (known as Matt Saker)

Independent Non-Executive Director

A | RI | A | I

Appointed: 1 August 2025 (7 months)

Career and Experience

Matt has over 30 years of experience in the insurance sector, having held senior leadership positions at FTSE 100 companies, including roles as Group Chief Actuary, Chief Financial Officer, and Chief Risk Officer during his tenure at Aviva. Before joining Aviva, Matt built his career with Willis Towers Watson.

A Chartered Actuary, Matt is a past President of the Institute and Faculty of Actuaries.

Outside of Just Group, Matt serves as a Non-Executive Director and Chair of the Audit and Risk Committees for both Admiral Insurance Company Limited and Admiral Insurance Gibraltar Limited, and is a member of the Actuarial Committee for Vitality Health and Life Insurance.

Skills and Competencies

- Considerable experience across life and general insurance industries
- Highly competent in risk management
- Extensive experience within transformation, innovation and change management
- Chartered Actuary (Fellow)

Current other listed Directorships

None

NON PLC INDEPENDENT NON-EXECUTIVE DIRECTORS

John Perks

Life Companies' Chair

A | I

Appointed: 1 April 2021 (5 years)

Career and Experience

John has significant experience in the life and pensions industry, with over 30 years of experience in the sector. He was previously Chief Executive Officer of Police Mutual and Managing Director of Life & Pensions at LV=. Prior to that, he held senior roles at Prudential, AXA and Swiss Life. At LV=, John was a "friendly competitor" of Just Group in many of its product markets, in addition to his role as Chief Executive Officer of its pension advice company, bringing important commercial and strategic perspectives to the Boards.

Outside of Just Group, following Chesnara Group's recent acquisition of HSBC Life (UK) plc, where John held the position of Chair, he currently sits on the board of Chesnara Life (UK) Limited. He is also a Non-Executive Director of Mobius Life Limited, and is Chair of its Audit and Risk Committee.

Skills and Competencies

- Considerable experience in the life and pensions industry
- Broad knowledge of the advice market and risk management
- Chartered Actuary (Fellow)

Current other listed Directorships

None

PLC committees

- A — Group Audit Committee
- RE — Remuneration Committee
- M — Market Disclosure Committee
- N — Nomination and Governance Committee
- RI — Group Risk and Compliance Committee
- Committee Chair

JRL and PLACL Committees

- A — Audit Committees
- I — Investment Committees
- Committee Chair

Kathleen Byrne (known as Kathy Byrne)

Independent Non-Executive Director

I

Appointed: 1 February 2022 (4 years)

Career and Experience

Kathy has over 40 years' experience in the insurance industry and was previously Chief Executive Officer of the Metropolitan Police Friendly Society. A qualified actuary, Kathy started her career at consulting actuaries Hymans Robertson & Co and was Managing Director of Cardif Pinnacle's investment business unit. Prior to this, she was their Group Actuarial Director.

Kathy has an MBA from Henley Management College and has served on the Institute and Faculty of Actuaries Council.

Outside of Just Group, Kathy is a Non-Executive Director of Amicorp FS (UK) plc. Kathy is also a co-founder and shareholder of Alpasión Vineyard, Mendoza, where she held a Non-Executive Director role until 2020.

Skills and Competencies

- Considerable experience in the insurance and investment management industries
- Experience of providing strong innovation, marketing and product development
- Chartered Actuary (Fellow)

Current other listed Directorships

Amicorp FS (UK) plc

Independence

31 December 2025	
Chair	1
Executive Directors	2
Non-Executive Directors	5

31 December 2024	
Chair	1
Executive Directors	2
Non-Executive Directors	5

Gender diversity

31 December 2025	
Male	5
Female	3

31 December 2024	
Male	4
Female	4

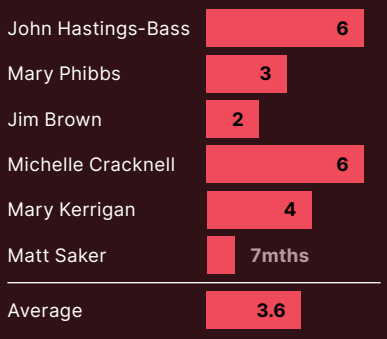
Ethnic diversity

31 December 2025		31 December 2024	
Asian	0	Asian	1
Black	0	Black	0
Mixed	0	Mixed	0
White	8	White	7
Other	0	Other	0

Please note all statistics relate to Just Group plc only.

Average Non-Executive Director tenure[1]

3.6 yrs



Skills and competencies

→ **See the Nomination and Governance Committee report on page 95 for the Directors' skills and expertise matrix.**

Director champion roles

Certain Non-Executive Directors serve as champions for key areas of Board focus. These include supporting Consumer Duty discussions and oversight, gathering colleague views through employee engagement, ensuring sustainability matters are raised and guided appropriately, and overseeing the integrity and effectiveness of whistleblowing policies and procedures.

→ **Further details on the Board's activities during the year are contained on pages 81 to 83.**

1 As at 26 February 2026.

Governance in operation

The Just Group plc Board (the "Board") is committed to underpinning all of Just's activities with the highest standards of corporate governance to fulfil our purpose of helping people achieve a better later life. This report sets out our governance framework and how we have applied the principles of the UK Corporate Governance Code 2024 (the "Code").

Our Governance Framework

Our Governance Framework is designed to embed strong governance and oversight processes and to ensure compliance with the Code. It covers the group of companies of which Just Group plc is the ultimate shareholder (the "Group").

Board of Directors

The Board is responsible for the overall leadership of the Group and for setting its purpose and strategy including its sustainability strategy, and for establishing the expected behaviours that guide how the Group operates. The Board ensures our culture is aligned with our strategy, oversees our conduct and affairs, and promotes the success of the Group for the benefit of our shareholders and other stakeholders.

The effective working relationship between the Board and the Group Chief Executive Officer and the Group Executive team facilitates support and challenge through regular reporting and dialogue.

The Board delegates certain matters to its Board Committees. At each scheduled Board meeting, the Chairs provide an update on their Committees' activities.

Group Chief Executive Officer

Responsible for the overall performance and day-to-day leadership of the Group.

Group Executive Committee

Assists the Group Chief Executive Officer to discharge their duties.

Key responsibilities include:

- Implementing the strategy and business plan set by the Board.
- Executing plans to meet sustainability commitments.
- Development and oversight of culture and people initiatives.

Board Committees

Group Audit Committee

Responsible for monitoring the integrity of the financial statements and solvency reports, reviewing the effectiveness of the Group Internal Audit function, assessing the Group's internal controls and maintaining the external auditor relationship.

Group Risk and Compliance Committee

Responsible for overseeing the effectiveness of the Group's risk management framework and supporting a robust process for the identification, measurement, management, monitoring and reporting of current and emerging risks.

Nomination and Governance Committee

Responsible for reviewing Board and Committee composition and succession needs, proposing new Board appointments and overseeing governance developments.

Remuneration Committee

Determines the remuneration policies for the Chair, Executive Directors, Senior Management and Solvency II identified staff. It is also responsible for the operation of share incentive plans and the oversight of gender and ethnicity pay gap reporting.

Market Disclosure Committee

Meets as required to oversee the identification of inside information and disclosure to the market, ensuring compliance with relevant regulatory requirements including the UK Market Abuse Regulation.

Underlying the governance framework between the Company's Board, Board Committees, Group Chief Executive Officer and the Group Executive Committee, are various Group committees and forums strengthening our governance and improving Board oversight.

Group Committees and Forums

These bodies support the Group's strategic priorities and business oversight. They include senior management committees and certain subsidiary board committees with approved terms of reference.

Leadership & Operations

- Defined Benefit: UK Corporate Business Senior Management Committee
- HUB Executive Committee
- Retail Senior Management Team Committee
- Executive Change Committee

Investments

- Asset Liability Committee
- Credit Committee
- Insurance Committee
- Investment Committee

Audit & Risk

- Audit Committee
- Executive Risk Committee
- Conduct and Operational Risk Committee
- Information Security and IT Risk Committee
- Retail Conduct and Customer Risk Committee

Sustainability

- Sustainability Bond Forum
- Executive Sustainability Steering Committee
- Sustainability Working Group

Corporate Governance Statement

UK Corporate Governance Code 2024 Compliance

During the year, the Board and its Committees oversaw the application of the 2024 Code, which came into effect on 1 January 2025. The changes to Provision 29, relating to the effectiveness of the risk management and internal control framework, will apply to the financial year beginning on 1 January 2026.

The Directors have assessed the Company's compliance with the Code for the year ended 31 December 2025 and concluded that the Company applied the principles and complied with all provisions of the Code, except Provision 21 following the Board's decision not to undertake an annual Board evaluation (see page 89 for more details).

The Board remains committed to maintaining full compliance with the Code and ensuring readiness for future changes. This Corporate Governance report, including the Board Committee reports, explains how we have applied the principles and provisions of the Code.

Leadership and responsibility

Role of the Board

The Board provides overall leadership, setting the Group's purpose, strategy, culture, expected behaviours and standards to promote long-term sustainable success and create value for customers, shareholders and wider stakeholders.

It operates under a formal schedule of matters reserved for its decision, including strategy, capital structure, financial reporting and controls, risk management, material contracts, Board composition and succession, corporate governance matters and delegations of authority. These reserved matters are reviewed annually to ensure they remain appropriate and reflect best practice.

The Board delegates certain responsibilities to its Committees under approved terms of reference, which are reviewed and approved annually. The matters reserved for the Board and terms of reference of the principal Board Committees are available at **www.justgroupplc.co.uk/about-us/governance**.

Strategy

The Board plays an active role in shaping and overseeing the Group's strategy to deliver long-term sustainable success. It regularly reviews and challenges strategic priorities, monitors execution against the approved business plan, and receives updates from the Group Chief Executive Officer and members of the Group Executive team on key strategic initiatives and emerging opportunities.

During the year, the Board considered and agreed the Group's medium and long-term strategic goals at its strategy day and scheduled meetings. These priorities are set out in the Strategic report on pages 14 to 15.

Sustainability is embedded within the Group's strategy. The Board ensures that environmental, social and governance ("ESG") considerations are integrated into decision-making and oversees progress against the Group's net zero commitments and broader sustainability objectives.

A standing quarterly agenda item on sustainability enables the Board to monitor initiatives, regulatory developments and stakeholder expectations. Further details are provided in the Sustainability: TCFD report on pages 36 to 51.

Technology remains a key enabler of strategic delivery. The Board regularly assesses transformation initiatives, including the use of artificial intelligence, and receives updates from the Group Chief Digital Information Officer on the implementation of the technology strategy. The Group Risk and Compliance Committee ("GRCC") oversees associated risks, including cyber security and data protection.

Division of roles and responsibilities

The Board is committed to maintaining a clear and effective division of responsibilities to ensure strong governance and accountability. This framework distinguishes the leadership roles of the Chair, Executive Directors and Non-Executive Directors, supporting the integrity and efficiency of Board operations.

As at the date of this report, the Board comprises eight members: the Chair (independent on appointment), two Executive Directors and five independent Non-Executive Directors. John Hastings-Bass serves as Chair and Mary Phibbs as Senior Independent Director. Documented roles and responsibilities for each Director, including the defined separation of duties between the Chair and the Group Chief Executive Officer, are fundamental to the Group's governance structure. These arrangements promote constructive challenge, effective decision-making and long-term sustainable success.

Governance in operation continued

Key accountabilities

The following outlines the distinct responsibilities of the Chair, Executive Directors, Non-Executive Directors and the Group Company Secretary, which collectively support the integrity and effectiveness of the Board's operation.

Chair

Leads the Board effectively, ensuring focus on strategy, performance, long-term value creation and accountability. Sets the agenda, enables constructive challenge, guides succession planning, supports the CEO on significant matters, and maintains effective communication with shareholders, regulators and other stakeholders.

Group Chief Executive Officer

Leads the day-to-day management of the Group. Delivers the strategy and business plan approved by the Board, directs the Executive team, and drives major initiatives. Maintains regular dialogue with the Chair, represents the Group externally and oversees engagement with shareholders, regulators and other stakeholders.

Group Chief Financial Officer

Supports the CEO in leading the Group and is responsible for the Group's financial strategy, planning and performance. Oversees financial and Solvency II reporting, legal, tax and control functions, maintaining a robust financial control environment and ensuring timely, transparent disclosures. Contributes to strategy development and manages relationships with investors, analysts, auditors and regulators on financial matters.

Senior Independent Director

Provides an independent sounding board for the Chair, acts as an intermediary for other Directors and shareholders where appropriate, leads the evaluation of the Chair, and supports the Board in maintaining effective governance and constructive engagement with shareholders.

Independent Non-Executive Directors

Provide independent oversight, challenge management and uphold high standards of integrity and governance. Bring external perspective and expertise to support strategy and decision-making.

Designated champions lead on Consumer Duty, Employee Engagement, Sustainability and Whistleblowing.

Group Company Secretary

Supports the Chair and provides guidance to aid the smooth functioning of the Board. Ensures the Board receives high-quality information in adequate time and has access to appropriate resources. Advises the Directors on corporate governance developments. Facilitates Board performance reviews, coordinates Director induction programmes and supports their ongoing professional development.

Executive leadership

The Group Chief Executive Officer ("CEO") leads the day-to-day operations of the Group and is accountable for implementing the strategy and business plans approved by the Board. The CEO is supported by the Group Executive Committee ("GEC"), comprising senior leaders from across the business, who collectively ensure effective strategy execution, operational performance and risk management. Key responsibilities of the GEC include:

- Delivering the Board-approved strategy and recommending future developments.
- Managing business risks and maintaining effective controls.
- Executing plans to meet sustainability commitments.
- Preparing budgets and the business plan for Board approval.
- Monitoring Group performance and overseeing stakeholder engagement.
- Driving initiatives to support colleague development and engagement.

The Group Executive Risk Committee ("ERC"), chaired by the Group Chief Risk Officer, focuses on risk management across the Group, including oversight of risk appetite, controls and regulatory compliance. The ERC reviews and challenges relevant papers before they are submitted to the GRCC.

Our Executive team

David Richardson
Group Chief Executive Officer

Mark Godson
Group Chief Financial Officer

Chris Barker
Group Chief Digital Information Officer

David Cooper
Group Marketing & Distribution Director

Alex Duncan
Group Chief Risk Officer

Ellie Evans
Group Chief People Officer

Tom Evans
Managing Director, Retail

Paul Fulcher
Group Capital Management & Investment Executive

Pretty Sagoo
Managing Director, Defined Benefits Business

Further details on the roles and experience of our Executive team can be found on our website **www.justgroupplc.co.uk/about-us/governance/leadership**.

Culture and behaviours

Why culture matters

A strong culture is fundamental to Just's long-term sustainable success. It underpins delivery of the strategy, supports effective risk management and drives positive outcomes for customers and colleagues.

The Board is responsible for setting and promoting a culture and behaviours that align with Just's purpose and strategy. It considers cultural indicators as part of its oversight of strategy, performance and risk, recognising the role culture plays in sustaining trust and resilience across the business.

The Board demonstrates leadership by setting a clear tone from the top and leading by example. Through its decisions, interactions and oversight activities, it promotes and embeds Just's expected behaviours and maintains strong custodianship of the Just brand.

Sources of cultural insight

The Board draws on a broad range of inputs to assess culture, including colleague engagement results, employee listening and feedback, conduct and risk culture metrics, and insights gained through Board-led colleague engagement. It also considers customer outcomes to assess whether the desired culture is being embedded throughout the business.

Monitoring culture

Monitoring culture is a collective responsibility of the Board and its Committees.

This includes:

- Reviewing updates on culture initiatives and colleague engagement results.
- Considering culture as part of strategic decision-making and risk assessments.
- Reviewing reports on risk culture and conduct risk metrics.
- Engaging directly with colleagues through Board-led sessions and designated Non-Executive Director roles focused on employee engagement and Consumer Duty.

Culture and leadership expectations

The Board sets clear expectations for behaviours across the organisation. Just's senior leaders are expected to role-model the Company's expected behaviours, foster inclusive team environments and support colleagues to deliver good outcomes for customers. These expectations are reinforced to all colleagues through CEO Town Halls, regular communication cascades and performance discussions, where individuals are assessed on both what they deliver and how they deliver it. Clear, measurable objectives aligned to the Group's overall business goals and expected behaviours support accountability and consistency across the organisation.

Culture and reward alignment

The Board, through the Remuneration Committee, ensures that reward structures reinforce the right behaviours. This includes reviewing how cultural factors, colleague experience, customer outcomes and risk considerations are reflected in performance assessments. The Board expects remuneration outcomes to support a culture of fairness, accountability and sustainable delivery, and receives updates on steps taken to align incentives with the Company's purpose and expected behaviours.

Whistleblowing

The Board encourages a healthy culture where colleagues feel confident to speak up about any concerns or suspected wrongdoing without fear of retaliation.

Just operates a robust Whistleblowing Policy, reviewed and approved annually by the Group Audit Committee to ensure it is effective and meets regulatory expectations. Colleagues are encouraged to raise concerns through multiple channels. They include directly with the Group Company Secretary or anonymously via an independent whistleblowing hotline and secure online portal – designed to protect confidentiality and provide assurance that concerns will be handled appropriately.

The Group Company Secretary oversees the review and coordination of responses, engaging relevant areas of the business as required. Matters raised are reported to the Chair of the Group Audit Committee, who acts as the Board's Whistleblowing Champion.

Regular reports are provided to the Group Audit Committee on the operation of the policy, including the nature and volume of cases raised, outcomes of investigations and any remedial action taken, and steps to ensure colleagues are aware of the whistleblowing process and protections available.

Governance in operation continued

How the Board monitors culture

The following is a non-exhaustive set of examples of how the Board and its Committees monitor culture at Just.

Internal communications

The Directors have access to HQ, Just's intranet, which publishes the latest news, updates on network activities and events, recognition articles, guidance material and the colleague magazine, US., which all provide an insight into culture at Just.

Informal channels

Useful stakeholder feedback is received via informal channels that relates to, or potentially impacts, Just's culture or expected behaviours, which can inform Board discussions or decisions.

Colleague engagement surveys

The Board reviews results from colleague engagement surveys, which include questions on culture, and receives updates on action plans which are developed based on feedback received.

Non-Executive Director engagement

Non-Executive Directors participate in "Take on Board" sessions directly with colleagues. These sessions are framed around various themes including culture, diversity, inclusion, and remuneration alignment.

Board reporting

The Board receives regular updates from the Group Chief Executive Officer on strategic priorities, including Be Proud to Work at Just, and from the Group Chief People Officer on colleague-related initiatives.

Remuneration

The Remuneration Committee ensures that our approach to remuneration is aligned with Just's culture. It sets Short and Long Term Incentive Plan metrics, which are aligned with the Company's expected behaviours.

Diversity, equity, inclusion and belonging ("DEIB")

The Board receives regular updates on DEIB initiatives that foster an inclusive workplace, supporting its oversight of culture.

Town Halls

The Group Chief Executive Officer hosts regular interactive Town Halls with colleagues, providing updates and an opportunity to ask questions in an open forum. Feedback from these sessions is shared with the Board to support its oversight of culture.

Risk culture

Key risk indicators focused on risk culture have been developed that are reviewed bi-annually by the GRCC. This provides an opportunity for the Directors to consider positive developments and areas requiring more focus by the business.

Customer call listening sessions

Directors attend customer call listening sessions, gaining first-hand insight into customer interactions and service culture. Feedback from these sessions informs the Board's oversight of culture.

Board champions

The Board has designated specific responsibilities to various Non-Executive Directors in relation to Consumer Duty, employee engagement, sustainability and whistleblowing who provide updates to the Board on their insights.

Whistleblowing

The Group Audit Committee is responsible for the oversight of whistleblowing matters. It receives updates on whistleblowing activity, including incidents, investigations and outcomes.

Measured against our strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be Recommended by our customers | Be proud to work at Just

Board activities

The following pages provide an overview of key matters considered by the Board during the year. This summary is not exhaustive but reflects the most significant areas of focus.

In addition to these activities, the Board received regular strategic, operational and financial updates from the Group Chief Executive Officer and Group Chief Financial Officer. The key indicates how the activities align with the Group's strategic priorities.

Strategy

The Board focused on a number of strategic initiatives during the year and is responsible for assessing the appropriateness of the Group's strategy against its purpose and vision, making adjustments over time as circumstances evolve. The Board maintains a forward-looking agenda that considers economic, social, environmental and regulatory issues, as well as other relevant external matters that may influence the Company's ability to achieve its objectives. In doing so, the Board evaluates stakeholder perspectives and ensures that strategic decisions support long-term sustainable success.

Key activities

- Held a dedicated Board strategy session to agree refinements to the Group's strategy, with a particular focus on growing sustainably, reaching out to both new and current customers, technology-driven scalability, performance momentum and culture. A follow-up report summarising key themes and areas of emphasis was presented later in the year, informing subsequent decisions.
- Received regular updates on the delivery of the Group's strategy execution plan and assessed progress against agreed milestones.
- Deliberated on the recommended cash offer from BWS, considering its strategic, financial and stakeholder implications.
- Monitored progress of various initiatives to reach the Group's carbon net zero targets and reviewed updates on climate and sustainability matters, ensuring alignment with regulatory expectations and stakeholder priorities.
- Reviewed progress on the Change delivery programme and its impact on operational efficiency.
- Conducted in-depth reviews of the Group's strategic opportunities and challenges across all business areas, including consideration of market trends and emerging risks.
- Reviewed initiatives linked to the new customer promises and assessed their impact on customer experience.
- Discussed the outcomes of the 2024 Board effectiveness review and approved the 2025 action plan following a recommendation from the Nomination and Governance Committee.

Decisions

- Convened additional meetings to consider the recommended cash offer from BWS. After thorough deliberation, the Board approved the offer, recognising its strategic fit and expected contribution to growth.
- Approved the Group's key strategic targets and priorities for the year, ensuring alignment with Just's purpose, culture and stakeholder expectations.
- Approved material defined benefit and third-party transactions and wider business modernisation programmes, supporting operational efficiency and improved customer experience.
- Approved the submission of the Group's UK Stewardship Code Report, reinforcing the Group's commitment to responsible investment and transparent governance practices.

Alignment to strategic priorities

Culture and People

The Board assesses and monitors culture to ensure that policies, processes and behaviours remain aligned with the Company's purpose and strategy. It is responsible for succession planning and the Remuneration Policy for the Chair, Non-Executive Directors, Executive Directors and Senior Management, following advice and recommendations from the Nomination and Governance, and Remuneration Committees.

The Board engages with the wider workforce through multiple channels, including 'Take on Board' sessions, and ensures that mechanisms are in place for colleagues to raise concerns in confidence.

Key Activities

- Monitored colleague engagement and reviewed outcomes of culture initiatives, ensuring alignment with strategic objectives.
- Received updates from the Group Chief People Officer on diversity, equity, inclusion and belonging initiatives, as well as learning and career development programmes, including an overview of performance, progress achieved, and future plans.
- Considered resource capacity and capability requirements to meet future business needs.
- Board members participated in several 'Take on Board' sessions covering topics such as remuneration, strategy, and early careers, to strengthen workforce engagement.
- Received an update from the Group's Executive Sponsor for Social Mobility on current initiatives and future objectives to enhance social mobility across the organisation.

Decisions

- Approved the continued adoption of the Board Diversity, Equity, Inclusion and Belonging Policy, reinforcing the Board's commitment to an inclusive culture.
- Approved the annual submission of the Group's Modern Slavery Statement, supporting transparency and ethical practices.

Alignment to strategic priorities

Governance in operation continued

Financial Performance, Structure and Capital

The Board evaluates and monitors current performance against agreed targets and is responsible for approving annual plans and budgets, major capital commitments, material acquisitions, results, dividends and announcements, including the going concern and viability statements. It ensures that the necessary financial resources, assets and skills are in place for the Company to meet its objectives.

Key Activities

- Assessed the Group's capital and liquidity requirements, including optimisation of its Solvency II capital structure.
- Approved the continuation of the purchase of shares in the market through the Group's Employee Benefit Trust to meet exercisable share incentive awards.
- Considered the Group's debt refinancing arrangements and engaged on internal loan refinancing.
- Reviewed the dividend policy. Recommended the 2024 final dividend and declared the 2025 interim dividend.
- Received updates on investor activity, market and peer analysis, and share price performance.
- Reviewed broker reports and feedback from investor meetings.

Decisions

- Approved the business plan and targets, and monitored the Group's results against them to ensure delivery of strategic objectives.
- Approved the Group's half-year and annual financial results, reinforcing transparency and regulatory compliance.
- Approved the Group Solvency and Financial Condition Report for submission to the Prudential Regulation Authority.
- Approved the payment of RT1 coupons in respect of RT1 notes.
- Approved Stress & Scenario Testing Framework principles.
- Approved the submission of the Life Insurance Stress Test ("LIST") 2025 documentation to the regulator.
- Oversaw the internal transfer of lifetime mortgages to align exposures with the Group's risk appetite framework.

Alignment to strategic priorities

Risk Management and Internal Controls

The Board sets the Company's risk appetite for each principal risk and regularly assesses both principal and emerging risks. It approves adjustments to risk appetites, reviews mitigation strategies, and approves the overarching risk management framework.

While ultimate responsibility for risk management, internal controls, and internal audit resides with the Board, monitoring is delegated to the GRCC (see page 102) and the Group Audit Committee (see page 96). The Board receives regular reports and recommendations from these Committees to ensure effective governance, robust oversight and resilience.

Key Activities

- Considered risks to the Group's strategy and business plan, ensuring alignment with risk appetite.
- Reviewed the Group's financial resilience, including stress testing and scenario planning.
- Received annual Chief Actuary validation reports to confirm actuarial soundness.
- Reviewed reinsurance counterparty arrangements.
- Oversaw customer activity initiatives and evaluated progress against Consumer Duty regulatory expectations, ensuring compliance and fair outcomes for customers.

Decisions

- Approved changes to risk appetites, ensuring effective management of evolving risks.
- Approved the Group's Own Risk and Solvency Assessment ("ORSA") and ORSA Policy.
- Approved the annual operational resilience self-assessment, supporting continuity planning.
- Approved the Group's recovery plan and run-off plan in line with regulatory requirements.
- Approved the annual Matching Adjustment Attestation regulatory application and Matching Adjustment Attestation Policy.
- Approved the annual Board Consumer Duty Report, reinforcing commitment to fair customer outcomes.

Alignment to strategic priorities

Measured against our strategic priorities

Grow sustainably | Scale with technology | Reach new customers | Be Recommended by our customers | Be proud to work at Just

Board and Board Committee Governance

The Board is collectively responsible for the overall governance of the Group, ensuring that sound decision-making processes, accountability mechanisms, and oversight arrangements are in place to support long-term success. It sets the tone from the top, promotes a culture of integrity and transparency, and ensures compliance with all applicable governance codes and regulations.

Key Activities

- Received reports from the principal Board Committees, enabling effective oversight of delegated responsibilities.
- Received updates on regulated subsidiaries governance, initiatives and challenges.
- Convened the 2025 Annual General Meeting ("AGM"), ensuring shareholder engagement and compliance with statutory requirements.
- Attended workshops and training sessions covering topics such as fraud prevention, insurance risk, stress and scenario testing, and corporate governance, strengthening Board knowledge and resilience.

Decisions

- Approved the appointment of Matt Saker to the Board, following a recommendation from the Nomination and Governance Committee, ensuring robust succession planning and governance continuity.
- Approved updates to matters reserved for the Board and Board Committees' terms of reference, reinforcing clarity of roles and responsibilities.
- Approved updates to the Inside Information Policy and Securities Dealing Policy and Code.

Alignment to strategic priorities

Meeting attendance

In 2025, the Board met 11 times, comprising seven scheduled meetings and four additional meetings convened to consider the recommended offer from BWS, and regulatory and governance matters. The Board also participated in an offsite session dedicated to strategy. All scheduled meetings were held in person, with facilities available for virtual attendance where required. Senior executives and external advisers were invited to present on business development, operational performance and governance topics, as required.

Board papers were circulated sufficiently in advance of meetings to support informed discussion. Where a Director was unable to attend a meeting, they were able to provide comments to the Chair beforehand. Certain decisions during the year were taken by written resolution or through authority specifically delegated by the Board to a committee constituted for that purpose.

The Group Company Secretary, or a nominated deputy, attended all Board and Board Committee meetings, ensuring the accurate recording of minutes and actions, which were circulated following each meeting.

Directors' attendance at scheduled Board and Board Committee meetings during the year is set out in the table below.

		Board	Group Audit	Group Risk and Compliance	Nomination and Governance	Remuneration
John Hastings-Bass	Chair	7/7	–	6/6	3/3	5/5
David Richardson	Executive Director	7/7	–	–	–	–
Mark Godson	Executive Director	7/7	–	–	–	–
Mary Phibbs	Senior Independent Director	7/7	6/6	6/6	3/3	5/5
Jim Brown	Non-Executive Director	7/7	–	6/6	–	5/5
Michelle Cracknell[1]	Non-Executive Director	7/7	6/6	–	3/3	5/5
Mary Kerrigan	Non-Executive Director	7/7	6/6	–	–	–
Matt Saker[2]	Non-Executive Director	3/3	2/3	3/3	–	–
Resigned in 2025						
Kalpana Shah[3]	Non-Executive Director	0/1	0/1	0/1	–	–
Additional meetings held		4	1	4	0	1

1 Michelle Cracknell was appointed as a member of the Group Audit Committee on 31 January 2025.

2 Matt Saker was appointed as a Director on 1 August 2025. He was unable to attend the Group Audit Committee meeting in October 2025 due to prior commitments.

3 Kalpana Shah resigned as a Director on 1 March 2025. She was unable to attend the GRCC and Board meetings in January 2025 and the Group Audit Committee meeting in February 2025. The GRCC meeting was chaired by John Hastings-Bass in her absence.

Governance in operation continued

Board support

The Group Company Secretary supports the Chair and Board, by ensuring governance matters are brought to their attention and by delivering an annual programme of Board and Board Committee meetings, training and presentations from senior management. This ensures Directors receive timely, high-quality information to discharge their statutory duties effectively.

Directors may seek independent professional advice at the Company's expense where appropriate. All Directors have access to the advice and services of the Group Company Secretary and the Group General Counsel.

Stakeholders and key Board decisions

Customers

Helping people achieve a better later life remains central to Just's purpose and strategy. This is reflected in the strategic priorities set and monitored by the Board, which are described in the Strategic report on pages 14 to 15.

The Board oversees compliance with Consumer Duty, ensuring that customers' needs are prioritised and good outcomes delivered. It receives regular updates on customer initiatives, challenges management on further embedding Consumer Duty across the business, and reviews conduct and customer risk metrics. In 2025, the Board approved its annual Consumer Duty report and continues to monitor progress against regulatory expectations and initiatives to enhance customer experience.

Michelle Cracknell serves as the Board's Consumer Duty Champion, engaging with stakeholders and providing insights on progress and areas for improvement to ensure Just delivers good customer outcomes.

Colleagues

Ensuring that colleagues feel proud to work at Just remains a key strategic priority for the Board. During the year, the Board oversaw the embedding of our new behaviours to support a culture aligned with Just's purpose and high performance.

The Board engages with colleagues through initiatives such as the Take on Board sessions with Non-Executive Directors, which provide opportunities for open questions and feedback. Insights from these sessions inform the Board discussions on culture, colleague experience and broader employee matters.

Michelle Cracknell serves as the Employee Engagement Champion, in line with Provision 5 of the Code. Working with the Group Chief People Officer, she follows an agreed annual plan using multiple communication channels to gather colleague views. This approach is reviewed annually and remains effective.

In 2025, Michelle met regularly with the Group Chief People Officer, visited offices, attended a customer call listening session and co-led a session on remuneration alignment with the wider workforce. Feedback from these activities is reported to the Board to ensure employee perspectives are considered in decision-making.

Shareholder engagement

The Group maintained regular dialogue with institutional shareholders and debt investors through a programme of meetings and roadshows. Engagement during the year included a post-results roadshow in March, North American investor meetings and debt investor engagement roadshows in May, followed by an investor roadshow in Frankfurt in June.

The Executive Directors and Investor Relations team also attended industry conferences in UK and Germany, hosted roundtables and held one-to-one meetings with existing and prospective equity investors until the announcement of the BWS cash offer on 31 July 2025. Engagement with debt investors continued throughout the second half of the year.

Discussions focused on growth opportunities, competitive challenges, market positioning, investment strategy, DB pension scheme reforms and proposition development. The Investor Relations team provided regular reports to the Board on investor activity, market analysis, share price performance and investor feedback.

The Company's ordinary shares are covered by nine analysts. The Investor Relations team also maintains an open dialogue with analysts who do not formally cover the Company, as well as with banks, brokers, credit analysts and other market participants. Fitch reaffirmed A/A+ credit ratings for subsidiaries of the Group, with a Stable outlook in November 2025.

Reflecting the premium inherent in the 220.00 pence offer by BWS, the price of Just's ordinary shares increased by 33% year on year to 216.00 pence at 31 December 2025. The share price has remained above 210.00 pence since 31 July 2025, consistent with the gradual pull-to-offer effect towards the updated offer price of 219.16 pence (adjusted for the 0.84 interim dividend paid in September 2025) and investors expectations on the completion timeline. The transaction is expected to complete in the first half of 2026.

The Senior Independent Director and Committee Chairs remain available for shareholder consultation if they have concerns which are inappropriate to raise with the Chair or Executive Directors.

The 2025 AGM was held on 8 May 2025 in London, where the Group Chief Executive Officer provided an update on performance, positioning and outlook. Shareholders were able to raise questions in person or by email, and all resolutions passed.

On 19 September 2025, Court and General Meetings were convened to approve the scheme of arrangement, authorise its implementation and amend the articles of association following the Board's recommendation of the BWS cash offer. All resolutions were approved.

Shareholders were encouraged to vote at all meetings, including by appointing the Chair as proxy if unable to attend, and were invited to ask questions during proceedings.

Suppliers

The Board recognises the importance of maintaining strong, transparent and ethical relationships with suppliers as part of its commitment to high standards of conduct and integrity. Just's Procurement and Outsourcing Policy sets clear expectations for honesty, impartiality and integrity in all business dealings and ensures that contractual arrangements with third parties are undertaken with appropriate consideration of associated risks.

The Board monitors the third-party register and approves material contracts. Oversight of third-party risk, including operational and cyber risks, is delegated to the GRCC, which receives regular reports on the effectiveness of controls and compliance with regulatory requirements.

Further details on how the Board engages with suppliers and considers their interests in decision-making can be found in the Relationships with stakeholders report on page 57.

Being a responsible corporate citizen

The Board is committed to ensuring Just operates responsibly and in compliance with all applicable laws and regulations, reflecting our value of doing the right thing for customers, colleagues, shareholders, suppliers and wider society.

Anti-bribery and anti-corruption

The Board is committed to preventing bribery and corruption across the Group. Colleagues receive regular training to understand their responsibilities in preventing financial crime. Internal policies, including Just's Financial Crime Policy, set clear standards for managing associated risks.

The Board monitors compliance with legislative and regulatory developments to reduce economic crime, including the prevention of fraud. The GRCC receives annual reports from the Group's Money Laundering Reporting Officer on the effectiveness of controls to prevent financial crime.

Data privacy and security

The Board ensures that Just maintains a robust control framework to safeguard personal data. Policies and processes govern the collection and processing of data, supported by colleague training. Oversight of data protection risk is delegated to the GRCC, which receives regular updates on the management of data risk, and an annual report from the Data Protection Officer on the effectiveness of the framework and control environment.

Modern slavery and human rights

The Board adopts a zero tolerance approach to modern slavery and is committed to upholding human rights across Just's operations and value chain. Each year, the Board approves a modern slavery statement, which outlines how risks are assessed, due diligence undertaken and the policies and practices in place. The current statement is available on our website at www.justgroupplc.co.uk.

Tax strategy

The Board ensures compliance with all tax reporting and payment obligations in a timely and transparent manner. Each year, the Group Audit Committee reviews and approves Just's tax strategy, which sets out our approach to tax governance and risk management. The current strategy is available on our website at www.justgroupplc.co.uk.

Community

Supporting our communities is central to Just's priority of creating a fair world. Just continues to partner with charities and local initiatives that align with our business and stakeholder priorities. In 2025, Just partnered with Hourglass, a charity dedicated to ending harm, abuse and exploitation of older people in the UK. Just's Charity and Community Policy supports fundraising by matching colleague contributions for designated charities within an agreed budget.

The Board receives updates on volunteering activities, further details of which are provided in the Colleagues and Culture report on pages 52 to 55.

Environment

Sustainability is embedded in Just's strategy. The Board has set net zero targets and is a signatory to the UK Stewardship Code. Further details on Just's environmental initiatives and progress against sustainability commitments can be found in the Sustainability: TCFD report on pages 36 to 51.

Governance in operation continued

How the Board considered stakeholders during the year

The Board sets the strategic direction, culture and expected behaviours for Just and draws on its diverse skills, experience and stakeholder insight to make well-informed decisions that promote the long-term sustainable success of the Company.

At each meeting, detailed papers provide information on the potential impact of decisions on stakeholders, including customer outcomes, sustainability considerations and key risks requiring Board attention. This approach ensures that stakeholder interests are embedded in strategic and operational decision-making.

The Group's Section 172(1) statement is included in the Strategic report on page 59. The table below provides examples of how Section 172 factors and stakeholder engagement informed Board discussions and decisions during the year. Further details on Board engagement with stakeholders can be found on pages 56 to 58.

Strategic Initiatives – Customer Outcomes

S172 factor considered:

Background
The Board considered and refined the Group's strategy with clear, specific goals driven by appropriate priorities to be delivered sustainably and following the Just way. Two of its strategic objectives are customer-related: reach new customers and be recommended by our customers.

How the Board approached it
The Board reviewed the Group's purpose and long-term ambitions, ensuring the strategy supports sustainable growth and strong customer outcomes. In support of these priorities, the Board oversaw the development of Group-wide customer promises, designed to define what a compelling customer experience should look like and the data-driven insights needed to achieve excellence.

The Board also reviewed the annual Consumer Duty report and noted that Just was compliant and remained committed to delivering good outcomes for our customers and embedding customer-centricity at the heart of everything we do. A new customer outcomes dashboard was introduced in early 2025 to enable better trend analysis and more effective monitoring and improvement of customer outcomes over time.

Outcome
The Board concluded that the customer promises were designed with the end customer in mind, ensuring the focus was on the entire journey. It approved the annual Consumer Duty report and agreed that enhancing data gathering and management information would be a key focus for the year ahead. The Board continues to receive regular customer updates, and all papers include an explanation of the impact on customer experience and outcomes to aid holistic oversight of how Just is meeting its strategic priorities on customers.

Proposed Acquisition of Just

S172 factor considered:

Background
On 31 July 2025, the Boards of Just and Brookfield Wealth Solutions Ltd announced a recommended cash offer for Just Group plc. This was a significant strategic decision requiring careful consideration of stakeholder interests and regulatory requirements.

How the Board approached it
The Board held regular meetings to assess the terms of the proposal and its alignment with Just's purpose and long-term strategy. Directors considered the potential benefits for shareholders, including the certainty of value and premium offered, alongside implications for customers, colleagues and other stakeholders.

Key considerations included:

- Customers: Ensuring continued delivery of good outcomes and maintaining strong governance and risk controls post-transaction.
- Colleagues: Reviewing cultural alignment and the potential for career development opportunities within the combined group.
- Investors: Evaluating the financial terms and market conditions, taking into account general shareholder expectations.
- Regulatory compliance: Ensuring the transaction supported Just's risk appetite and helped to maintain a strong solvency position and financial resilience.
- Long-term sustainability: Considering the impact on Just's growth ambitions, reputation and ability to safeguard policyholder commitments.

Outcome
After detailed analysis and engagement with advisers, the Board concluded that the recommended offer was in the best interests of shareholders and consistent with Just's purpose and long-term sustainable success. The Board approved the transaction and oversaw stakeholder communications, ensuring transparency and compliance with all regulatory obligations. The Board also recognised that the partnership would enhance capabilities and support Just's future growth ambitions.

Section 172(1) factors:

Sustainability – UK Stewardship Code

S172 factor considered:

Background
Just became a signatory to the UK Stewardship Code in 2024. During the year, the Board considered whether to maintain signatory status, taking into account the Financial Reporting Council's latest requirements and the Group's strategic priorities.

How the Board approached it
The Board reviewed the updated expectations of the Stewardship Code and assessed their alignment with Just's purpose, long-term strategy and sustainability commitments. Directors considered the benefits of continued signatory status, including enhanced transparency, investor confidence and alignment with responsible investment principles. The Board also evaluated the resources required to meet reporting obligations and maintain high standards of stewardship.

Outcome
The Board concluded that maintaining signatory status under the UK Stewardship Code supports Just's long-term sustainable success and commitment to responsible business practices. It approved the submission of the final report to confirm continued adherence and requested management to implement processes to ensure compliance with the latest requirements ahead of the revised UK Stewardship Code coming into effect on 1 January 2026. The Board receives regular updates on stewardship activities and reporting obligations.

Strategic Priorities – Technology

S172 factor considered:

Background
The Board considered the Group's technology strategy as a key enabler of long-term value creation and competitive advantage in Just's core markets. In doing so, the Board focused on the importance of modern, resilient systems that support sustainable growth and deliver improved outcomes for customers, colleagues, shareholders and other stakeholders.

How the Board approached it
The Board reviewed the Group's technology priorities, assessing how the programme aligns with Just's strategic ambitions and the expectations of its stakeholders. As part of this review, the Board took into consideration the business plan, customer expectations and needs, resource requirements and operational impacts associated with the Group-wide transformation initiatives. Directors considered the importance of colleague capability and recognised the value of targeted upskilling to ensure teams are equipped to adopt new systems and emerging technologies, including artificial intelligence. The Board also assessed how enhancements to Group systems would improve customer journeys, strengthen operational resilience, mitigate technology-related risks and maintain competitiveness across markets.

One major area of focus was the modernisation of technology used by the Retail business. The Board reviewed the transformation roadmap designed to replace ageing systems, reduce operational risk and position the business to respond effectively to regulatory change and evolving customer needs. This multi-year programme will remain an important focus area for the business throughout 2026 and beyond.

Outcome
The Board concluded that the technology strategy is aligned with the Group's long-term sustainable growth objectives and will deliver clear benefits for customers, colleagues and shareholders. Investment in modernising the Retail platform will create efficiencies, strengthen resilience and enable more agile responses to market developments. For customers, the transformation is expected to enhance service quality through more seamless and reliable digital journeys. For colleagues, improved systems and ongoing skills development will support greater productivity and help maintain a competitive operating environment in line with industry standards.

Diversity, equity, inclusion and belonging

The Board is committed to promoting diversity, equity, inclusion and belonging at Board and senior management level and throughout the Group. The Board's Diversity, Equity, Inclusion and Belonging ("DEIB") Policy sets out the Board's approach to diversity, including the composition of the Board, its principal Committees and the Group Executive Committee. The policy was reviewed during the year and remains aligned with the Group's broader DEIB strategy to strengthen Just's inclusive culture and sense of belonging.

Progress against our DEIB strategy and targets is supported by a range of initiatives, outlined in the Colleagues and culture report. The Group Chief Executive Officer acts as Board sponsor for DEIB.

As at 31 December 2025, the Board met one of the three diversity targets set out in the FCA Listing Rules but did not meet the targets recommended by the FTSE Women Leaders and Parker Reviews. The Senior Independent Director is female and, until 1 March 2025, one Non-Executive Director was from a minority ethnic background.

Female representation on the Board fell below 40% following the appointment of a new Non-Executive Director on 1 August 2025.

Additional Non-Executive Director recruitment was planned for the second half of 2025 to restore gender balance and improve ethnic diversity. However, these plans were deferred following the recommended cash offer from BWS and remain on hold at the date of this report. Future appointments will continue to reflect the principles of the Board's DEIB Policy and strategy, ensuring that diversity remains a consideration in Board and senior leadership recruitment.

Governance in operation continued

As a signatory to the Women in Finance Charter, we have set a target for 40% of our most senior population (Group Executive Committee and their direct reports) to be female by the end of 2026. As at 31 December 2025, our gender diversity for this population stood at 44%. As a signatory to the Race at Work Charter, we are committed to ensuring our workforce reflects the ethnic composition of the broader UK population. We have set a target for more than 16% of our most senior population to be ethnically diverse by the end of 2026. As at 31 December 2025, 13% of this population were ethnically diverse. We remain committed to maintaining progress against these targets and embedding diversity, equity, inclusion and belonging across the Group.

The tables below set out data about the gender and ethnicity of the Board and senior management as at 31 December 2025 (the Listing Rules reference date), in the format prescribed by the Listing Rules.

Gender diversity as at 31 December 2025	Number of Board members	Percentage of the Board (%)	Number of senior positions on the Board[1]	Number in executive management[2]	Percentage of executive management (%)
Men	5	62.5	3	8	80
Women	3	37.5	1	2	20
Other categories	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0
Ethnic background as at 31 December 2025					
White British or other White	8	100	4	9	90
Mixed/multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	0	0	0	1	10
Black/African/Caribbean/Black British	0	0	0	0	0
Other ethnic group including Arab	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

1 Senior positions on the Board, as defined by the Listing Rules, comprise the Chair, Senior Independent Director, Group Chief Executive Officer and Group Chief Financial Officer.

2 Executive management, as defined by the Listing Rules and in line with the Code requirements, comprises members of the Group Executive Committee and the Group Company Secretary. The number of males and females in senior management positions in accordance with the Companies Act 2006 definition (includes Executive Directors of the Group's subsidiary undertakings but excludes Directors of the Parent Company) was 12 (75%) and 4 (25%) respectively as at 31 December 2025.

As set out in the above table, 37.5% of the Board and 20% of executive management (as defined by the Listing Rules) were female as at 31 December 2025. In addition, 10% of executive management were from an ethnic minority background. At the same date, no Directors on the Board were from an ethnic minority background.

The data for this disclosure was provided voluntarily by Directors. Data relating to executive management and the wider workforce is captured via the Company's internal HR system on a voluntary basis. Recognising that gender identity can differ from that assigned at birth, all colleagues are offered the opportunity to volunteer their gender identity on our HR system.

The Board has delegated responsibility to the Remuneration Committee to oversee gender and ethnicity pay gap data and reporting. Just's median hourly gender pay gap decreased from 31.6% in April 2024 to 27.5% in April 2025 (mean hourly pay gap is 26.3% and has decreased by 0.1%). Our median hourly ethnicity mean pay gap decreased from -14.7% in April 2024 to -11.2% in April 2025, remaining in favour of our ethnically diverse colleagues (mean hourly pay gap of -2.3% remains the same as last year). Further details can be found in the gender and ethnicity pay gap reports at **www.justgroupplc.co.uk**.

Board performance review

In accordance with the Code, the Board conducts an annual performance review of its own performance, that of its principal Committees and the contribution of individual Directors, to assess effectiveness and the quality of decision-making.

Following a recommendation from the Nomination and Governance Committee, a formal internal Board evaluation was not undertaken in 2025. Conducting a review ahead of the proposed acquisition by BWS would have resulted in an assessment of a Board composition expected to change significantly.

Should the acquisition not proceed, the Board will determine the most appropriate timing for an internal evaluation in 2026. The next externally facilitated review remains scheduled for 2026 in line with the Company's approach and the Code. The last externally facilitated review was undertaken by Boardroom Review Limited in 2023.

The Nomination and Governance Committee monitored progress against the actions agreed from the 2024 internal Board performance review. During 2025, actions requiring priority attention were progressed and, where appropriate, completed. A small number of actions were deferred, primarily due to the recommended acquisition, as outlined in the table below.

Progress against 2024 review findings

Focus areas	Actions taken during 2025
Information flow	During 2025, the Board progressed enhancements to strengthen information flow and forward planning. A comprehensive review of rolling forward agendas was completed for the Board and its principal Committees, ensuring consistency and alignment. Rolling forward agendas are routinely updated, with close collaboration between the Company Secretarial team and key stakeholders to maintain comprehensive planning and avoid gaps. The Company Secretarial team also worked closely with senior leaders to ensure that information flows from Committees to the Board in a timely and appropriate manner. Clear guidance has been provided to authors on content and submission timelines, supporting effective decision-making and governance.
Board and Committee management	The development of comprehensive guidelines for managing the Board and its principal Committees (including meeting administration, attendance protocols, agenda alignment and Directors' expectations) was initiated during 2025. In light of the recommended acquisition by BWS and the anticipated changes to Board and Committee composition, the Board considered it appropriate to defer finalising this work to ensure the guidelines are relevant for the post-transaction governance framework.
Board and Committee composition	During 2025, several changes were made to the composition of the Board and its principal Committees, and the Board continues to be an appropriate size with a good range of expertise. Diversity remains an important consideration and will be taken into account in future recruitment planning. The Board continued to focus on succession planning. A paper on Executive succession planning was presented to the Nomination and Governance Committee and is routinely discussed at the Group Executive Committee. A paper on Non-Executive succession planning will be brought to the Nomination and Governance Committee once the post-acquisition Board is confirmed.

Directors' inductions

Upon appointment, each Director receives a comprehensive and tailored induction programme designed to ensure a smooth transition and provide a comprehensive understanding of the Company's purpose, vision, strategy, culture and expected behaviours. The programme also covers the governance framework, sustainability strategy and the opportunities and challenges facing the industry.

The induction is designed by the Group Company Secretary in consultation with the Chair and Group Chief Executive Officer, taking into account the Director's existing expertise, business priorities and any anticipated Board or Committee responsibilities. It typically includes a combination of meetings with senior management and advisers, and access to key documents such as past Board and Committee papers, minutes, financial and operational plans, and compliance and regulatory information.

As part of the process, the Group Company Secretary briefs new Directors on Company policies, Board and Committee procedures, and core governance practices, including Directors' statutory duties and market abuse regulation requirements. A high-level overview of the induction programme provided to Matt Saker following his appointment as a Director on 1 August 2025 is set out in the table below.

Governance in operation continued

Non-Executive Director induction programme for Matt Saker

Areas covered	Sessions by
Just's purpose, strategy, culture and business model	Chair Group Chief Executive Officer Managing Directors of each Business Unit
Financial performance and capital requirements	Group Chief Financial Officer Director of Actuarial
Risk management, internal controls, assurance, compliance and regulatory developments	Group Chief Risk Officer Director of Group Internal Audit Senior Leaders in the Group Risk function
Investments, sustainability and net zero transition	JRL and PLACL Investment Committees' Chair Group Capital Management & Investment Executive
Cyber security and operational resilience	Group Chief Digital Information Officer Chief Information Security Officer
Reinsurance	Group Chief Actuary Director of DB Pricing & Reinsurance
Remuneration and colleagues	Remuneration Committee Chair Group Chief People Officer
Corporate governance and Board operations	Chair Group Company Secretary

Training and development

The Company is committed to continuous development to ensure Directors have the knowledge and skills required to discharge their responsibilities effectively. Training needs are identified through the annual Board skills assessment, performance reviews and individual discussions with the Chair. Directors may also request additional briefings or one-to-one sessions with senior management.

The Nomination and Governance Committee approves an annual training programme, with sessions delivered throughout the year by senior leaders and external experts. These sessions cover regulatory developments, strategic priorities, emerging risks and technical matters relevant to the Group's business, and include interactive presentations with opportunities to ask questions to deepen understanding.

In 2025, training topics included the credit risk framework, failure to prevent fraud, insurance risk, investment operations and reporting, longevity assumptions, social mobility and a follow-up on developments in UK corporate governance and associated risk and control requirements.

Audit, risk and internal control

Preparation of the Annual Report

The Board is responsible for ensuring that the Annual Report provides a fair, balanced and understandable assessment of the Group's position and prospects. It is satisfied that the Annual Report contains the essential information required for shareholders to evaluate the Group's performance, business model and strategy. The going concern statement is set out in the Directors' report and in note 1.1, and the viability statement is on page 63.

Assessing emerging and principal risks

The Board determines the nature and extent of risks it is willing to take in achieving its strategic objectives through its risk appetite framework. During the year, the Directors conducted a robust assessment of the Group's emerging and principal risks, including those that could impact its business model, future performance, capital and liquidity. Details of these risks and the processes for identifying emerging risks are provided in the section on principal risks and uncertainties.

Risk management and internal control systems

The Board, supported by the Group Audit Committee and GRCC, monitored the effectiveness of the Group's risk management and internal control systems throughout the year. These systems are designed to manage, rather than eliminate, risk and can only provide reasonable, not absolute, assurance against material misstatement or loss. The Group Internal Audit function provides independent assurance on the adequacy and effectiveness of controls, reporting its findings to the Group Audit Committee throughout the year. Further details are included in the Group Audit Committee report.

Preparing for Provision 29: Effectiveness of material controls

Provision 29 of the Code requires a declaration on the effectiveness of material controls for financial years beginning on or after 1 January 2026. During 2025, the Board and its Committees initiated a readiness programme to ensure compliance.

Key actions include:

- Defining the Group's material controls across financial, operational, compliance and reporting processes.
- Mapping ownership and assurance responsibilities to strengthen accountability.
- Enhancing documentation and evidence to support future Board attestations.
- Engaging Group Internal Audit and Risk functions to provide independent assurance on design and operating effectiveness.
- Developing reporting templates and governance processes for annual review and sign-off.

The Board has also considered the potential impact of the recommended cash offer from BWS on governance and control arrangements and will ensure readiness plans remain appropriate for the post-transaction structure.

Remuneration

The Remuneration Committee is responsible for determining and reviewing Just's remuneration policy and practices to ensure they remain appropriate, relevant and strongly aligned with the Company's purpose, strategy and long-term success. The Committee seeks to promote long-term stewardship and to reward individual contributions that support the sustainable performance of the Group.

The current Directors' Remuneration Policy (the "Policy") was approved by shareholders at the 2023 AGM with over 95% of votes in favour and is intended to apply for up to three years. The full Policy is available in the 2022 Annual Report on the Just website. In light of the recommended cash offer from BWS, the updated Policy is not included in this Annual Report. If the acquisition has not completed in the first half of 2026, the Policy will be included in a Notice of General Meeting for shareholder approval.

The Directors' Remuneration report explains how the principles of the Code (clarity, simplicity, risk, predictability, proportionality and alignment to culture) are embedded in the current Policy. In line with Provision 38 of the Code, the Directors' Remuneration Report also sets out details of malus and clawback provisions, including the circumstances in which they apply, the relevant time periods and the decision-making processes. Further details on the Remuneration Committee's activities and compliance with the Code during 2025 can be found on pages 106 to 120.

Nomination and Governance Committee Report

"The Committee remains committed to supporting robust governance and ensuring continuity of leadership through this transitional year."

JOHN HASTINGS-BASS
Chair, Nomination and Governance Committee

Role

The Nomination and Governance Committee (the "Committee") is responsible for regularly reviewing the structure, size and composition of the Board and its Committees, and, where appropriate, making recommendations to the Board to ensure the orderly succession of Executive and Non-Executive Director appointments. It oversees the refreshment of the Board and its Committees, and seeks to maintain an appropriate balance of skills, knowledge, independence, experience and diversity. In doing so, the Committee considers the Group's strategic priorities, challenges and opportunities, relevant corporate governance standards, and guidance on Board composition.

The Committee also monitors compliance with the UK Corporate Governance Code 2024 (the "Code"), tracks emerging trends and consultations on corporate governance matters, and assesses their potential impact on the Group's arrangements. Where necessary, it recommends changes to the Board, including updates to the Group's governance framework. In addition, the Committee oversees the induction, training and ongoing professional development of the Group's Directors.

The Committee operates within parameters set by the Board and in accordance with its terms of reference, which are reviewed annually and are available on Just's website at **www.justgroupplc.co.uk/about-us/governance.**

Review of the year

The Committee held three scheduled meetings during the year and approved additional matters via written resolutions. Standing invitations were extended to the Group Chief Executive Officer and Group Chief People Officer, with other senior executives and managers attending as required to present on matters within their areas of responsibility.

Throughout 2025, the Committee maintained a strong focus on ensuring effective leadership at Just, aligned with the skills, knowledge, experience and diversity needed to support the Group's growth ambitions.

Board leadership

Composition

The Committee continued to assess the composition, skills, experience and diversity of the Board throughout the year. It considered whether the Board reflects a diverse mix of skills, knowledge, expertise and backgrounds to enhance decision-making, mitigate the risk of groupthink and support robust risk management.

As part of its skills and competency review, the Committee evaluated the Directors' current attributes, as set out in the skills and expertise matrix on page 95. The Board includes individuals with significant financial services and actuarial experience, which remains valuable in addressing the complex matters facing the business. The Committee also considered the evolving needs of the Board to support the Group's growth ambitions. A short-term priority to appoint an additional independent Non-Executive Director with relevant risk management expertise was met, through the appointment of Matt Saker, as detailed later in this report.

The Committee determined that the current mix of Executive and Non-Executive Directors is appropriate, ensuring the Board is not unduly large and remains predominantly independent. It was satisfied that the Board collectively possesses the experience, expertise, diversity and cultural alignment required to set and challenge the Group's sustainable long-term strategy and to understand the business needs necessary to achieve its growth objectives.

Composition

MEMBERS
John Hastings-Bass Chair
Michelle Cracknell Independent Non-Executive Director
Mary Phibbs FCA Senior Independent Director

There has been no change in membership during the year.

→ **Committee meeting attendance** can be found on P83.

→ **Biographies of Committee members** can be found on P72 to 73.

Key highlights in 2025

- Reviewed Board composition, independence and time commitments.
- Led the search for a Non-Executive Director to also serve as Chair of the Group Risk and Compliance Committee.
- Monitored progress of actions from the 2024 Board and Committee performance review.
- Reviewed the Board Diversity, Equity, Inclusion and Belonging Policy.
- Recommended the re-election of Directors.
- Considered succession plans and contingency arrangements for Directors and senior management.
- Agreed Board training requirements and schedule.
- Assessed compliance with the UK Corporate Governance Code 2024.
- Provided oversight of activities to monitor and develop Just's culture.

To maintain relevant skills and knowledge, the Committee reviews Directors' training needs regularly.

A comprehensive training programme is in place, as outlined in the Governance in Operation report.

Board and committee changes

On 1 August 2025, Matt Saker was appointed as an independent Non-Executive Director and assumed the role of Chair of the Group Risk and Compliance Committee ("GRCC"). He also joined the Group Audit Committee and the Audit and Investment Committees of the life companies on appointment. Matt brings extensive risk management expertise and deep experience in financial services, making him well placed to lead the GRCC and contribute effectively to the Board's oversight responsibilities.

The Committee led the recruitment process for Matt's appointment, with a summary of the process provided on the final page of this report. A detailed role specification was agreed, and the Board's commitment to attracting diverse talent was a key consideration throughout the search. To facilitate the process, Russell Reynolds Associates ("RRA"), an external search consultancy with no connection to the Company or any Director, was engaged.

RRA adheres to the voluntary code of conduct promoting gender diversity and best practice in search assignments.

Michelle Cracknell was appointed as a member of the Audit Committees of the Group and its life companies on 31 January 2025. The Committee was satisfied that Michelle brings relevant experience and insight, and her contribution over the year has made a valuable addition to the Audit Committees' deliberations.

Finally, Kalpana Shah resigned as an independent Non-Executive Director on 1 March 2025, after serving four years on the Board.

Conflicts of interest

Each Director is required to disclose any actual or potential conflict of interest, as defined by law, for consideration and approval by the Board. This process is supported by an annual authorisation exercise, during which the Committee reviews the Directors' conflicts of interest register and seeks confirmation from each Director of any changes or updates to their position.

Independence

The Committee assessed the independence of the Non-Executive Directors against the criteria set out in the Code, taking into account any disclosed conflicts of interest.

It concluded that more than half of the Board (excluding the Chair) meet the independence requirements of the Code and continue to demonstrate independence in both character and judgement. The current Non-Executive Directors that were considered to be independent during the year are identified on pages 72 to 75.

To further support independence, the Committee ensures that the Chair meets individually and collectively with the Non-Executive Directors throughout the year, without Executive Directors present.

Time commitments

The expected time commitment of the Non-Executive Directors is agreed and set out in their letters of appointment, with recognition of the need for availability in exceptional circumstances. The Committee supports the Board by ensuring that the Directors have sufficient time to meet their obligations. Any additional external appointments may only be accepted with prior Board approval, and Non-Executive Directors are expected to avoid holding an excessive number of external roles.

Nomination and Governance Committee Report continued

During the year, the Committee reviewed each Non-Executive Director's time commitments and was satisfied that they continued to have sufficient availability to perform their duties effectively. It reported to the Board that the Non-Executive Directors devoted the necessary time to discharge their responsibilities and support the long-term sustainable success of Just. Details of other directorships held by Non-Executive Directors are provided in their biographies, and no Director serves on the board of any FTSE 100 company.

Succession planning

Board succession

The Committee continued to oversee succession planning for the Board in 2025, fulfilling its responsibility to proactively plan for an orderly succession of Directors to ensure continuity and the retention of relevant skills, knowledge and expertise. It reviewed the current tenure of Non-Executive Directors and was satisfied that no immediate action was required. As part of this review, the Committee considered contingency arrangements to safeguard the smooth operation of the Board and its Committees in the event of any unplanned changes.

Senior management succession

The Committee regularly reviews succession plans for the Group Executive Committee and Group Company Secretary to ensure they remain robust and aligned with Just's strategic objectives. During the year, the Committee identified immediate emergency successors for critical roles to mitigate risk and confirmed candidates with longer-term development trajectories. It was satisfied that these plans are comprehensive and resilient.

Diversity, equity, inclusion and belonging

The Board's strategy reinforces Just's commitment to advancing all aspects of diversity, equity, inclusion and belonging ("DEIB"), with a pledge to embed DEIB at the heart of Just's culture. The Board DEIB Policy (the "Policy") was reviewed by the Committee during the year. It was concluded that no changes were required, and the Policy remains aligned with the Group's DEIB strategy. The Committee recommended, and the Board subsequently approved, the continued adoption of the Policy.

As at 31 December 2025, the Board met one of the three diversity targets set out in FCA Listing Rule 6.6.6 (9), with a female Senior Independent Director. Overall, 37.5% of the Board and 20% of executive management (as defined under the FCA Listing Rules) were female, while 10% of executive management came from an ethnic minority background. The Board does not currently include a director from an ethnic minority background.

Additional Non-Executive Director recruitment was scheduled for the second half of 2025 to improve ethnic minority representation and support progress toward meeting the remaining FCA diversity targets. However, these plans were delayed due to the recommended offer from BWS and remain on hold at the date of this report.

The Committee fully supports Just's commitment to all aspects of diversity, including gender, ethnicity, sexuality, neurodiversity and disability. It welcomes the progress made on gender and ethnic diversity as a signatory to the Women in Finance Charter and Race at Work Charter.

Board and committee effectiveness

In 2024, the Committee oversaw a comprehensive, internally facilitated performance review of the Board, its principal Committees and individual Directors. It considered and approved the proposed questionnaires and timeline for the exercise. The findings were discussed in detail, with feedback provided by the Chair on individual Director performance and by the Senior Independent Director on her review of the Chair. Various recommendations were subsequently approved by the Board and progress against these actions was monitored by the Committee during 2025. Further details on the outcomes of the actions can be found in the Governance in Operation report.

The Committee agreed not to complete a formal 2025 Board evaluation to ensure the process remains meaningful and proportionate. Conducting a review ahead of the proposed BWS acquisition would have resulted in an assessment of a Board composition that is expected to change significantly. This avoids unnecessary duplication and ensures that the evaluation will reflect the post-transaction structure, providing more relevant insights and supporting effective governance in the new ownership context. Should the acquisition of the Group by BWS not proceed, consideration will be given to the most appropriate time to hold an evaluation in 2026.

Director re-election

The Committee has reviewed Directors' tenure, independence and the overall balance of skills, knowledge and experience on the Board, alongside the requirements of the FCA Listing Rules. It concluded that the current composition of the Board remains in the best interests of stakeholders and that the Non-Executive Directors continue to provide appropriate challenge and act independently.

Consequently, all current Directors will stand for election or re-election at the Company's Annual General Meeting in 2026, subject to any changes arising from the proposed BWS acquisition.

Culture

The Committee reviewed updates on culture, noting progress in embedding new behaviours, driving high performance and fostering belonging during 2025. It considered the metrics used to monitor culture and discussed plans for 2026 focused on change, growth and opportunity. An overview of the Board's role in overseeing and embedding Just's culture is included in the Governance in Operation report.

Priorities for 2026

An important priority will be to ensure a smooth induction process for new Directors to support the transition of the BWS acquisition subject to completion. The Committee will also focus on adapting the Board's governance and oversight framework to reflect the change in ownership and ensure it remains robust and effective.

On behalf of the Nomination and Governance Committee.

John Hastings-Bass
Chair
26 February 2026

Board recruitment and succession process

STAGE 1
Confirm objective of the process and role specification

STAGE 2
Engage an external recruitment firm and set out process

STAGE 3
Assess how the specification can be met through a longlist

STAGE 4
Review technical and cultural fit to agree a shortlist

STAGE 5
Identify the preferred candidate to recommend to the Board

Board skills and expertise to support long-term success

The skills and expertise matrix below sets out a high level of skills and experience that the Non-Executive Directors have assimilated outside of their Board role at Just. The collective position is enhanced by the innate differences in approach and thinking styles, which results from the diverse background and experience of each individual as set out in their biographies on pages 72 to 74.

■ Core skills
■ Secondary skills

	John Hastings-Bass	Jim Brown	Michelle Cracknell	Mary Kerrigan	Mary Phibbs FCA	Matt Saker
Sectoral Experience						
Insurance/Financial Services	■	■	■	■	■	■
Pensions	▫	▫	■	■	■	■
Equity Release	▫	■	▫	▫	■	■
Functional Expertise						
Actuarial			■	■	▫	■
Customer Experience	■	■	■	■	▫	▫
Digital/Fintech	▫	■	■	▫	■	▫
Finance/Audit/Accounting	▫	▫	▫	■	■	■
Mergers and Acquisition	■	■	■	▫	▫	■
Remuneration	■	■	■	▫	■	▫
Risk Management	■	■	▫	■	■	■
Sustainability	▫	▫	▫	■	■	▫
Other						
Financial Services Regulation	■	■	■	■	■	■
Listed Board Experience	■	■	■	▫	■	▫

Group Audit Committee Report

"I am pleased to present my report on behalf of the Group Audit Committee for the year ended 31 December 2025. This report outlines the main activities and areas of focus during the year."

MARY PHIBBS FCA
Chair, Group Audit Committee

Role

The Group Audit Committee (the "Committee") is responsible for assisting the Board in discharging its responsibility for oversight of the Group's financial and solvency reporting, and the effectiveness of the Group's systems of internal controls and other related activities.

The Committee is also responsible for the oversight of the work and effectiveness of the Group Internal Audit function and the external auditor.

The Committee collaborates closely with other Committees, particularly the Group Risk and Compliance Committee ("GRCC"), and the Committee Chairs co-operate closely together. Notably, the Chair of the Committee also serves as a member of the GRCC, thereby ensuring that the Audit Committee's agenda prioritises higher risk areas and that findings from internal and external audits are leveraged to inform the work of the GRCC.

The full responsibilities of the Committee are set out in the terms of reference, which are reviewed annually and can be found at www.justgroupplc.co.uk.

Committee membership

The Committee currently comprises four independent Non-Executive Directors, following the resignation of Kalpana Shah on 1 March 2025 and the appointment of Michelle Cracknell and Matt Saker as members on 31 January and 1 August 2025 respectively. The members collectively contribute a diverse spectrum of financial and commercial expertise that is essential for meeting the Committee's responsibilities, including specialised knowledge in life insurance accounting and relevant competences pertinent to the sectors in which the Group operates. The Board is satisfied that the Committee Chair holds recent and relevant financial experience, consistent with the requirements set out in the 2024 UK Corporate Governance Code (the "Code"). She is a Chartered Accountant and Fellow of the ICAEW.

In addition to the Committee members, the Executive Directors of the Board attended the meetings together with members of the senior leadership team who presented reports within their respective areas of responsibility. Other Non-Executive Directors of the Group and Life Company Boards were invited to participate and contribute to the discussions and debates during the year.

The external auditor for the Group, PricewaterhouseCoopers LLP ("PwC"), was present at all meetings throughout the year.

The Committee routinely allocated private time to meet with the Group Chief Financial Officer, the Director of Group Internal Audit, and the external auditor, without the presence of executive management, allowing for confidential discussions.

Review of the year

Seven scheduled meetings were convened during 2025.

Throughout the year, management's subject matter experts updated the Committee on several important topics. These included major judgements and assumptions underpinning the financial results e.g longevity assumptions; finance transformation activities undertaken in support of enhancing and accelerating reporting processes; the structure and reporting procedures within Just's Investment Operations; and the applicability of new risk management and internal controls disclosures requirements starting with the 2026 year-end reporting cycle under provision 29 of the Code.

Composition

MEMBERS
Mary Phibbs FCA Chair
Michelle Cracknell Independent Non-Executive Director
Mary Kerrigan Independent Non-Executive Director
Matt Saker Independent Non-Executive Director

Kalpana Shah resigned as a member of the Committee on 1 March 2025.

Michelle Cracknell was appointed as a member of the Committee on 31 January 2025, followed by Matt Saker who was appointed as a member of the Committee on 1 August 2025.

→ **Committee meeting attendance** can be found on P83.

→ **Biographies of Committee members** can be found on P73-74.

Key highlights in 2025

- External Reporting: Reviewed IFRS, Solvency II, and Climate-related disclosures.
- Going Concern: Evaluated support for ongoing viability of the Group.
- Valuation Assumptions: Reviewed key assumptions for asset and liability valuation, focusing on insurance liabilities and mortgages.
- Internal Controls: Examined the control environment and progress towards 2026 reporting requirements.
- Regulatory Compliance: Assessed Matching Adjustment and PS10/24 compliance, including risk compensation, and compliance with appropriate accounting and listing rules.
- Actuarial and Audit Review: Considered reports from the Chief Actuary, Group Internal Audit and the External Auditor, and reviewed effectiveness of external audit and receiving other external reports.

The Committee considers the quality of papers and effectiveness of its discussions as a standing item at the end of each meeting and through debriefs with senior management. The Committee assesses its compliance with its terms of reference annually.

Furthermore, the Committee reviews its effectiveness annually. However, the 2025 review was deferred to prioritise the BWS transaction and will be undertaken in 2026.

Areas of focus

The Committee follows an annual rolling forward agenda that includes standing items considered over the course of the year, as well as specific matters requiring the Committee's attention.

Key areas of focus during the year for the Committee included the following matters.

Financial reporting

Reviewed the areas of significant estimate and judgement relevant to the Group's financial statements.

Reviewed the Group's IFRS and Solvency II external reporting including the non-financial and climate-related disclosures within the Annual Report.

Internal controls

Reviewed reports on the internal control environment and progress towards compliance with the forthcoming requirements on reporting on all material controls in the 2026 Annual Report as part of the 2024 Code.

Regulatory compliance

Reviewed the Matching Adjustment and considered the requirements under PS10/24 including consideration of Fundamental Spreads and adjustments considered necessary to reflect the compensation for the risks retained by the Group.

Valuation assumptions

Reviewed the assumptions critical to assessing the valuation of assets and liabilities, in particular insurance and contract liabilities and lifetime mortgages and any significant judgements associated with valuation of other investments.

Actuarial and Audit review

Reviewed reports from the external auditor on the outcomes of their half-year review and financial year-end audit.

Considered reports from the Group Chief Actuary and Director of Group Internal Audit.

Going concern

Reviewed documentation prepared in support of the going concern basis and longer-term viability assessment.

After thorough assessment and consideration of all relevant matters, the Committee recommended to the Board that the judgements and assumptions relevant to items reported within the financial statements are appropriate and that the Group Annual Report is fair, balanced and understandable, and provides the necessary information for shareholders to assess the Group's position, prospects, business model and strategy.

Review of significant financial reporting judgements

The key areas of financial reporting judgements considered by the Committee in relation to the 31 December 2025 Group Annual Report are set out below. Judgements made regarding the Group's application of IFRS 17 made on initial adoption continue to be applied, most notably regarding the approach to determination of discount rates, the calibration of the risk adjustment and weighting of coverage units as described on page 143. Further details on the significant judgements and estimates are included in note 1.3 of the financial statements.

Significant areas of judgement and how these were assessed by the Committee

Longevity assumptions used in the measurement of LTMs and insurance contracts	The longevity assumptions regarding the Group's Retirement Income and LTM customers are key assumptions used in valuing these contracts. As explained in notes 16(e) and 22(b)changes to assumptions regarding mortality include adoption of a judgement-led mortality improvements model and significant changes to the PrognoSys and Care bases. The Committee considered management's assessment of the latest mortality trends, including judgements into the expected longer-term impacts on mortality from the effects of drivers of mortality change. The Committee agreed with management's recommendation and approved the proposed changes to demographic assumptions.
Economic assumptions used in the measurement of insurance contracts	As explained in notes 16(e) and 22(b): • changes to yield curves used to discount insurance contract cash flows reflect an assessment of the latest trend analysis of defaults and current spreads in determining the allowance for both expected and unexpected credit risk; and • a short-term allowance for future expenses reflect the latest expense forecast and allocation model, and the impact of increased in-housing of investments. During the year as part of the review of assumptions, an update was made to the commutation assumption for late retirement of deferred DB scheme members. The Committee reviewed the analysis of economic assumptions including those relating to credit risk and expectations regarding future expenses. The Committee approved the proposals to the basis for maintenance and investment expenses for in-force business.
Selection of valuation approach for financial instruments in the absence of an active market	Where the Group concludes that there is no active market for an investment, judgement is applied in selecting an appropriate valuation technique. As explained in note 16(e), the Group applies a variant of the Black-Scholes option pricing formula with real world assumptions to measure the No-Negative Equity Guarantee ("NNEG") included in LTM contracts. The Committee is satisfied that the Black-Scholes variant applied by the Group continues to be the most appropriate valuation model for determining the value of the NNEG. The Committee noted that management have performed independent price verification of illiquid assets comparing prices provided by asset managers and third-party vendors to those determined internally using its own methodologies, models, and key assumptions. Any differences outside the risk-based tolerance were investigated to identify the reasons, and the results shared with the Asset Valuation Committee, a subcommittee of the Asset Liability Committee, which supported the Committee in reaching its conclusion that the fair values of the investments included in the financial statements are appropriate.
Property assumptions used to value LTMs	The expected shortfall on redemption of LTMs in respect of the NNEG is determined using assumptions regarding future house price growth and volatility. During the year a revision to the voluntary redemption basis was made. The Committee reviewed management's assessment of recent property price trends and agreed with management's conclusion that there has been no clear indication of changes to longer-term expectations and as such it is appropriate that the assumptions for property price volatility and future house price growth should remain unchanged from the 2024 year end. The Committee approved the change to the voluntary redemption basis.
Matching Adjustment in the valuation of insurance contracts within the Solvency II balance sheet	The Matching Adjustment allows the Group to recognise a prudent view of expected future return on assets backing liabilities in the Solvency II balance sheet. The Group is required to comply with the requirements of the Prudent Person Principle ("PPP") and other requirements as laid out in PS10/24, which is to include appropriate adjustments for credit risk via Fundamental Spread. In accordance with the Matching Adjustment Attestation Policy, the Committee reviewed the Matching Adjustment and considered the requirements under PS10/24 including Fundamental Spreads and any adjustments necessary to reflect compensation for the risks retained by the Group.

Going concern

As part of its assessment of going concern and longer-term viability for December 2025, the Committee considered the Group business plan approved by the Board in November which includes alternative scenarios in addition to the core central plan. In addition, the Committee considered the Group's liquidity and capital position and any uncertainties which may impact the Group. Further information on the assessment can be found in note 1.1.

Regulatory reporting oversight

Together with oversight of the Group's Solvency Financial Condition Report ("SFCR"), the Committee also received regular updates relating to the ongoing publication of supervisory statements by the PRA that set out its expectations for certain aspects of prudential regulation.

Finance transformation

During the year, the Committee received reports on progress against key milestones in the Group's Finance Transformation Programme. The Committee provided oversight on various workstreams, including activities aimed at accelerating the reporting Working Day timetable and enhancing the end-to-end reporting process, systems modernisation initiatives and Investment Operations and Reporting transformation, which together have been designed to enhance controls and create a scalable Finance function that delivers increased value for the business.

External audit

Appointment

The Company's external auditor is PwC. PwC was formally appointed as the Company's external auditor by shareholders in 2020. The current lead audit engagement partner is Philip Watson.

The Committee is responsible for recommending to the Board the appointment, reappointment and removal of the external auditor, taking into consideration independence, effectiveness, lead partner rotation and any other relevant factors, and oversees the tender process for new appointments.

The Committee is satisfied that throughout the year, the independence and objectivity of the external auditor and the professional scepticism and effectiveness of the audit process was safeguarded. Based on the Committee's recommendation, in the normal course of business the Committee would be proposing that PwC be reappointed at the 2026 AGM. However, in light of the proposed acquisition by BWS, which currently engages a different audit firm, PwC's reappointment may be subject to change.

The Committee confirms it has complied with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Process and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014. There are no contractual obligations restricting the Group's choice of external auditor.

Oversight

In 2025 and to date in 2026, the Committee:

- reviewed the 2025 audit plan and agreed the terms of engagement;
- reviewed the effectiveness of the external audit process;
- reviewed the external auditor's reports including how the significant risks were addressed;
- reviewed findings from their audit work, in particular conclusions regarding significant judgements reported within the financial statements;
- held private meetings with the lead audit engagement partner without management present, allowing for confidential discussions and open dialogue. Additionally, private meetings were regularly held between the lead audit engagement partner and the Chair of the Committee;
- reviewed the recommendations made by the external auditor in their internal control report and considered the adequacy of management's response; and
- reviewed the Group's policy on using the external auditor for non-audit services and assessed proposed non-audit service engagements against compliance with the policy.

The Committee considered the quality and effectiveness of the external audit process, which relies on accurately identifying and assessing key audit risks at the beginning of the audit cycle, as set out in the audit plan. In performing this assessment, the Committee:

- considered whether any adjustments were required to be made to the audit plan, including the identification of significant risks;
- reviewed reports from the external auditor regarding how the audit addressed the significant risks (see page 98); and
- considered the quality of reports submitted to the Committee, including evidence of the level of challenge regarding areas of significant judgement (see page 98) applied by the external auditor.

The Committee evaluated the effectiveness of the audit process based on PwC's interim and year end reports and feedback received from management. For the 2025 reporting period, the Committee was satisfied with the focus on audit risks and deemed the performance of the external audit process to be of a high quality.

Safeguarding independence and non-audit services

The independence of the external auditor is key to providing an objective opinion on the accuracy and fairness of financial statements. Auditor independence and objectivity are safeguarded through various control measures, such as limiting the type and amount of non-audit services performed by the external auditor and rotating partners at least every five years.

The Group has an established policy regarding the provision of non-audit services by our external auditor. All non-audit services rendered by the external auditor are subject to review and approval by the Committee. This policy ensures that the Group leverages the accumulated knowledge and experience of its external auditor while maintaining objectivity and independence.

Group Audit Committee Report continued

In concluding the appropriateness of the use of the external auditor for non-audit services the Committee assessed the following:

- independence and objectivity of the external auditor, based on their safeguarding procedures;
- level, nature and extent of non-audit services provided by the external auditor;
- suitability of the external audit firm for the non-audit services; and
- fees charged for non-audit services, both individually and in aggregate.

During the year, the value of audit services to the Group was £2.7m (2024: £2.6m). The value of non-audit services for the year amounted to £0.9m (2024: £0.9m), which related to the annual audit of the SFCR, the interim review of the Group's half-year report, and, in the current year, review of ESG methodology.

The ratio of non-audit services to audit services fees was 1:3.0. These services are closely related to the work performed by the external auditor of the Group and the Committee determined that these services do not impact the independence of the external auditor.

As part of assessing the objectivity and independence of the external auditor, the Committee reviewed written confirmation that PwC has verified their compliance with all UK regulatory and professional requirements. Additionally, PwC has confirmed that their independence is not compromised by the non-audit engagements undertaken during the year, the level of non-audit fees charged, or any other factors.

The non-audit services provided reflects the external auditor's comprehensive knowledge and understanding of the Group.

The Group has also appointed other accountancy firms to provide specific non-audit services related to internal audit, controls, governance, tax and regulatory advice.

An analysis of auditor remuneration is detailed in note 3 to the consolidated financial statements.

The Committee has approved PwC's remuneration and terms of engagement for 2025 and remains satisfied with the audit quality, affirming that PwC continues to be independent and objective.

Risk management and internal control

The Committee is responsible for reviewing the system of internal financial controls and internal control and risk management systems that identify, assess, manage and monitor risks. In executing this responsibility, the Group employs a three lines of defence model.

The first line of defence consists of line management, who design and operate the controls over the business operations. The second line includes functions such as Risk Management and Group Compliance. These functions, together with the Chief Actuary's team oversee the first line, ensuring that the systems of internal controls are sufficient and appropriately implemented. They also measure and report on risk to the GRCC, considering the adequacy of these controls. The third line comprises Group Internal Audit, which reports to the Committee and provides independent assurance to the Board and its Committees that both the first and second lines are operating effectively.

The Group's internal control and risk management systems comprise the following key features:

- clear and detailed matters reserved for the Board and terms of reference for each of its principal Committees;
- a clear organisational structure, with documented delegation of authority from the Board to senior management;
- a Group Risk policy framework, which sets out risk management and control standards for the Group's operations;
- defined procedures for the approval of major transactions and capital allocation;
- a Group Internal Audit function that provides independent and objective assurance on the effectiveness of the Group's risk management, governance and internal control processes; and
- transparency, accountability and clear reporting.

The Group has specific internal mechanisms that govern the financial reporting process and the disclosure controls and procedures around the approval of the Group's financial statements. The results of the financial disclosure process are reported to the Committee to provide assurance that the Annual Report is fair, balanced, and understandable, including the opportunity to challenge members of management and the external auditor on the robustness of those processes.

It is the view of the Committee that the Group's system of risk management and internal controls is appropriate to the Group's needs.

Internal audit

Group Internal Audit is an internal function that provides independent and objective assurance to the Committee that the Group's risk management, governance and internal control processes are operating effectively. The purpose, scope and authority of Internal Audit is defined in its Charter, which is reviewed and approved each year by the Committee and published on the Group's website. The function, headed by the Director of Group Internal Audit, reports to the Committee and is made up of employees with significant internal audit experience, supported with external third-party specialist expertise when required.

Internal audit plan

The Committee annually reviews and approves the Internal Audit Plan, which is risk-based and takes an independent view of the Group's risk profile, control environment, and assurance arrangements. The Internal Audit Plan is kept under continuous review and any proposed changes are discussed with and, if thought appropriate, approved by the Committee. The Committee was satisfied with the progress made on the Internal Audit Plan during the year.

The Director of Group Internal Audit presents quarterly reports to the Committee detailing recent audit activities. These reports may include further information on specific topics, either requested by the Committee or considered important by the Director, as well as the summary of the outcomes of all audits and progress updates on the Internal Audit Plan and of management audit actions implementation.

The Committee consistently reviews and assesses the scope, detail, and effectiveness of Group Internal Audit's work.

The Committee regularly receives reports from Group Internal Audit concerning the resource requirements of its function and monitors steps and contingency plans to ensure it is adequately resourced and equipped with the necessary skills and experience to perform its role effectively. During the year, the Director of Group Internal Audit presented the Committee with a summary of the new Global Internal Audit Standards and the UK Internal Audit Code which became effective in January 2025 and are fully complied with.

During the year, the Committee held private discussions with the Director of Group Internal Audit. Additionally, the Committee Chair frequently meets with the Director of Group Internal Audit outside of the formal Committee meetings. The Chair is responsible for setting and appraising their objectives and performance, with input from the Group Chief Executive Officer.

Activities carried out during the year

In 2025, the Committee:

- continued to oversee the Group Internal Audit function with the Director of Group Internal Audit reporting directly to the Committee Chair;
- reviewed and approved the Group Internal Audit strategy, the roadmap for strategy implementation, and its functional objectives and KPIs;
- approved the Internal Audit Plan and reviewed progress against the plan, ensuring alignment to the key risks of the business;
- reviewed results from audits performed, including any audit findings that required significant improvement and related action plans;
- monitored progress against open audit management actions;
- reviewed and approved the Just Group Internal Audit Independence and Objectivity Policy;
- reviewed and approved the Internal Audit Charter; and
- conducted an assessment of the Group Internal Audit function.

Internal audit effectiveness

The Committee determined that the Group Internal Audit function continues to be effective, delivering an appropriate level of assurance through its programme of work.

The Group Internal Audit function continues to comply with the International Professional Practices Framework ("IPPF") that provides authoritative guidance promulgated by the Institute of Internal Auditors ("IIA"). The Committee oversaw the appointment of an independent firm who performed an External Quality Assessment ("EQA") in May 2023. During the year, the Committee oversaw closure of observations raised.

Whistleblowing

The Group has a whistleblowing framework that is designed to enable colleagues to raise concerns confidentially about conduct they consider contrary to the Group's standards such as unsafe or unethical practices. Any concerns can be reported directly to the Group Company Secretary or by contacting an external confidential dedicated telephone hotline or via a secure web portal. The concern can be raised anonymously. The Committee receives regular updates on any concerns identified and, where appropriate, what action has been taken to address the issues raised.

The Chair of the Committee is the Group's whistleblowing champion and is responsible for ensuring and overseeing the integrity, independence, autonomy and effectiveness of the Group's policies and procedures on whistleblowing including the Just Whistleblowing Policy, which is reviewed and approved by the Committee annually.

On behalf of the Group Audit Committee

Mary Phibbs FCA
Chair, Group Audit Committee
26 February 2026

Group Risk and Compliance Committee Report

"Safeguarding the Group's resilience and maintaining strong oversight of the risk environment remained fundamental to the Committee's work, supported by clear challenge and a continued focus on effective governance."

MATT SAKER
Chair, Group Risk and Compliance Committee

Role

The Group Risk and Compliance Committee (the "Committee") provides robust oversight and challenge to ensure the ongoing appropriateness and effectiveness of Just's risk management framework and risk strategy. It monitors principal and emerging risks across the business and oversees regulatory compliance matters.

The Committee considers these matters from the perspective of the Company and its subsidiaries, including its life companies, and works closely with other Board Committees, particularly the Audit and Investment Committees, to promote a strong understanding of interconnected issues and ensure efficient communication, supported by cross-membership.

The Committee operates within parameters set by the Board and in accordance with its terms of reference, which are reviewed annually and are available on Just's website at www.justgroupplc.co.uk/about-us/governance.

Review of the year

The Committee held six scheduled meetings during 2025, supported by additional meetings to consider changes to risk appetite, investment risk matters, significant transactions, and other material risk decisions within its remit.

The Chair of the Boards of Just's life companies was invited to attend meetings and contributed to discussions at the Chair's request. Standing invitations were extended to the Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Risk Officer, and the Director of Group Internal Audit. Other senior executives and managers attended as required to present on matters within their areas of responsibility.

The Committee Chair engaged regularly with the Group Chief Risk Officer to ensure that all significant areas of risk were considered and that risk management remained embedded across the business.

The Committee operates under an annual rolling forward agenda, which includes a range of standing items alongside matters requiring its attention during the year. At each scheduled meeting, the Group Chief Risk Officer provides a comprehensive report offering a high-level view of Just's overall risk position and highlighting key developments for the Committee's consideration.

Areas of focus

This section summarises the Committee's significant activities during the year, highlighting the main areas of focus, principal matters reviewed, and actions taken to ensure effective oversight of risk management and regulatory compliance.

Risk oversight and monitoring

The Committee reviewed detailed reports on Just's overall risk position relative to its risk appetite together with a forward-looking assessment of the current risks facing the Group. These updates were supplemented by standalone reports on the drivers of individual risks and actions taken to mitigate them.

Composition

MEMBERS
Matt Saker Chair, Independent Non-Executive Director
Jim Brown Independent Non-Executive Director
John Hastings-Bass Group Chair
Mary Phibbs FCA Senior Independent Director

Kalpana Shah resigned as a Director and Chair of the Committee on 1 March 2025. John Hastings-Bass served as Interim Committee Chair until the appointment of Matt Saker as a Director and Chair of the Committee on 1 August 2025.

→ **Committee meeting attendance** can be found on P83.

→ **Biographies of Committee members** can be found on P72 to 74.

Key highlights in 2025

- Risk Strategy: Approved the Risk function's 2025 strategy and objectives, and risk mandate.
- Risk Oversight: Monitored risks against Board-approved risk appetites.
- Financial Resilience: Strengthened stress and scenario testing.
- Risk Appetite: Shaped refinements ahead of Board approval.
- Operational Resilience and Technology: Oversaw improvements to operational resilience and enhancements to cyber security and technology capabilities.
- Climate and Sustainability: Integrated climate risk into scenario planning.
- Regulatory Focus: Tracked regulatory developments and actions to ensure compliance.

The Committee reviewed and recommended for Board approval Just's Own Risk and Solvency Assessment ("ORSA") together with the ORSA Policy. It also provided oversight of developments to the Internal Model and associated validation work.

Financial resilience

Enhancements to stress and scenario testing were overseen by the Committee and it reviewed outcomes of tests undertaken during the year. The Committee considered the continued appropriateness of risk appetites and limits, and assessed the risks inherent in the proposed business plan.

The Committee reviewed and recommended for Board approval Just's Stress and Scenario Testing Framework, Recovery Plan and Run-Off Plan. It also recommended changes to various risk appetites and limits, which were subsequently approved by the Board.

Operational resilience, technology and cyber risks

Developments in Just's technology infrastructure and information security, including cyber risk management, were closely monitored, with a particular focus on the management of data risks and modernisation of technology. The Committee also provided oversight of operational resilience initiatives and enhancements to third-party risk management.

Investment risk

The Committee received updates on the management of investment risk, focusing on continued enhancement of the investment risk framework, including development of credit risk metrics and validation of credit ratings, and refinement of investment limits to ensure alignment with the Group's strategy, objectives, risk appetite and regulatory expectations.

Climate change and sustainability risk

The Committee reviewed the integration of climate-related risks into the Stress and Scenario Testing Framework and noted progress on ESG reporting. It monitored regulatory developments and actions taken to maintain compliance, supporting delivery of the Group's sustainability objectives and long-term value creation.

New transactions and change initiatives

During the year, the Committee reviewed and challenged the risk implications of significant strategic initiatives, third-party and defined benefit transactions prior to Board consideration. This included oversight of major business developments, operational change programmes, and frameworks designed to support large-scale transactions. It ensured that all activities under its review were assessed against the Group's risk appetite and governance standards.

Group Risk and Compliance Committee Report continued

Conduct and regulatory risks

The Committee tracked prudential and conduct risks, including financial crime matters, and regulatory developments. It reviewed regulatory correspondence and actions being taken to ensure effective engagement and compliance with evolving requirements. The Committee approved the annual compliance monitoring programme, including changes requested during the year, and monitored the effectiveness of compliance controls through the outcomes of completed reviews. It also received annual reports from the Money Laundering Reporting Officer and the Data Protection Officer, providing assurance on the Group's approach to financial crime prevention and data protection.

Looking ahead, the Committee will continue to focus on maintaining strong compliance oversight, enhancing data governance and supporting the Group's readiness for upcoming regulatory changes.

Risk culture

The Committee reviewed updates on risk culture, including key risk indicator data and observations from the Risk function, and considered initiatives to strengthen behaviours and accountability. It also assessed issues, risk events and breaches, ensuring controls and assurance processes were effective.

Committee performance and effectiveness

The Committee considers the quality of papers and effectiveness of its discussions as a standing item at the end of each meeting and assesses its compliance with its terms of reference annually.

In addition, the Committee reviews its effectiveness annually. However, the 2025 review was deferred due to the proposed BWS acquisition and will be undertaken in 2026. Further details can be found on page 89.

Strategic priorities for 2026

The Committee will continue to monitor the principal risks and assess potential impacts arising from macroeconomic, operational, regulatory, and political developments. It will provide robust oversight of current and emerging risk exposures and maintain close scrutiny of execution risks associated with planned change initiatives.

In addition, the Committee will focus on strengthening operational resilience, with particular attention to risks linked to artificial intelligence, evolving cyber threats, third-party resilience, and climate-related considerations.

Matt Saker
Chair, Group Risk and Compliance Committee

26 February 2026

Directors' Remuneration Report

"I am pleased to present the Remuneration Committee Report for the year ended 31 December 2025."

MICHELLE CRACKNELL
Chair, Remuneration Committee

Role of the Remuneration Committee

The Remuneration Committee (the "Committee") determines the policy for the remuneration, benefits, pension rights and compensation payments of the Chair, Executive Directors, Senior Management and Solvency II identified staff. The terms of reference of the Committee are available at **https://www.justgroupplc.co.uk/about-us/governance.** The focus of the Committee includes the remuneration strategy and policy for the whole Company as well as the Executive Directors. The key activities of the Committee during the year included:

- review and approval of the Directors' Remuneration Report;
- approval of the grant of the 2025 awards and performance conditions and approval of the vesting of the 2022 award under the Long Term Incentive Plan ("LTIP");
- approval of the grant of share options under the all-employee Sharesave scheme ("SAYE");
- assessment of the performance of the Executive Directors against the corporate financial, non-financial and personal performance outturns, in relation to their annual bonus and LTIP as relevant, in the context of wider Company performance and approving the payments;
- review of the Directors' Remuneration Policy;
- approval of the list of colleagues with responsibilities categorised under Solvency II and the treatment of their variable pay;
- review and approval of bonus plans across the Group, where they are not aligned to the Group Short Term Incentive Plan ("STIP") or the LTIP;
- review and approval of the all-employee remuneration policy for 2025;
- review of the Company's gender and ethnicity pay gap data;
- consideration of the impact of the transaction with BWS on employee remuneration; and
- monitoring the developments in the corporate governance environment and investor expectations.

Composition

MEMBERS
Michelle Cracknell Chair
John Hastings-Bass Chair of the Board
Mary Phibbs Senior Independent Non-Executive Director
Jim Brown Independent Non-Executive Director

→ **Committee meeting attendance** can be found on P83.

→ **Biographies of Committee members** can be found on P73.

Key highlights in 2025

- Review of the Directors' remuneration policy
- Review and approval of the Directors' Remuneration Report
- Consideration of the impact of the transaction with BWS on employee remuneration
- Approval of the grant of 2025 awards and performance conditions, and approval of the vesting of the 2022 award under the Long Term Incentive Plan

Statement from the Chair of the Remuneration Committee

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2025.

The Company's Directors' Remuneration Policy was last renewed at the 2023 AGM with a vote of over 95% in favour, and the Directors' Remuneration Report continued to be well supported at the 2025 AGM with a vote of over 97% in favour. The Committee continues to monitor the ongoing operation of the Policy to ensure it remains aligned to our strategy and culture, and is appropriate in the context of the approach to the wider workforce.

During the 2025 financial year, the Committee's focus has been on the triennial review of the Directors' Remuneration Policy and the proposed acquisition of Just Group plc by BWS Holdings Ltd (a wholly owned subsidiary of Brookfield Wealth Solutions Ltd "BWS"). The impact of the proposed acquisition on remuneration, including treatment of existing LTIP schemes, was agreed as part of the Co-Operation Agreement made available on the Company website.

Remuneration in context

Increasingly competitive markets in 2025, particularly in DB, led to an 18% fall in shareholder funded sales to £4.3bn, which has delivered underlying operating profit for the year of £305m, down 39%. Our disciplined approach to new business pricing means that we consistently write business at or above our target mid-teen IRR on shareholder capital invested in new business, which in 2025 came at the expense of volumes. Both our DB and Retail business units are benefitting from long-term structural trends, and we are committed to compounding the growth in value of the Group. During 2025, the Group's tangible net asset value increased by a further 5p to 259p per share.

The Group has also managed to deliver significant value for our shareholders through the proposed offer from BWS, with the offer price of 220p representing a premium of approximately 75% on the closing price of 126p the day before the announcement of the Offer. This transaction has been made possible by the extensive work of the Group's executive team in transforming the Group to deliver material strategic and financial progress in a challenging environment and within an increasingly competitive defined benefit de-risking market. The Committee is confident that the additional financial resources and capital from BWS will make the Group more resilient, protect existing and future customers and enhance the benefits that Just can provide.

Remuneration policy review

During 2025, the Committee had undertaken a comprehensive review of the Directors' Remuneration Policy ahead of its scheduled triennial approval at the 2026 AGM. The Committee concluded that the current policy continued to operate as intended and that whilst there was no pressing need for changes to the Policy, some minor amendments to aid flexibility and provide clarity could be considered would be appropriate. There are no significant changes planned to the remuneration policy compared with that approved at the 2023 AGM and disclosed in the 2022 Annual Report. The Company intends to obtain approval of the remuneration policy in a general meeting in 2026.

Given there are no significant changes to the policy and the Committee's intention that a new Directors' Remuneration Policy will only be included in a general meeting, should the acquisition by BWS not complete before the said meeting, the remuneration policy has not been included in the 2025 Annual Report.

The Committee considers it probable that the takeover by BWS is expected to complete in H1 2026.

2025 Remuneration outcomes

Short Term Incentive Plan

The Board has continued to set ambitious and stretching targets for the 2025 STIP scheme. However, as outlined above, the competitive landscape facing the Group in 2025 has materially shifted from when the targets were first set. The heightened competition in the Defined Benefit market has led to significant margin compression, against which the Group has chosen to maintain pricing discipline to protect the long-term interests and sustainability of the business. The lower volumes have in turn limited the ability of the business to absorb costs and this has impacted performance on New Business Strain targets and the Operating Cost to Revenue strategic adjustor.

Taken in the round, the impact of the changes to the external environment meant that performance against IFRS New Business Profit, Underlying Operating Profit and New Business Strain targets were all below the stretching targets, with performance against the strategic adjustors resulting in a formulaic payout of 0%.

The Committee has carefully reviewed this formulaic outturn in the context of:

- underlying performance – as set out above, management have maintained discipline and have only invested in good quality, sustainable assets at good margins, and have not gone for volume where it would be negative to the creation of shareholder value;
- performance against peers – our retail sales grew ahead of the market and in a competitive DB environment we chose to constrain sales;
- the BWS transaction – significant work has been put into the transaction which reflects the strength of the Just platform and the long-term value of the strategy we have delivered. As we enter an important year of change due to the transaction it is critical that employees feel valued and remain motivated;
- the shareholder experience – the sale premium is c.75% over the closing share price on the day before the transaction was announced. Over a three-year period, the total shareholder return has been over 200%, representing significant returns to shareholders; and
- the approach in previous years – in previous years the bonus pool has been moderated downwards.

Taking all of the above into account, the Committee feels it would be fair to apply discretion to increase the Group bonus pot to 35%. This represents a significant reduction on the bonus pot in previous years. Once individual performance is taken into account, this represents awards of 70% of maximum for David Richardson and 70% of maximum for Mark Godson, reflecting their individual contributions to the success of the BWS offer and the Group's outperformance of key peers despite the challenging market conditions.

Long Term Incentive Plan

The LTIP awards made in 2023 are due to vest in March 2026 based on performance to 31 December 2025. The 2023 LTIP award had a 15% weighting on Organic Capital Generation ("OCG"); 25% on Relative TSR; 45% Return on Equity ("ROE") and 15% on ESG (split equally between investment into sustainable assets and net zero by 2025).

As disclosed in the 2024 Directors' Remuneration Report, and consistent with the approach taken to the 2022-24 LTIP, the Committee has exercised discretion to remove the impact of writing additional business on the OCG measure to ensure that management are appropriately incentivised to drive, and are rewarded, for the delivery of performance which is positive for overall Group performance and the creation of shareholder value. As explained in the 2024 Directors' Remuneration Report, for 2025, the ESG measure is based on investments into sustainable assets which is a key action that we can take as a business for the environment.

The formulaic outturn for the LTIP is 100% of maximum, and the Committee is comfortable that this is reflective of underlying performance and the shareholder experience over the period. Further detail on the LTIP outcome is provided later on in this report.

Implementation of the remuneration policy for 2026

Directors' remuneration in 2026 continues to comply with the approved 2023 remuneration policy. The Committee has approved a salary increase of 3% for David Richardson – in line with the average increase for the wider workforce.

As disclosed in the 2024 Directors' Remuneration Report, Mark Godson received a salary increase of 10% for 2025 that was intended to recognise his strong individual performance and to begin to close the gap between his salary and his predecessor's. The Committee highlighted that it would consider a similar level of increase to Mark's salary for 2026 to close this gap, taking into account Mark's individual performance and continued development in role. During 2025, Mark has made an exceptional contribution to the business including his efforts in respect of the BWS acquisition. The Committee therefore determined it would be appropriate to proceed with the second phase of this increase and will award Mark a salary increase of 10%. The Committee is comfortable Mark's new salary is appropriate given the size and complexity of the business.

There are no material changes planned to the Executive Directors' benefits or pension entitlement.

Chair's concluding comments

I hope you will agree that we have struck an appropriate balance between retaining and motivating both the Executive Directors and, indeed, the wider workforce and aligning their interests with those of our shareholders and other stakeholders.

Michelle Cracknell
Chair, Remuneration Committee
26 February 2026

Directors' Remuneration Report continued

This report describes the remuneration for our Executive Directors and non-Executive Directors and sets out how the remuneration policy has been used and, accordingly, the amounts paid relating to the year ended 31 December 2025.

The report has been prepared in accordance with the provisions of the Companies Act 2006, the FCA's Listing Rules and The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended. The report has also been prepared in line with the recommendations of the UK Corporate Governance Code.

Various disclosures of the detailed information about the Directors' remuneration set out below have been audited by the Group's independent auditor, PricewaterhouseCoopers LLP.

Total Single Figure of Remuneration (Audited)

	Salary/fees		Taxable Benefit[4]		STIP		LTIP[2,3]		Pension		Total		Total fixed remuneration		Total variable remuneration	
£000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
David Richardson	**716**	684	**29**	29	**757**	945	**3,399**	2,145	**72**	68	**4,973**	3,871	**817**	781	**4,156**	3090
Mark Godson	**430**	400	**26**	25	**462**	540	**–**	–	**43**	40	**961**	1,005	**499**	465	**462**	540
Jim Brown	**65**	64	**14**	4	**–**	–	**–**	–	**–**	–	**79**	68	**79**	68	**–**	–
Michelle Cracknell	**85**	84	**2**	1	**–**	–	**–**	–	**–**	–	**87**	85	**87**	85	**–**	–
John Hastings-Bass	**230**	223	**–**	–	**–**	–	**–**	–	**–**	–	**230**	223	**230**	223	**–**	–
Mary Kerrigan	**80**	79	**1**	1	**–**	–	**–**	–	**–**	–	**81**	80	**81**	80	**–**	–
Mary Phibbs	**95**	94	**–**	–	**–**	–	**–**	–	**–**	–	**95**	94	**95**	94	**–**	–
Matt Saker[1]	**35**	–	**4**	–	**–**	–	**–**	–	**–**	–	**39**	–	**39**	–	**–**	–
Kalpana Shah[1]	**14**	84	**–**	–	**–**	–	**–**	–	**–**	–	**14**	84	**14**	84	**–**	–

1 Amounts reported in the single figure table reflect the period during which Directors provided services to the Company as a Director. Matt Saker was appointed as a Director on 1 August 2025. Kalpana Shah resigned as a Director on 1 March 2025.

2 Remuneration in respect of LTIP is reported at the end of the performance period. The 2025 amounts in the table represent the outcome of the 2023-2025 LTIP scheme. This scheme interest was earned but did not vest during 2025. Details of scheme vesting are set out on page 110. For the purposes of valuation, the amounts have been estimated based on a share price of £2.1363 (the average share price from 1 October to 31 December 2025 plus any dividend equivalents on that scheme). This estimate will be updated to reflect the actual valuation in next year's report. The value attributed to share price growth for David Richardson was £2,023,375.

3 The 2024 amounts in the table represent the 2022-2024 LTIP scheme and the value has been updated since the estimate reported in the 2024 ARA to reflect the actual share price of £1.4860 at the time of vesting of that scheme, representing a difference of £0.0284 from the price used to estimate in the 2024 DRR of £1.4576.

4 Taxable benefit amounts include benefit allowances and expenses.

2025 Fixed Pay (Audited)

Base Salaries

David Richardson received a salary increase in April 2025 of 3% to £721,000, and Mark Godson received a salary increase in April 2025 of 10% to £440,000, details of which were provided in the 2024 Directors' Remuneration Report.

Benefits and Pension

Benefits include an executive allowance from which the executives can purchase their own benefits, for example private medical cover. The Company also provides permanent health insurance, life assurance and biennial health screening benefits.

The Executive Directors each received a cash payment in lieu of the Company pension of 10% of salary, in line with the contribution rate offered to the majority of the wider workforce.

Non-Executive Directors' Fees

The fees for the non-Executive Directors in 2025 are as detailed in the table below.

£000	As at 31 December 2025	As at 31 December 2024
Board Chair[1]	**230**	230
Basic fee	**65**	65
Additional fee for Senior Independent Director	**10**	10
Additional fee for Committee Chair, Risk and Audit Committees	**20**	20
Additional fee for Committee Chair, all other Committees	**15**	15

1 The Board Chair receives a single, all-inclusive fee for the role.

No increase to base fees are planned for 2026.

2025 Executive Directors' Short Term Incentive Plan (Audited)

The 2025 STIP outturn was calculated on corporate financial performance measures, split across three measures, and moderated by non- financial performance measures. The bonus is distributed on personal performance based on objectives agreed with the Remuneration Committee each year. The personal performance of David and Mark against strategic objectives is outlined on page 110. Based on the personal performance achievements the Committee distributed a bonus of 70% of maximum to both David and Mark.

In line with our policy, 40% of the 2025 STIP award will be deferred into nil cost options (DSBP), subject to continued employment/good leaver status and clawback/malus provisions.

	STIP (balanced scorecard)	Cash STIP (£000)	Deferred STIP (£000)	Estimated number of shares deferred under DSBP[1]
David Richardson	70% of maximum[2]	454	303	141,750
Mark Godson	70% of maximum[2]	277	185	86,505

1 The estimated number of shares deferred under the DSBP were determined using the average closing share price between 1 October 2025 and 31 December 2025, being £2.1363. The actual number of shares will be confirmed in the RNS at the time of grant and updated in next year's Directors' Remuneration report.

2 Maximum opportunity is 150% of salary.

The performance outcome against the targets set for the 2025 STIP was as follows:

STIP (Balanced Scorecard)

	Weighting	Threshold (25%)	On-target (50%)	Maximum (100%)	Actual	% achieved
New business profit	40%	£426m	£497m	£540m	£249m	0%
Underlying operating profit	30%	£471m	£559m	£614m	£305m	0%
New business strain	30%	2.5%	2.2%	1.5%	2.7%	0%
Total						0%

The financial component of the pool is subject to adjustment of up to +/- 15% of potential based on various pre-set non-financial performance measures (strategic modifiers).

For 2025, the strategic modifier was based on customer, people, operating efficiency and risk measures. The customer element focused on good customer outcomes and we delivered performance at Target. The people portion of the modifier was based on the percentage of females in the Group's senior leadership team; improved belonging index scores and on Proud to work at Just metrics. Performance against these were achieving above Target, below Threshold and below Threshold respectively. Operating efficiency was measured against a reduction in operating cost to revenue ratio. Due to the context set out earlier in this report around writing lower volumes and maintaining pricing discipline, the stretching targets were not achieved under this measure. As well as risk consideration set out below, we also specifically measured risk through an embedding risk and controls measure in the bonus. Performance against this metric achieved Target.

As set out in the Remuneration Committee Chair's letter, the Committee carefully reviewed the formulaic outturn in the context of underlying performance, performance against peers, the BWS transaction, the shareholder experience, and the approach taken in previous years. Taking all of this into account, The Committee feels it would be fair to apply discretion to increase the Group bonus pot to 35%. This represents a significant reduction on the bonus pot in previous years. Further detail is provided in the Remuneration Committee Chair's letter.

David and Mark were assessed to have outperformed against their personal objectives, having each successfully performed against an extensive range of stretching objectives set at the beginning of the year, further detail of which is provided below. As set out earlier, their final bonus outturns are 70% of maximum.

Risk Consideration

The Committee reviewed a comprehensive report from the Group Chief Risk officer to ascertain that the Executive Directors' objectives had been fulfilled within the risk appetite of the Group. The Remuneration policy is designed to encourage a thoughtful approach to risk management. In addition, the Committee received feedback from the Group Chief Risk officer that there were no material issues to consider around regulatory breaches, customer outcomes or litigation that would prevent payment of any STIP award or trigger any malus provisions. Taking into account the risk assessment and the wider context in the year, including the experience of customers, employees and shareholders, the Committee was satisfied that the STIP awards should be paid.

Directors' Remuneration Report continued

Personal Performance

Strategic personal objective outturn 70%	Key achievements
David Richardson	
Grow Sustainably	Diversified asset origination capability and grew organisational capabilities to materially expand future potential investment opportunities
Scale with Technology	Modernised our legacy technology estate, accelerating new environment time and addressing end-of-life platform risks. Enhanced DB operational productivity and resilience, including increasing the number of schemes onboarded during 2025. Built foundations for controlled, business-led adoption of AI.
Reach New Customers	Defended Just's lead in DB small scheme market segment . Public launch of first phase of consumer-focussed retirement lifestyle business and built strengthened leadership team for 2026.
Be recommended by our customers	Embedded customer promises through improved insights and measures and further developed our measurement framework.
Be Proud to Work at Just	Embedding a high-performance culture, through leading the senior leadership team and establishing new behaviours across the group.
Financial Resilience, risk management and controls	Continued strengthening of financial resilience, as reflected in Life Insurance Stress Test results. Ensured risk, compliance and controls capabilities and culture meet the growing needs of the business. Good progress on key regulatory priorities.
Strategic Development	Reached an agreement with Brookfield Wealth Solutions to acquire the Group on terms which delivers an excellent outcome for shareholders and colleagues. On completion, this will secure a good long term owner for the Group which will increase its growth potential and ability to fulfil its purpose.

Strategic personal objective outturn 70%	Key achievements
Mark Godson	
Grow Sustainably	Delivered exceptional outcome for shareholders through the proposed acquisition of the Group by BWS Ltd.
Scale with Technology	Finance transformation delivery resulted in 5 working day reduction to external reporting timeline.
Reach New Customers	Ensured Universe is delivering to plan and worked collaboratively with the management team to deliver strategic change opportunities across the business.
Be Proud to Work at Just	Built a high-performance team culture across Finance, increasing the depth of talent within the functions under CFO control, championing new behaviours across the Group.
Financial Resilience, risk management and controls	Delivered LIST25 which shows the Group is resilient to a material financial shock. Developed internal stress and scenario capabilities.

Vesting Of LTIP Awards with a Performance Period Ending in 2025 (Audited)

2023 Awards

The 2023 LTIP award performance period ended on 31 December 2025. The award is forecast to vest at 100% on 23 March 2026 based on organic capital generation, relative TSR performance, return on equity and ESG performance (Net Zero by 2025 and investments into sustainable assets). Performance is measured against targets over the three-year period ending 31 December 2025.

	Date of grant	Type of award	Number of shares awarded	% vesting	Dividend equivalent due	No of shares due to vest[1]	Value of shares due to vest[1]
David Richardson	23 March 2023	nil-cost options	1,543,030	100%	£102,612	1,543,030	£3,296,375

1 The value shown is based on the three-month average share price to the year end, being £2.1363. This value will be restated to reflect the actual share price at vesting in next year's single total figure table (if required to be published).

Summary of Performance

Condition	Weighting	Target		Actual performance	Vesting outcome (% of maximum)
		Threshold (25%)	Maximum (100%)		
Organic capital generation ("OCG")	15%	£80m	£230m	£251m	100%
Relative TSR vs. FTSE 250 (excluding investment trusts)	25%	14%	55%	152%	100%
Return on Equity	45%	8% p.a. average	12% p.a. average	12% p.a. average	100%
ESG – investment into sustainable assets	7.5%	£330m	£825m	£893m	100%
Net zero by 2025	7.5%	Net zero with 10% offset	Net zero with 8% offset	8% offset	100%
Total Vesting Outcome					100%

As set out in the Remuneration Committee Chair's letter, the OCG outcome has been adjusted to remove the impact of writing higher levels of additional business than envisaged when first approving the targets. Further detail is set out earlier in the report.

2025 LTIP Awards Granted (Audited)

The following awards were made to the Executive Directors in 2025:

	Date of grant	Type of award	Face value at time of grant[1]	Number of shares	End of performance period
David Richardson	31 March 2025	nil-cost options	£1,802,500 (250% of salary)	1,200,706	31 December 2027
Mark Godson	31 March 2025	nil-cost options	£770,000 (175% of salary)	512,922	31 December 2027

1 The actual share price calculated as the average price over the five days preceding the grant was £1.5012.

Performance Conditions and Targets Applying to the 2025 LTIP Awards

Condition	Weighting	Target	
		Threshold	Maximum
Cash generation	15%	£429m	£504m
Relative TSR vs. FTSE 250 (excluding investment trusts)	25%	Median	Upper Quartile
Return on Equity	45%	12% p.a. average	15% p.a. average
ESG – investments into sustainable assets	15%	£500m by end of 2027	£1,200m by end of 2027

Each performance condition will have nil vesting for performance below threshold; and will vest between 25% and 100% on a straight-line basis for performance between threshold and maximum.

Directors' Remuneration Report continued

Directors' Beneficial Shareholdings (Audited)

To align the interests of the Executive Directors with shareholders, each Executive Director must build up and maintain a shareholding in the Group equivalent to 200% of base salary, in line with the Policy. Until the guideline is met, Executive Directors are required to retain 50% of any LTIP and DSBP share awards that vest (and are exercised), net of tax and national insurance contributions ("NICs").

Details of the Directors' interests in shares of the Company are shown in the table below. Beneficially owned shares include shares owned outright by the Directors and their connected persons. For the purpose of calculating whether the shareholding guideline has been met, awards vested but not exercised and awards unvested under the DSBP (detailed in the Directors' outstanding incentive scheme interests section following), net of tax and NIC, are included.

Directors Beneficial Shareholdings

Director	Beneficially owned shares at 31 December 2025	Interest in share awards – subject to performance conditions	Interest in share awards – not subject to performance conditions	Interest in share awards – vested but unexercised	Shareholding guideline (% of salary)	Shareholding guideline met[1] (% of salary)
David Richardson[2]	4,081,778	4,070,750	903,064	–	200%	1,351%
Mark Godson[3]	101,819	1,081,642	181,060	–	200%	86%
Jim Brown	200,000	–	–	–	n/a	n/a
Michelle Cracknell	59,000	–	–	–	n/a	n/a
John Hastings-Bass	210,200	–	–	–	n/a	n/a
Mary Kerrigan	61,715	–	–	–	n/a	n/a
Mary Phibbs	30,000	–	–	–	n/a	n/a
Matt Saker[4]	–	–	–	–	n/a	n/a
Retired Directors						
Kalpana Shah[5]	–	–	–	–	n/a	n/a

1 Based on the average closing price of £2.1363 between 1 October 2025 and 31 December 2025.

2 Included in David Richardson's 4,081,778 beneficially owned shares at 31 December 2025 are 334,172 shares, which were financed by way of a company loan, of which £473k was outstanding as at 31 December 2025. This loan accrues interest at 4% p.a. and will be repaid out of any sale proceeds on such shares. To the extent a shortfall remains, the Company will write off the balance and settle any taxes due on a grossed-up basis.

3 Mark Godson has not yet met the shareholding guideline of 200% with a current holding of 119%. In line with the Remuneration Policy, until this is met, he must retain 50% of any LTIP or DBSP awards, net of tax, and NICs.

4 Matt Saker was appointed as a Director on 1 August 2025.

5 Kalpana Shah resigned from the Board on 1 March 2025 and her holdings reported in the table above are as at that date.

There have been no changes in the Directors' interests in shares in the Company between the end of the 2025 financial year and the date of this Annual Report.

Directors' Outstanding Incentive Scheme Interests (Audited)

The below tables summarise the outstanding awards made to David Richardson and Mark Godson. All awards under the LTIP schemes are granted under options with performance conditions. Awards granted under the DSBP schemes are granted under options with no performance conditions.

The table below summarises the outstanding awards made to David Richardson:

Date of grant	Exercise price	Interest as at 31/12/2024	Granted in the year	Dividend shares accumulating at vesting	Vesting in the year	Lapsed in the year	Exercised in the year[1]	Interest as at 31/12/2025	Vesting date	Expiry date
LTIP										
31 Mar 2025	nil	–	1,200,706	–	–	–	–	1,200,706	31 Mar 2028	31 Mar 2035
28 Mar 2024	nil	1,327,014	–	–	–	–	–	1,327,014	28 Mar 2027	28 Mar 2034
23 Mar 2023	nil	1,543,030	–	–	–	–	–	1,543,030	23 Mar 2026	23 Mar 2033
24 Mar 2022	nil	1,391,681	–	–	1,391,681	–	1,391,681	–	24 Mar 2025	24 Mar 2032
DSBP										
31 Mar 2025	nil	–	251,798	–	–	–	–	251,798	31 Mar 2028	31 Mar 2035
28 Mar 2024[2]	nil	325,791	–	–	–	–	–	325,791	28 Mar 2027	28 Mar 2034
23 Mar 2023	nil	325,475	–	–	–	–	–	325,475	23 Mar 2026	23 Mar 2033
24 Mar 2022	nil	323,796	–	–	323,796	–	323,796	–	24 Mar 2025	24 Mar 2032

1 2022 LTIP and DSBP were exercised on 4 November 2025 and sufficient shares sold to meet tax, statutory deductions and costs at a price of £2.1275.

2 The value of the awards made in 2025 was calculated using the average price over the five days preceding grant (£1.5012).

The table below summarises the outstanding awards made to Mark Godson:

Date of grant	Exercise price	Interest as at 31/12/2024	Granted in the year[1]	Dividend shares accumulating at vesting	Vesting in the year	Lapsed in the year	Exercised/ released in the year	Interest as at 31/12/2025	Vesting date	Expiry date
LTIP										
31 Mar 2025	nil	–	512,922	–	–	–	–	512,922	31 Mar 2028	31 Mar 2035
28 Mar 2024	nil	568,270	–	–	–	–	–	568,720	28 Mar 2027	28 Mar 2034
DSBP										
31 Mar 2025	nil	–	143,884	–	–	–	–	143,884	31 Mar 2028	31 Mar 2035

1 The value of the awards made in 2025 was calculated using the average price over the five days preceding grant (£1.5012).

Save As You Earn (SAYE) (Audited)

The table below summarises the Directors' outstanding options from the SAYE scheme:

Name	As at 1 Jan 2025	Options Granted	Options Exercised	Options Lapsed	As at 31 Dec 2025	Option Price	Exercisable from	Date of expiry
David Richardson	–	–	–	–	–	–	–	–
Mark Godson	37,176	–	–	–	37,176	£0.85	01 Jun 2029	01 Dec 2029

SAYE options are granted at a 20% discounted option price, calculated using the three-day average share price immediately before the invitation date.

The Company's employee share plans operate within the dilution limits in the Investment Association principles of remuneration, of 10% under all share plans and 5% under the executive share plans in any rolling ten-year period. Awards granted under the LTIP, DSBP and SAYE are satisfied by either using newly issued shares or market purchased shares held in the employee benefit trust.

Should the decision be made to issue new shares to satisfy LTIP or DSBP in the future, the Company's available headroom as at 31 December 2025 was 6.14% (10% in 10 years under all share plans) and 2.03% (5% in 10 years under the executive share plans).

Directors' Remuneration Report continued

Payments for Loss of Office (Audited)

No payments were made for loss of office to Directors during 2025.

Payments to Past Directors (Audited)

Andy Parsons

Andy stepped down from the Board in 2023 and the treatment of his awards granted under the LTIP and DSBP was disclosed in the 2023 Annual Report. His 2022 awards vested in March 2025 at values of £334,475 DSBP and £733,172 LTIP, based on the share price on the date of vesting. During 2025 he exercised:

- On 22 April 2025 225,084 2022 DSBP nil cost options and sold 105,900 of the resulting shares at £1.336.
- On 22 April 2025 493,386 2022 LTIP nil cost options and sold 232,134 of the resulting shares at £1.336.

Simon Thomas

Simon stepped down from the Board in 2018 and the treatment of his awards under the LTIP and DSBP was disclosed in the 2018 Annual Report. All of his awards vested prior to 2024. During 2025 he exercised:

- On 5 June 2025 55,091 2016 DSBP nil cost options and sold the resulting shares at £1.459 each.
- On 23 June 2025 100,000 2016 LTIP nil cost options and sold the resulting shares at £1.404 each.
- On 15 September 2025 56,100 2016 LTIP nil cost options and sold the resulting shares at £2.1225 each.
- On 1 October 2025 37,646 2017 LTIP and 16,815 2018 LTIP nil cost options and sold the resulting shares at £2.1175 each.
- On 15 October 2025 120,524 2017 DSBP nil cost options and sold the resulting shares at £2.1225 each.
- On 23 October 2025 133,703 2018 DSBP nil cost options and sold the resulting shares at £2.1225 each.

Service Contracts and Letters of Appointment

Executive Directors are on rolling service contracts with no fixed expiry date. The contract dates and notice periods for each Executive Director are as follows:

	Date of contract	Notice period by Company	Notice period by Director
David Richardson	27 November 2019	6 months	6 months
Mark Godson	6 November 2023	6 months	6 months

The appointment of each non-Executive Director may be terminated at any time with immediate effect if he/she is removed as a Director by resolution at a general meeting, by giving one months' notice, or pursuant to the Articles. The non-Executive Directors (other than the Chair) are not entitled to receive any compensation on termination of their appointment.

Contract/Letter of Appointment Effective Dates

Jim Brown	1 November 2023
Michelle Cracknell	1 March 2020
John Hastings-Bass	13 August 2020
Mary Kerrigan	1 February 2022
Mary Phibbs	5 January 2023
Matt Saker	1 August 2025

Executive Directors' service contracts are available for inspection at the Group's registered office during normal business hours and will be available for inspection at the AGM.

Statement of Voting at The Annual General Meeting (Unaudited)

At the Company's 2025 AGM held on 8 May 2025, shareholders were asked to vote on the Directors' Remuneration report for the year ended 31 December 2024. The Directors' Remuneration policy was most recently considered and approved at the 9 May 2023 AGM. The votes received were:

Resolution	Votes for	% of votes	Votes against	% of votes	Votes withheld
To approve the Directors' Remuneration report (2025 AGM)	814,796,118	97%	22,946,691	3%	137,487
To approve the Directors' Remuneration policy (2023 AGM)	810,331,240	95%	39,534,784	5%	5,501

The full Directors Remuneration policy can be found in the 2022 ARA on our website: **www.justgroupplc.co.uk/investors/results-reports-and-presentations**

External Assistance Provided to the Committee (Unaudited)

Following a robust and competitive tender process, Deloitte LLP ("Deloitte") were appointed as the independent adviser to the Remuneration Committee in October 2024. The Committee regularly reviews and satisfies itself that all advice received is objective and independent (through assessing the advice against their own experience and market knowledge), and fully addresses the issues under consideration. Deloitte are members of the Remuneration Consultants Group and subscribe to its Code of Conduct. Fees paid to Deloitte for services to the Committee in 2025 were £106,750 and were charged on a time spent basis in accordance with the terms of engagement.

Remuneration for Employees Below the Board (Unaudited)

General Remuneration Policy

In setting Executives' pay, the Committee seeks to ensure that the underlying principles, which form the basis for decisions on Executive Directors' pay, are consistent with those on which pay decisions for the rest of the workforce are taken. For example, the Committee takes into account the general salary increases for the broader employee population when conducting the salary review for the Executive Directors. The wider workforce participates in either the group bonus plan, or within distinct bonus arrangements for business unit areas. Individual bonuses are then determined based on delivery against personal objectives. The Executive Directors are subject to the same process as other colleagues.

However, there are some structural differences in the Executive Directors' remuneration policy compared to that for the broader employee base, which the Committee believes are necessary to reflect the differing levels of seniority and responsibility. A greater weight is placed on performance-based pay through the quantum and participation levels in incentive schemes. Deferral is greater for Executive Directors than for other regulated employees. This ensures the remuneration of the Executive Directors is aligned with the performance of the Group and therefore the interests of shareholders.

The remuneration policy for the wider Group is designed to attract, retain and motivate new and existing employees. It is in line with the sector in which we operate and our overall total remuneration approach is to pay a market competitive level of remuneration that is structured to appropriately reward employees, align them with the interests of our shareholders and customers, be compliant with Solvency II remunerations regulation and be relevant to the markets/geographies in which we operate. We define total remuneration as base salary, annual incentive (STIP) and any benefits, for example pensions. For those eligible to participate in the LTIP, this will also be included.

Directors' Remuneration Report continued

Summary of the Remuneration Structure for Employees Below Executive Director

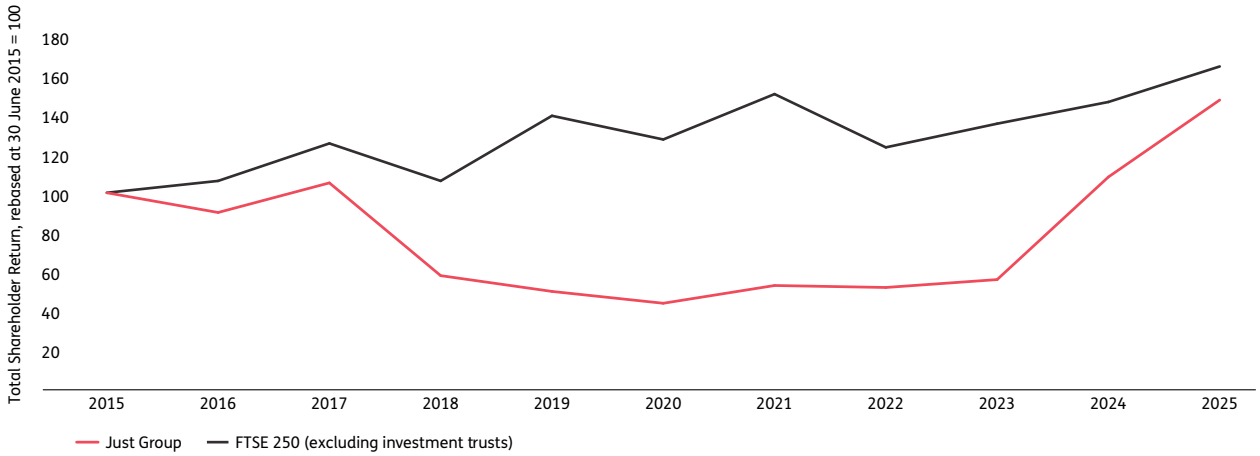
Element	Policy approach
Base Salary	To attract and retain key employees we pay salaries which deliver market competitive total remuneration. We take into account the following when determining the base salary: the size of the role and its scope, the required skills, knowledge and experience, relevant pay in terms of the wider organisation and market comparative data. For 2025, the average salary increase (excluding promotions and joiners shortly prior to year end) for all employees awarded in April 2025 was 3.7%. This is an average figure, with individual increases varying within a range depending on the factors above.
Benefits	All employees participate in the permanent health insurance and life assurance schemes. They can choose to participate in the private medical cover scheme and the health cash plan.
Pension	All employees are provided with the opportunity to participate in the Group defined contribution pension plan, with a Company contribution of up to 15% of salary for the executive team (excluding Executive Directors) and 10% of salary for Executive Directors and all other employees. New members of the executive team are provided with a Company contribution of 10% of salary, in line with the wider workforce. Employees who have reached HMRC annual or lifetime allowance limits can be paid a cash allowance in lieu of pension contributions.
Short Term Incentive Plan ("STIP")	All of our employees participate in a discretionary bonus plan (STIP) unless an alternative plan is in operation. The STIP is based on corporate performance and distributed based on personal performance incorporating individual objectives and behaviours in line with our culture and conduct in the role. The Group also operates bonus plans for certain types of roles, for example sales, based on objectives, behaviours in line with our culture and conduct in the role. For regulated roles in control functions, for example in risk, audit or compliance roles, the STIP is primarily based on the performance of their function. The Remuneration Committee has the ultimate discretion on all incentive plans and these are reviewed on an annual basis. Bonuses for all of the executive team who are not Board members and employees under Solvency II have an element of variable remuneration deferred into shares for three years.
Long Term Incentive Plan ("LTIP")	Participation in the LTIP is a small number of executives, and some key roles each year. Participation recognises the strategic and critical roles they hold in supporting the strategic direction of the business and delivering Company performance. In 2025 72 individuals were granted awards under the LTIP.
Deferred Share Bonus Plan ("DSBP")	The Company operates a DSBP which provides the vehicle for the deferral of the STIP awards.
Sharesave ("SAYE")	The Company operates a SAYE which is a tax-advantaged share scheme and is open to all UK-based employees as well as the Executive Directors. Participants are allowed to save a maximum of £500 per month and acquire the Company's shares at a discount of up to 20% of the market value at the date of grant, within a six-month period following the maturity of their savings contracts in either three or five years.
Share Incentive Plan ("SIP")	The SIP is a tax-advantaged share scheme in which all of the UK-based employees are eligible to participate as well as the Executive Directors. Free shares were awarded to the UK-based employees in 2016. This scheme is not currently in operation.

Total Shareholder Return (Unaudited)

Group's Share Performance Compared to the FTSE 250 Index

The following graph shows a comparison of the Group's total shareholder return (share price growth plus dividends paid) with that of the FTSE 250 Index (excluding investment trusts).

The Group has selected this index as it comprises companies of a comparable size and complexity across the period and provides a good indication of the Group's relative performance.



Total Remuneration of the CEO during the Same Period (Unaudited)

The total remuneration of the CEO over the last ten years is shown in the table below.

	2016[1]	2017	2018	2019[2]	2019[2]	2020	2021	2022	2023	2024	2025
Chief Executive	RC	RC	RC	RC	DR	DR	DR	DR	DR	DR	DR
Total remuneration (£000)	2,630	2,369	2,507	438	1,440	1,541	1,577	2,470	2,606	3,842	4,973
STIP (% of maximum)	97.5%	95%	91.2%	0%	83.1%	85%	80%	75%	90%	90%	70%
LTIP (% of maximum)	39.5%	50%	50%	50%	50%	19.75%	31.8%	93%	98%	100%	100%

1 The year ended 31 December 2016 covered 18 months following the change of year end from 30 June. The total single figure of remuneration for the 12-month period ended 31 December 2016 was £1,870,000.

2 Rodney Cook ("RC") stood down as CEO from 30 April 2019 and David Richardson ("DR") assumed the role of CEO from this date (initially on an interim basis). The total single figure remuneration for Rodney Cook in 2019 represents four months to 30 April 2019 and the full vesting value of the 2017 LTIP and for David Richardson represents 8/12ths of his pay in 2019.

CEO Pay Ratio (Unaudited)

This is the seventh year in which Just Group has been required to publish its CEO pay ratio.

Year	Method[1]	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2025	option A	125 : 1	77 : 1	46 : 1
2024	option A	96 : 1	60 : 1	34 : 1
2023	option A	62 : 1	38 : 1	21 : 1
2022	option A	73 : 1	44 : 1	25 : 1
2021	option A	47 : 1	29 : 1	17 : 1
2020	option A	42 : 1	26 : 1	16 : 1
2019[2]	option A	44 : 1	28 : 1	17 : 1

1 Option A was selected as it provided a full picture of pay across the Group. The Company determined the single figure remuneration for all UK employees on a FTE basis as at 31 December of the relevant year and used this to identify the three employees who represent the 25th percentile, 50th percentile and 75th percentile by total pay. FTE remuneration was determined by reference to pay across 260 working days per year over a 35 hour week. Cases where employees were on maternity leave have been excluded as their remuneration in the year was not felt to be an accurate reflection of their ordinary pay levels. This did not have a material impact on the ratios and so the Committee is satisfied that the three individuals are reflective of the three percentiles.

2 The total pay and benefits for the role of CEO in 2019 was calculated using Rodney Cook's base salary, benefits and pension contributions for the four months to 30 April 2019 and David Richardson's base salary, benefits and pension contributions for the remainder of the year, full year 2019 annual bonus and 2017 LTIP award which vests based on performance to 31 December 2019.

The CEO pay ratio is heavily impacted by the performance of the Group and the share price. The CEO pay ratio has increased between 2023 and 2025 due to the strong performance of the Group and the material increase in the share price. This is as the CEO's remuneration package is heavily weighted to performance-related pay with a significant proportion being delivered in shares.

The table below shows the total pay and benefits and the salary component of this for the employees who sit at each of the three quartiles in 2025.

£000	Total pay and benefits	Salary component of total pay
25th percentile	40	33
50th percentile	65	53
75th percentile	109	89
Group Chief Executive	4,973	716

The Group Chief Executive officer was paid 77 times the median employee in 2025. The Remuneration Committee is confident that this is consistent with the pay, reward and progression policies for the Company's UK employees. The base salary and total remuneration for the CEO and the median representative employee are competitively positioned within the relevant markets and reflect our remuneration structures which are effective in appropriately incentivising and rewarding employees for both what they achieve, as well as how they do so, while having due regard to our risk appetite. Just provides competitive reward and benefit packages to all employees ensuring pay is at or above the real living wage, while allowing for full participation in the pension arrangements.

Directors' Remuneration Report continued

We have a career progression framework for our operations teams providing incremental salary increases as they develop in role and gain new skills. Annual benchmarking is conducted for all roles and corrective action taken where an individual is remunerated below the target level. Our competitive pension scheme provides for employer contributions of up to 10%. We have a comprehensive benefits package allowing employees to select benefits of value to them. The Committee will continue to monitor the CEO pay ratio and gender pay gap statistics as part of its overview of all employee pay.

Percentage Annual Change in Remuneration of Directors and Employees of Just Group plc (Unaudited)

The table below shows the percentage change in salary, taxable benefits and STIP in respect of each Director earned between 2020 and 2025, compared to that for the average employee of the Group (on a per capita (FTE) basis).

	Percentage change between 2024 and 2025			Percentage change between 2023 and 2024			Percentage change between 2022 and 2023			Percentage change between 2021 and 2022			Percentage change between 2020 and 2021		
	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus
Average employee[1]	6.8%	8.4%	-44.1%	8.4%	9.3%	10.8%	9.5%	5.9%	24.3%	5.9%	1.1%	-2.8%	2.5%	2.2%	-7.4%
Executive Directors															
David Richardson	4.6%	3.1%	-19.9%	8.7%	7.1%	11.2%	3.9%	3.0%	24.1%	1.5%	1.2%	-4.4%	1.0%	-2.0%	-6.0%
Mark Godson/ Andy Parsons[2]	7.5%	4.8%	-14.4%	(8.5)%	(5.7)%	(8.5)%	3.9%	2.7%	24.1%	1.5%	1.0%	-4.4%	0.0%	-51.0%	0.0%
Non-Executive Directors															
Jim Brown	1.6%	250.0%	n/a	6.7%	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Michelle Cracknell[3]	1.2%	100.0%	n/a	13.5%	n/a	n/a	25.0%	n/a	n/a	0.0%	n/a	n/a	n/a	n/a	n/a
John Hastings-Bass[3]	3.1%	n/a	n/a	11.5%	n/a	n/a	0.0%	n/a	n/a	0.0%	n/a	n/a	n/a	n/a	n/a
Mary Kerrigan	1.3%	n/a	n/a	5.3%	n/a	n/a	0.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mary Phibbs	1.1%	n/a	n/a	25.3%	-100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Matt Saker[4]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kalpana Shah[3,5]	n/a	n/a	n/a	5.0%	n/a	n/a	0.0%	n/a	n/a	0.0%	n/a	n/a	n/a	n/a	n/a

1 All permanent employees (excluding the Executive Directors) of the Group in the UK who were in employment during 2021 and 2024 were selected as the most relevant comparator. This was chosen as the listed Company has no employees.

2 The figures are calculated using remuneration for Mark Godson from 2024 and Andy Parsons for 2020-2023.

3 The figures in the table have been adjusted to include a full year's remuneration for Directors that are appointed part way through a year.

4 Matt Saker was appointed as a Non-Executive Director on 1 August 2025.

5 Kalpana Shah resigned as a Non-Executive Director on 1 March 2025.

Relative Importance Of Spend On Pay (Unaudited)

The table below illustrates the relative importance of spend on pay compared to shareholder dividends paid.

	Year ended 31 December 2025	Year ended 31 December 2024	% difference
Total personnel costs (£m)	168	149	13%
Dividends paid (£m)	28	23	17%

Considering the Policy (Unaudited)

The Committee continues to consider the policy against a number of different factors, including maintaining a link with the broader remuneration framework to ensure consistency and common practice across the Group. Comprehensive clawback and malus provisions are in place across all incentive plans and the Committee retains the ability to exercise discretion to override formulaic outcomes which are considered inappropriate amidst wider Company performance and the broader stakeholder experience. In determining the overall levels of remuneration of the Executive Directors, the Committee also pays due regard to pay and conditions elsewhere in the organisation. In particular, the Committee takes an active role in approving the remuneration of senior executives, which covers eight roles in addition to the Executive Directors across the Group, as well as overseeing the remuneration of Solvency II staff.

Shareholder views

The Committee takes into account of the views of our shareholders and the proxy advisory firms when setting remuneration. Given the sale process the Committee has not consulted with shareholders on remuneration as part of this year-end process.

Employee

As explained on page 84, Michelle Cracknell hosted a "take on board" session on remuneration matters with the wider workforce, which created an opportunity for colleagues to ask questions and provide feedback.

The full Directors' Remuneration Policy is set out in the 2022 Annual Report which can be found on our website.

Implementation of the Remuneration Policy in 2026 for Directors (Unaudited)

Element	Policy approach	
Base Salary	David Richardson, CEO: £742,630	
	Mark Godson CFO £484,000	
	David Richardson's and Mark Godson's salary will increase by 3% and 10% respectively from 1 April 2026, compared to 3% awarded to most colleagues (with the salary increase budget available for the wider workforce eligible to be considered sitting at 3.7%).	
Non-Executive Directors Fees	Board Chair	£230,000
	Basic fee	£65,000
	Additional fee for Senior Independent Director	£10,000
	Additional fee for Committee Chair, Risk and Audit Committees	£20,000
	Additional fee for Committee Chair, all other Committees	£15,000
Benefits and Pensions	The Executive Directors will receive a benefits allowance of £20,000 for 2026 and a Company pension contribution or cash in lieu of 10% of salary. All employees are enrolled into the Company Group Life Assurance and Group Income Protection schemes.	
Short Term Incentive Plan ("STIP")	Maximum STIP opportunity remains unchanged at 150% of salary for Executive Directors. 50% of maximum will pay out for on-target performance.	
	The core bonus for 2026 is determined by a balanced scorecard of performance against financial and strategic measures. The financial measures are: • 40% based on IFRS new business profit • 30% based on Internal Rate of Return • 25% based on Underlying operating profit • 5% based on Universe Assets Under Administration • +-15% Strategic modifier	
	The strategic measures, which can increase or decrease the bonus pool available (subject always to a maximum bonus pool of 100%) are: • "Customer" (customer experience) • "Control" (risk and controls) • "People" (engagement, belonging and gender diversity) • "Risk" (training completion and risk actions)	
	The Committee has chosen not to disclose in advance details of the STIP performance targets for the forthcoming year as these include items which the Committee considers commercially sensitive. An explanation of bonus pay outs and performance achieved will be provided in next year's Annual Report on remuneration.	
	40% of any bonus earned will be deferred for three years into awards over shares under the Deferred Share Bonus Plan.	

Directors' Remuneration Report continued

Long Term Incentive Plan ("LTIP")

Awards will be made over shares with a face value of 250% and 175% of salary in 2026 to the CEO and CFO respectively. The awards made in 2026 will be subject to the conditions below, calculated over the three financial years to 31 December 2028, and will be subject to a further two-year post-vesting holding period.

Performance Conditions And Targets Applying To The 2026 LTIP Awards

		Target	
Condition	**Weighting**	**Threshold**	**Maximum**
Cash generation	15%	£439m	£514m
Tangible Net Asset Value	25%	£3.1bn	£3.7bn
Return on Equity	45%	27%	34.3%
ESG: Diversity and inclusion – gender and multi-ethnicity mix in senior leadership	15%	Gender 40% Ethnically Diverse 18%	Gender 42% Ethnically Diverse 21%

Each performance condition will have nil vesting for performance below threshold; and will vest between 25% and 100% on a straight-line basis for performance between threshold and maximum.

Approval

This report was approved by the Board of Directors on 26 February 2026 and signed on its behalf by:

Michelle Cracknell
Chair, Remuneration Committee
26 February 2026

Directors' Report

The Directors present their report for the financial year ended 31 December 2025.

The Strategic report, the Corporate Governance report and the Directors' Remuneration report include information that would otherwise be included in the Directors' report.

Strategy and future developments

Principal activities and performance

Just is a specialist UK financial services group focusing on attractive segments of the UK retirement income market. Just Group plc (the "Company") is a public company limited by shares and was incorporated in England and Wales with the registered number 08568957. The Company is a holding company. Details of the Company's subsidiaries are set out in note 31.

Commentary on the Group's strategy and performance in the financial year ended 31 December 2025 and likely future developments is included in the Strategic report. Our approach to stakeholder engagement, including our Section 172 statement, can be found in the Strategic report and Corporate Governance report.

On 31 July 2025, the Board announced the terms of a recommended cash offer by BWS Holdings Ltd, a wholly owned subsidiary of Brookfield Wealth Solutions Ltd ("BWS"), to acquire the entire issued and to be issued share capital of the Company. Completion is expected in the first half of 2026 through a court-sanctioned scheme of arrangement, subject to the satisfaction or, where applicable, waiver of certain conditions, including final Court approval.

The Board has monitored compliance with the City Code on Takeovers and Mergers and the FCA Listing Rules to ensure fairness and transparency throughout the process.

Governance

Corporate governance statement

The FCA's Disclosure Guidance and Transparency Rules require a corporate governance statement in the Directors' report to include certain information. You can find information that fulfils this requirement in this Directors' report, the Corporate Governance report, Board Committee reports, and the Directors' Remuneration report, all of which is incorporated in the Directors' report by reference.

Requirements under Listing Rule 6.6.1R

In accordance with Listing Rule 6.6.4R, the table below sets out the location of the information required by Listing Rule 6.6.1R, where applicable.

Information	Page number
Interest capitalised by the Group	Not applicable
Publication of unaudited financial information	Page 220
Long-term incentive schemes involving one director only	Not applicable
Waiver of emoluments by a director	Not applicable
Waiver of any future emoluments by a director	Not applicable
Non pre-emptive issues of equity for cash	Not applicable
Non pre-emptive issues of equity for cash in relation to major subsidiary undertakings	Not applicable
Parent participation in a placing by a listed subsidiary	Not applicable
Contracts of significance involving a director	Not applicable
Contracts of significance involving a controlling shareholder	Not applicable
Shareholder waiver of dividends	Share plans – page 123
Shareholder waiver of future dividends	Share plans – page 123
Agreements with controlling shareholders	Not applicable

Articles of Association

The Company's Articles of Association ("Articles") may only be amended by a special resolution of the shareholders. The Articles were last updated in September 2025 to give effect to certain matters in connection with the BWS offer on its completion. The Articles can be found at **www.justgroupplc.co.uk/about-us/governance**.

Going concern and viability statement

The Directors are required to assess and report on the appropriateness of adoption of the going concern basis of accounting over the 12 months from the date of this report in accordance with Provision 30 of the UK Corporate Governance Code 2024 (the "Code"). The Directors have performed this assessment as set out in note 1.1 and confirm that they consider it appropriate to prepare the financial statements on the going concern basis.

In addition, in accordance with Provision 31 of the Code, the Directors are required to assess the prospects of the Group and report on conclusions reached regarding its longer-term viability. As required by the Code, the longer-term viability statement has been undertaken for a period of five years in line with the Group's business planning horizon. It can be found in the Strategic report on page 63.

Directors' Report continued

The Board

Directors

The Directors who served during the year and up to the date of this report are set out below.

- John Hastings-Bass, Chair
- James Brown *(known as Jim Brown)*
- Michelle Cracknell
- Mark Godson
- Mary Kerrigan
- Mary Phibbs
- David Richardson
- Matthew Saker *(known as Matt Saker)* (appointed on 1 August 2025)
- Kalpana Shah (resigned on 1 March 2025)

The biographies of the Directors in office as at the date of this report can be found on pages 72 to 74. The rules governing the appointment and retirement of Directors are set out in the Company's Articles, and all appointments are made in accordance with the Code. All current Directors are expected to retire and stand for election or re-election at the 2026 Annual General Meeting ("AGM"), subject to any changes arising from the proposed acquisition of the Company by BWS.

Secretary

Simon Watson is the Group Company Secretary of Just Group plc and can be contacted at the Company's Registered Office, details of which are on page 225.

Directors' powers

The Board is responsible for the management of the business of the Company and may exercise all powers of the Company subject to the provisions of the Company's Articles and relevant legislation.

Directors' insurance and indemnities

The Directors and Officers of the Company benefit from an indemnity provision in the Company's Articles in respect of liabilities they may incur in connection with the Company's affairs, subject to the provisions of the Companies Act 2006. Each Director also benefits from a deed of indemnity covering the costs of defending claims against them and third party liabilities, the terms of which are in accordance with the Companies Act 2006. This qualifying third party indemnity provision remained in force throughout the year and at the date of this report. Directors' and Officers' liability insurance cover was also maintained by the Company during the year at it's expense and remains in force at the date of this report.

Directors' interests

The interests of Directors and their connected persons in the ordinary shares of the Company as disclosed in accordance with the Listing Rules, are as set out in the Directors' Remuneration report. Details of the Directors' long-term incentive awards are also provided on pages 110 to 111.

Conflicts of Interest

The Board has established procedures for the management of potential or actual conflicts of interest of the Directors in accordance with the Companies Act 2006 and the Company's Articles. All Directors are responsible for notifying the Group Company Secretary and declaring at each Board meeting any new actual or potential conflicts of interest. The Directors are also responsible for declaring any existing conflicts of interest which are relevant to transactions to be discussed at each Board meeting. If a conflict is deemed to exist, the relevant Director will excuse themselves for discussions relating to that conflict. None of the Directors had a material interest in any significant contract with the Company or with any Group undertaking during the year.

Shareholders

Annual General Meeting

The Company intends to hold its AGM for the year ended 31 December 2025 in mid-2026 in London, subject to the Company's listed status and shareholder structure at that time. Further details, including the date, venue and resolutions to be proposed, will be published in due course on the Company's website at **www.justgroupplc.co.uk**.

Results and dividends

The financial statements set out the results of the Group and the Company for the year ended 31 December 2025 and are shown on pages 138 to 219.

An interim dividend of 0.84 pence (2024: 0.7 pence) per ordinary share was paid to shareholders on 15 September 2025. In light of the proposed acquisition of the Company by BWS, no final dividend will be declared for the year ended 31 December 2025 (2024: 1.8 pence per ordinary share).

Share capital

Ordinary share capital

As at 31 December 2025, the Company had an issued share capital of 1,038,702,932 ordinary shares of 10 pence each, all fully paid up and listed on the equity shares of commercial companies segment of the London Stock Exchange. No shares are held in treasury.

The holders of the ordinary shares are entitled to receive notice of, attend and speak at general meetings including the AGM, to appoint proxies and to exercise voting rights. The shares are not redeemable.

The share price on 31 December 2025 was 216.00 pence.

Further information relating to the Company's issued share capital can be found in note 19.

Restricted Tier 1 notes

The Company has £325m of Restricted Tier 1 notes ("Notes") in issue. These may convert into ordinary shares only upon a "trigger event", which would occur if the Board, in consultation with the Prudential Regulation Authority, determines that the Group has ceased to meet its Solvency II capital requirements. Holders do not have the right or option to require conversion of the Notes. On a change of control, the Notes may convert into equity of an approved entity if specified conditions are met; otherwise, they may be written down. Further details are provided in note 21 and on the Company's website at **www.justgroupplc.co.uk/investors**.

Share capital authorities

The Company's Articles specify that, subject to the authorisation of an appropriate resolution passed at a general meeting of the Company, Directors can allot relevant securities under Section 551 of the Companies Act 2006 up to the aggregate nominal amount specified by the relevant resolution. In addition, the Articles state that the Directors can seek authority from shareholders at a general meeting of the Company to allot equity securities for cash, without first being required to offer such shares to existing ordinary shareholders in proportion to their existing holdings under Section 561 of the Companies Act 2006, in connection with a rights issue and in other circumstances up to the aggregate nominal amount specified by the relevant resolution.

The Directors were granted the following authorities at the AGM held on 8 May 2025:

- to allot ordinary shares in the Company up to a maximum aggregate nominal amount of £69,246,862;
- to allot equity securities for cash on a non pre-emptive basis up to an aggregate nominal amount of £10,387,029 and further granted an additional power to disapply pre-emption rights representing a further 10% only to be used in specified circumstances;
- to make market purchases of up to an aggregate of 103,870,293 ordinary shares, representing approximately 10% of the Company's issued ordinary shares as at 4 March 2025; and
- to allot ordinary shares in the Company and to grant rights to subscribe for or to convert any security into ordinary shares in the Company, on a non pre-emptive basis, up to an aggregated nominal amount of £50,000,000 in relation to any issue(s) by the Company or any subsidiary undertaking of the Company (together the "Group") of contingent convertible securities.

No shares were issued by the Company during 2025 (2024: nil). No shares were purchased by the Company during the year (2024: nil).

Other securities carrying special rights

No person holds securities in the Company carrying special rights with regard to control of the Company.

Restrictions on transfer of shares and voting

The Company's Articles do not contain any specific restrictions on the size of a holding or on the transfer of shares, other than:

- certain restrictions may from time to time be imposed by laws and regulations (for example, the Market Abuse Regulation ("MAR") and insider trading law);
- pursuant to the Listing Rules, the Directors and certain employees of the Company require clearance from the Company to deal in the Company's ordinary shares; and
- pursuant to the provisions of the court-sanctioned Scheme of Arrangement relating to the recommended cash acquisition of the Company by BWS.

The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities of voting rights.

No person has any special rights with regard to the control of the Company's share capital and all issued shares are fully paid. This is a summary only and the relevant provisions of the Articles can be consulted if further information is required.

Share plans

The Group operates a number of share-based incentive plans that provide the Company's ordinary shares to participants at exercise of share options upon vesting or maturity. The plans in operation include the Just Group plc Long Term Incentive Plan ("LTIP"), the Just Group plc Deferred Share Bonus Plan ("DSBP"), Just Group plc Sharesave Scheme ("SAYE"), and the Just Group plc Share Incentive Plan ("SIP"). Details of these plans are set out in the Directors' Remuneration report and in note 9.

The rules for the Company's LTIP, DSBP and SAYE were adopted by shareholders at the 2023 AGM. They each have a ten-year life expiring in May 2033.

Awards under the LTIP, DSBP and SAYE are satisfied by using either newly issued shares or shares purchased in the market, which are held in the employee benefit trust ("EBT"). The trustee does not register votes in respect of these shares and has waived the right to receive any dividends.

During the 12 months to 31 December 2025, no ordinary shares were issued to employees in satisfaction of the exercise of share options under the SAYE (2024: nil). No shares were issued to the EBT or to employees in respect of other plans during the year (2024: nil).

Directors' Report continued

Substantial shareholdings

Following the announcement of the recommended acquisition of the Company by BWS, the bidder has become the Company's largest shareholder. The Company's register of members records that BWS held 102,827,474 ordinary shares as at 26 February 2026.

The table below sets out the holdings of the major shareholders in the Company's issued ordinary share capital with holdings of 3% or more, as at 31 December 2025 and as at 26 February 2026. The holdings at each date are based on notifications received by the Company under the provisions of Chapter 5 of the FCA's Disclosure Guidance and Transparency Rules and, in the case of BWS, the Company's register of members (see footnote 2). Except for the BWS shareholding, these holdings reflect the most recent notifications made to the Company and may have changed since those notifications were received. Shareholders are not required to notify the Company of any change until the next notable threshold is crossed.

Shareholder	Ordinary shareholdings at 31 Dec 2025	% of capital	Ordinary shareholdings at 26 Feb 2026[1]	% of capital
BWS Holdings Ltd	102,827,474[2]	9.90	102,827,474[2]	9.90
Société Générale	89,660,095	8.63	71,869,150	6.92
JP Morgan Chase & Co	70,993,039	6.83	89,684,681	8.63
Morgan Stanley	64,146,033	6.18	63,538,719	6.12
Blackrock, Inc	58,700,392	5.64	58,700,392	5.64
Fidelity International	57,253,643	5.51	57,253,643	5.51
Barclays plc	52,905,373	5.09	52,905,373	5.09
Syquant Capital	52,595,057	5.06	50,474,000	4.86
Janus Henderson Group plc	51,931,621	4.99	51,931,621	4.99
Baillie Gifford	51,895,600	4.99	51,895,600	4.99
Aegon N.V.	51,584,569	4.97	51,584,569	4.97
Lombard Odier Asset Management (Europe) Ltd	51,361,808	4.94	51,361,808	4.94
Ameriprise	50,857,090	4.90	50,857,090	4.90
AXA Investment	49,615,299	4.78	49,615,299	4.78
Twelve Capital AG	41,575,357	4.02	41,575,357	4.02
Credit Suisse Group AG	40,054,845	3.86	40,054,845	3.86
Franklin Templeton	38,092,378	3.68	38,092,378	3.68
HSBC Holdings plc	–	–	66,055,770	6.36

1 The last practicable date prior to publication of the Annual Report.

2 The BWS shareholding shown as at 31 December 2025 and 26 February 2026 reflects the position recorded on the Company's register of members and information provided to the Company in connection with the recommended acquisition. The most recent notification received by the Company from BWS under DTR 5 was in August 2025.

Business relationships

The Board is committed to foster the Company's business relationships with suppliers, customers and other stakeholders. Details on how the Board engages with our principal suppliers and customers, as well as other stakeholders can be found in the Relationships with stakeholders report.

Modern slavery

The Directors are committed to combatting modern slavery and human trafficking in all its forms. Just takes a zero tolerance approach to modern slavery within our workforce and the same is expected from suppliers. In compliance with Section 54(1) of the Modern Slavery Act 2015, the Company's modern slavery statement, approved by the Board, is available to view on our website at **www.justgroupplc.co.uk**.

Employees

Equal opportunities employment

Just is an equal opportunities employer and has policies in place to ensure decisions on recruitment, development, promotions and other employment-related issues are made solely on the grounds of individual ability, achievement, expertise and conduct. These principles are operated on a non-discriminatory basis, without regard to race, nationality, culture, ethnic origin, religion, belief, gender, sexual orientation, age, disability or any other reason not related to job performance or prohibited by applicable law.

We are a Disability Confident Committed employer and our recruitment process ensures we give full and fair consideration to applications made by those who are neurodivergent or have a disability, and any reasonable adjustments are made as required during the recruitment process to ensure all applicants have the same opportunity to demonstrate their skills. If an employee were to become disabled during their employment with the Group, support for continued employment would be provided and workplace adjustments made as appropriate in respect of their duties and working environment.

Employee engagement and communication

The Company promotes a high-performance, purpose-led culture and maintains a clear communication and engagement strategy. This includes quarterly Group-wide town hall business updates, colleague engagement surveys and intranet communications. Employee share plans are operated to encourage share ownership and align the interests of employees and shareholders.

Further details on engagement and how the Directors consider employee interests are provided in the Strategic report and Governance in Operation report.

Employee diversity

The Company is committed to building a diverse workforce and inclusive culture, and we collect data to monitor our progress in achieving our diversity targets. As at 31 December 2025, Just employed 757 males (52%), 696 females (48%) and less than 1% who identified under other categories.

As a signatory to the Women in Finance Charter, we have a target for 40% of our most senior population (Executive Committee and their direct reports) to be female by the end of 2026. As at 31 December 2025, gender diversity for this group stood at 44%.

We are also a signatory to the Race at Work Charter, and are committed to ensuring that our workforce is representative of the ethnic composition of the broader UK population. We have set a target that more than 16% of our most senior population (using the same definition as above) will be ethnically diverse by the end of 2026. As at 31 December 2025, 13% of this population were ethnically diverse, and we remain committed to maintaining progress against this target.

Further information on colleagues, culture and diversity can be found in the Colleagues and culture report.

Board and Executive Management diversity

The Governance in Operation report includes the Group's data on the gender identity or sex and ethnic diversity of the Board and executive management as at 31 December 2025, the reference date, in accordance with the Listing Rules requirements. Details of the Board's diversity, equity, inclusion and belonging policy and targets can be found in the Nomination and Governance Committee report.

Auditor

Disclosure of information to the auditor

Each Director of the Company at the date of this Directors' report has confirmed that, so far as they are aware, there is no relevant audit information of which the Company's external auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's external auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor appointment

PwC has expressed its willingness to continue in office as the external auditor of the Group. An assessment of audit effectiveness and the recommendation regarding PwC's reappointment can be found in the Group Audit Committee report. However, in light of the potential acquisition by BWS, which currently engages a different audit firm, PwC's reappointment may be subject to change.

Research and development

The Group undertakes innovative projects and programmes to support its strategic objectives. Further details are provided in the Strategic report.

Directors' Report continued

Environment and emissions

In accordance with Listing Rule 6.6.6R(8), climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations and recommended disclosures are contained in the Sustainability: TCFD section on pages 36 to 51 and in the Risk Management section on pages 62 to 63. Information on the Group's greenhouse gas emissions, energy consumption and efficiency during 2025 are also included in the Sustainability: TCFD section. In preparing the TCFD disclosures, the Group has considered the guidance for all sectors and supplemental guidance for insurance companies within the TCFD Annex "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures".

Other disclosures

Change of control provisions

There are various agreements that take effect, alter or terminate upon a change of control of the Company, such as commercial contracts, bank loan agreements and property lease arrangements. None of these agreements are considered significant in terms of their impact on the Group's business as a whole. All the Company's employee share incentive plans contain provisions relating to a change of control. Outstanding awards would typically vest and become exercisable. This is subject to satisfying any performance conditions, and normally with an additional time-based pro-rata reduction where performance conditions apply, in accordance with the share scheme rules.

On 31 July 2025, the recommended cash acquisition of the Company by BWS was announced. The change of control provisions are set out in the Scheme of Arrangement document published on 26 August 2025, which can be found on the Company's website at **www.justgroupplc.co.uk/investors**.

Financial instruments

The Group does not currently apply hedge accounting although it applies asset and liability matching and hedging strategies to limit its exposure to interest rate risk and market risk arising from the Group's financial instruments and insurance contracts.

Details of the Group's risk management and exposure to financial and other risks are included in the Risk Management section of the Strategic report and note 27 to the financial statements.

Overseas branches

The Company does not have any overseas branches within the meaning of the Companies Act 2006.

Political donations and expenditure

No political donations were made, or political expenditure incurred, by the Company and its subsidiaries during the year (2024: nil).

Related party transactions

Related party transactions are set out in note 32 to the financial statements.

Post balance sheet events

Details of post balance sheet events are set out in note 34 to the financial statements.

The Directors' report has been approved by the Board and is signed on its behalf by:

Simon Watson
Group Company Secretary
26 February 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable UK law and regulations.

UK company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law, the Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK-adopted international accounting standards.

Under UK company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company, and of the profit or loss for that period.

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

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and accounting estimates;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's and Group's transactions, and disclose with reasonable accuracy at any time the financial position of the Parent Company and the Group, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report, Directors' Remuneration report and Corporate Governance statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement

The Directors consider that the Annual Report and the financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position, performance, business model and strategy.

The Directors confirm to the best of their knowledge that:

- the Group and Company's financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic report, Corporate Governance report and Directors' report in this Annual Report include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

By order of the Board on 26 February 2026.

David Richardson
Group Chief Executive Officer

Mark Godson
Group Chief Financial Officer

Independent auditors' report

to the members of Just Group plc

Report on the audit of the financial statements

Opinion

In our opinion, Just Group plc's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2025 and of the group's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2025 (the "Annual Report"), which comprise:

- the Consolidated and Company Statement of Financial Position as at 31 December 2025;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated and Company Statement of Changes in Equity for the year then ended;
- the Consolidated and Company Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Group Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 3(b), we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Context

The Group is predominantly based in the United Kingdom and writes business across four main product lines, being Defined Benefit De-risking Solutions, Guaranteed Income for Life Solutions, Lifetime Mortgages and Care Plans. The Group has two regulated insurance companies, Just Retirement Limited and Partnership Life Assurance Company Limited, in addition to other financial services companies. In planning our audit, we met with the Group Audit Committee and members of management across the Group to discuss and understand business developments during the year, and to understand their perspectives on associated business risks. We used this insight, our knowledge of the Group and our industry experience when forming our own views regarding the audit risks and as part of developing our planned audit approach to address those risks. Given the activities of the Group, we have built a team with the relevant industry experience and technical expertise.

Overview

Audit scope

- Our audit scope has been determined to provide coverage of all material financial statement line items.
- Three reporting components were subject to full scope audits and we performed an audit of specific account balances for a further five components.

Key audit matters

- Valuation of insurance contract liabilities (group)
- Valuation of insurance contract liabilities – Annuitant mortality assumptions (group)
- Valuation of insurance contract liabilities – Credit default assumptions for illiquid assets (group)
- Valuation of insurance contract liabilities – Expense assumption (group)
- Valuation of certain hard to value investments (group)
- Valuation of the Company's investments in group undertakings (parent)

Materiality

- Overall group materiality: £30,345,000 (2024: £29,920,000) based on 1% of Total Equity plus net of tax contractual service margin (CSM).
- Overall company materiality: £11,890,000 (2024: £12,610,000) based on 1% of Total Equity.
- Performance materiality: £22,758,750 (2024: £22,440,000) (group) and £8,917,500 (2024: £9,457,500) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

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

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities (group) *Refer to Group Audit Committee Report, Accounting policy 1.7 Insurance contracts and note 22 Insurance contracts and related reinsurance.* The inherent uncertainty involved in setting the assumptions used to determine the insurance contract liabilities represents a significant area of management judgement for which small changes in assumptions can result in material impacts to the valuation of these liabilities. As part of our consideration of the entire set of assumptions, we focused particularly on annuitant mortality assumptions, credit default risk assumptions and expense assumptions as these are considered the most significant and judgemental.	We performed the following audit procedures to test the valuation of insurance contract liabilities (including best estimate liabilities, risk adjustment and contractual service margin): • Tested the design and operating effectiveness of the controls in place over the determination of the insurance contract liabilities, including those relating to model inputs, model operation and extraction and consolidation of results from the actuarial model; • Tested the design and operating effectiveness of controls related to policyholder data used in the valuation of insurance contract liabilities; • Agreed a sample of policyholder data used in the actuarial models to source documentation; • Using our actuarial specialist team members, we applied our industry knowledge and experience to assess the appropriateness of the methodology, models and assumptions used against recognised actuarial practices. This included consideration of the reasonableness of assumptions against actual historical experience, and the appropriateness of any judgements applied, including if there was any indication of management bias; • Performed testing over the calculations in the liability cash flow model. This included testing of changes made during the year, risk-based audit procedures to independently test certain cashflows at regular intervals, and testing of analysis of change in modelled results, to assess whether the models continue to operate as expected; • Tested the derivation of the current, new business and annual locked in discount rates used to discount the insurance contract liabilities; • Used the results of an independent PwC annual benchmarking survey of assumptions to further challenge the assumption setting process by comparing certain assumptions used relative to the Group's industry peers (where available and applicable); and • Tested the disclosures made by management in the financial statements. Further details on the specific procedures performed over each of the identified key assumptions are included in the below sections of our Key Audit Matters. Based on the work performed and the evidence obtained, we consider the assumptions used in the valuation of insurance contract liabilities to be appropriate.

Independent auditors' report continued

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities – Annuitant mortality assumptions (Group) *Refer to Group Audit Committee Report, Accounting policy 1.7 Insurance contracts and note 22 Insurance contracts and related reinsurance.* Annuitant mortality assumptions are an area of significant management judgement due to the inherent uncertainty involved. Insurance contract liabilities are sensitive to the choice of best estimate annuitant mortality assumptions due to the large volume of annuity business. The best estimate annuitant mortality assumption has two main components: **1) Base mortality assumptions** This part of the assumption is mainly driven by internal experience analyses, but judgement is also required. For example, in determining the most appropriate granularity at which to carry out the analysis; the time window used for historic experience, or whether data should be excluded from the analysis; and in selecting an appropriate industry mortality table to which management overlays the results of the experience analysis. **2) Rate of future mortality improvements** This part of the assumption is more subjective given the lack of data and the uncertainty over how life expectancy will change in the future. The allowance for future mortality improvements is inherently subjective, as improvements emerge over long timescales and cannot be captured by analysis of internal experience data. There is also additional uncertainty over the long-term impact of wider mortality trends in the UK. Judgement is required when estimating the allowance for expected future mortality rates in the long term, which can be undertaken using a range of approaches, including standard industry mortality projection models (such as the CMI models), independent analyses or a combination of both. **Risk adjustment for longevity risk** In addition, under IFRS 17, a risk adjustment is required to be held. This represents an allowance for risk in excess of the best estimate for non-financial risk. The primary component of the risk adjustment is annuitant mortality risk, and the selection of the distribution and associated stresses is a matter of judgement.	We performed the following audit procedures to test the annuitant mortality assumptions (including base mortality assumptions, rate of future mortality improvements and the risk adjustment): • Tested the design and operating effectiveness of controls in place over the performance of annuitant mortality experience analysis studies, approval of the proposed assumptions and implementation within the actuarial model; • Tested the reasonableness of the methodology used to perform the annual experience studies. This involves the assessment of key judgements with reference to relevant rules, actuarial guidance and by applying industry knowledge and experience; • Tested completeness and accuracy of experience analysis data. For a sample, agreed experience analysis data used to source documentation; • Assessed the appropriateness of expert judgments used in the development of the mortality improvement assumptions, including the use of longevity experts and external market studies on areas such as public health, medical advancements, and health and social care; • Assessed management's considerations of the long-term impacts of wider UK mortality trends in the annuitant mortality assumptions; • Assessed management's risk adjustment methodology relative to the compensation required by management for non-financial risk, including the selected confidence level and calibration, as well as testing management's controls over the processes; and • Compared the annuitant mortality assumptions selected by management against those adopted by peers using our annual benchmarking survey of the market (to the extent available). Based on the work performed and the evidence obtained, we consider the assumptions used for annuitant mortality to be appropriate.
Valuation of insurance contract liabilities – Credit default assumptions for illiquid assets (group) *Refer to Group Audit Committee Report, Accounting policy 1.7 Insurance contracts and note 22 Insurance contracts and related reinsurance.* As permitted by IFRS 17, the discount rate for calculating the insurance contract liabilities (future cash flows and risk adjustment) is determined using a 'top-down' approach. In this approach the discount rate is set using the yield on a reference portfolio of assets (based on the actual assets held) with explicit deductions for both expected and unexpected credit default risk. The credit default assumptions are also used to determine the locked-in discount rate based on the target asset mix for new business written in the period (applicable to the contractual service margin). This is a key audit matter because the Group's asset portfolio includes a material amount of illiquid assets for which the determination of credit default assumptions, including consideration of expected and unexpected default risk, requires a significant level of expert judgement.	We performed the following audit procedures to test the credit default assumptions. • Tested the accuracy of asset data used to determine the credit default assumptions. For a sample, agreed asset data used to source documentation and/or market information; • Tested the methodologies used to derive the assumptions (including expected and unexpected credit default risk) with reference to relevant rules and actuarial guidance and by applying our industry knowledge and experience. This also included analysis of any impact of the Solvency II Matching Adjustment Attestation on the credit default assumptions under IFRS 17; • Tested significant assumptions used by management against market observable data (to the extent available and relevant) and our experience of market practices. We have also considered the impact of current economic conditions on levels of expected and unexpected credit default risk; • Performed procedures to obtain comfort over the appropriateness of the credit ratings of the assets. This included engaging our valuation experts to assess the appropriateness of the methodology and assumptions used for a sample of assets, and testing management's oversight, review and challenge of ratings provided by external asset managers; and • Compared the assumptions selected against those adopted by peers using our independent annual benchmarking survey of the market assumptions (to the extent available). Based on the work performed and the evidence obtained, we consider the assumptions used for credit default risk to be appropriate.

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities – Expense assumptions (group) *Refer to Group Audit Committee Report, Accounting policy 1.7 Insurance contracts and note 22 Insurance contracts and related reinsurance.* Future maintenance expenses and expense inflation assumptions are used in the measurement of the insurance contract liabilities. The assumptions reflect the expected future expenses that will be required to maintain the in-force policies at the balance sheet date, including an allowance for project costs and future inflation. In addition, acquisition expenses are also relevant in determining the contractual service margin component of the insurance contract liabilities at point of sale. The assumptions used require judgement, particularly with respect to the allocation of expenses between acquisition, maintenance and other.	We performed the following audit procedures to test the expense assumptions: • Tested the design and operating effectiveness of controls related to the expense assumption process; • Assessed the methodology used by management to derive the assumptions with reference to relevant rules and actuarial guidance and by applying our industry knowledge and experience; • Tested the completeness and accuracy of the total cost base and allocation of expenses to the appropriate cost centre; • Assessed the appropriateness of significant judgements in application of the methodology, including excluded costs (for example, due to costs either not relating to the insurance business or being non-recurring in nature), expected future improvements in efficiency, and the allocation of expenses between acquisition and maintenance and to products. This assessment also considered the appropriateness of the treatment of non-discretionary project spend where we expect these costs to be included in the ongoing cost base; • Assessed the appropriateness of the rate at which expenses are assumed to inflate in the future, taking into account current and future market expectations of both price and earnings inflation; and • Tested the policy counts used in the derivation of per policy expense assumptions and considered whether any adjustments are required to reflect changes in future expected policy volumes, for example, to allow for diseconomies of scale. Based on the work performed and the evidence obtained, we consider the assumptions used for expense assumptions to be appropriate.

Independent auditors' report continued

Key audit matter	How our audit addressed the key audit matter
Valuation of certain hard to value investments (group) *Refer to Group Audit Committee Report, Accounting policy 1.13 Financial investments and note 16 Fair value of financial assets and liabilities.* The valuation of the investment portfolio involves judgement and continues to be an area of inherent risk. The valuation risk is not uniform for all investment types and is greatest for certain hard to value assets categorised as level 3 under the fair value methodology. This is due to the level of complexity involved and the significant judgement required in the selecting and applying of key assumptions and unobservable inputs, and the resulting sensitivities on the reported amounts. The asset classes that we consider for this risk are: 1. Lifetime mortgages (LTM); 2. Loans secured by commercial mortgages; 3. Long income real estate (which includes residential ground rents); and 4. Other illiquid debt instruments. The setting of voluntary redemptions (persistency), as well as key economic assumptions, applied in the valuation of LTMs (including current property values, house price inflation and volatility) are impacted by the uncertainty in the current economic environment.	We performed the following audit procedures in respect of Lifetime Mortgages: • Tested the design and operating effectiveness of controls related to the accuracy and completeness of data used in the modelling of LTMs; • For a sample of mortgages, agreed data used in the modelling of LTMs to policyholder documentation; • Tested the design and operating effectiveness of controls in place over the determination of the valuation of LTMs, including those relating to model inputs, model operation and extraction and consolidation of results from the valuation models; • Engaged our actuarial specialists, applied our industry knowledge and experience to assess the appropriateness of the methodology, models and assumptions used to assess the allowance for the No Negative Equity Guarantee (NNEG) against recognised actuarial practices, including any changes made during the year, taking into account the impact of current economic conditions; • Performed risk-based testing procedures to independently test the actuarial model calculations relating to the NNEG at regular intervals, and tested the analysis of change in modelled results, to assess whether the model continues to operate as expected. • Evaluated the appropriateness of significant economic assumptions, including the property price inflation and property price volatility assumptions used within the valuation process, with reference to market data and industry benchmarks where available, and taking into account the impact of current economic conditions; • Assessed the appropriateness of current property prices derived using the Automated Valuation Model (AVM); • Tested the key judgements involved in the preparation of the manually calculated components of the LTM asset valuation, and the accuracy of the calculations; • Evaluated the historic data used to prepare the mortality, morbidity and voluntary redemptions experience analysis, taking into account the impact of current economic conditions for voluntary redemptions together with industry data on expectations of future mortality improvements and assess whether this supports the assumptions adopted; and • Considered the adequacy of the Group's disclosures in relation to the valuation of LTMs, in particular the sensitivity of the valuations adopted to alternative outcomes. We performed the following audit procedures to test the valuation of other hard to value investments (excluding Lifetime mortgages): • Tested the design and operating effectiveness of management's independent price verification control over private assets within the hard to value investments; • Obtained independent confirmations from third party asset managers (where relevant); • Engaged our valuation experts to perform independent valuations for a sample of commercial mortgages, long income real estate, and other illiquid debt instruments which included assessing the reasonableness and appropriateness of the valuation methodology applied; and investigated any variances outside of our tolerable threshold; • Tested inputs into the valuation to external sources, where possible; and • Tested the disclosures made by management in the financial statements. Based on the work performed and the evidence obtained, we consider the valuation of hard to value investments to be appropriate.
Valuation of the Company's investments in Group undertakings (Company) *Refer to Company accounting policy 1.4 Investments in Group undertakings and note 2 to the Company's financial statements – Investments in Group undertakings.* In the Company's statement of financial position, investments in subsidiaries are reported at cost less impairment. The investments in subsidiaries are the largest assets on the Company's statement of financial position. There is a risk that the carrying value of the investments in subsidiaries exceeds the recoverable amount and therefore an impairment loss should be recognised.	In respect of the carrying value of investments in Group undertakings we have: • Obtained management's assessment of impairment indicators in investments in Group undertakings and tested relevant key inputs; • Based on our understanding of the business we assessed whether there were any indicators of impairment; and • Tested the disclosures made by management in the financial statements. Based on the work performed and the evidence obtained, we consider the carrying amount of the Company's investments in Group undertakings to be appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

Decisions regarding scoping require a significant degree of professional judgement based on quantitative and qualitative considerations, including the size and nature of business activities in each operating entity.

The Group is predominantly based in the United Kingdom and writes business across four main product lines, being Defined Benefit De-risking Solutions, Guaranteed Income for Life Solutions, Lifetime Mortgages and Care Plans. The Group consists of the parent Company, Just Group plc, and a number of subsidiary companies, of which the most significant are Just Retirement Limited and Partnership Life Assurance Company Limited, which conduct substantially all the insurance business on behalf of the Group.

We identified three components which were subject to full scope audits; Just Group plc, Just Retirement Limited and Partnership Life Assurance Company Limited. In addition, we performed limited scope audit procedures on specific financial statement line items for a further five components. For the remaining components, we performed analytical procedures at an aggregated Group level to confirm our assessment that no significant risks of material misstatements were present. Our scoping resulted in 95% coverage of consolidated total assets, 99% coverage of consolidated total liabilities and 91% coverage of consolidated profit before tax.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the governance and process adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the Annual Report.

In addition to enquiries with management, we also read the Group's climate risk assessment documentation, reviewed board minutes and considered disclosures in the Annual Report in relation to climate change (including the Task Force on Climate-related Financial Disclosures ("TCFD")) in order to assess the completeness of management's climate risk assessment.

Management committed to achieving net zero carbon emissions from the Group's operations (Scope 1 and Scope 2) by 2025, and for all emissions across the Group to be net zero by 2050, with a 50% reduction in all emissions by 2030.

The key areas of the financial statements where management evaluated that climate risk has a potential impact are Lifetime Mortgage and investment portfolios, where the value of investments may be affected over time based on market expectations.

We have assessed the risks of material misstatement to the Annual Report as a result of climate change and concluded that for the year ended 31 December 2025, the main audit risks are related to disclosures included within the 'Sustainability: TCFD' sections.

We also considered the consistency of the disclosures in relation to climate change (including the disclosures in the Task Force on Climate-related Financial Disclosures section) within the Annual Report with the financial statements and our knowledge obtained from our audit.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters for the year ended 31 December 2025.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£30,345,000 (2024: £29,920,000).	£11,890,000 (2024: £12,610,000).
How we determined it	1% of Total Equity plus net of tax contractual service margin (CSM).	1% of Total Equity.
Rationale for benchmark applied	In determining our materiality, we considered financial metrics alongside additional non-financial factors such as nature of the group, its industry and the economic environment. The engagement team has considered the primary focus of the users of the financial statements, including shareholders, policyholders and regulators and has determined that an equity-based benchmark would be the most appropriate given the primary focus of the users of the financial statements continues to be the capital position of the Group. In addition, the income statement is driven largely by balance sheet movements in insurance contract liabilities for long-term products. Total equity plus net of tax CSM is considered an indication of the valuation of the current in-force business as it reflects the in-force profits to be released over the duration of the existing contracts.	In determining our materiality, we considered financial metrics which we believed to be relevant and concluded that total equity was the most appropriate benchmark. The primary use of the financial statements is to determine the entity's ability to pay dividends, and the users will therefore be focussed on distributable reserves, a balance captured using a total equity benchmark.

Independent auditors' report continued

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £25,152,500 and £3,747,500. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £22,758,750 (2024: £22,440,000) for the group financial statements and £8,917,500 (2024: £9,457,500) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Group Audit Committee that we would report to them misstatements identified during our audit above £1,517,250 (group audit) (2024: £1,496,000) and £594,500 (company audit) (2024: £630,500) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Obtained the Directors' going concern assessment and challenged the rationale for downside scenarios adopted and material assumptions made using our knowledge of the Group's business performance, review of regulatory correspondence and obtaining further corroborating evidence;
- Considered management's assessment of the regulatory solvency coverage and liquidity position in the forward looking scenarios considered;
- Assessed the impact of severe, but plausible, downside scenarios which removed certain actions which are not necessarily within management's control;
- Reviewed management's assessment of the impact of the offer by Brookfield Wealth Solutions Limited to acquire the Group and any impact on their scenarios;
- Assessed the impact of the factors outlined in Note 27, Financial and insurance risk management, which could erode the Group's capital resources;
- Assessed the liquidity of the Company, including the Company's ability city to pay policyholder obligations, suppliers and creditors as amounts fall due;
- Assessed the ability of the Group and the Company to comply with covenants; and
- Reviewed the disclosures included in the financial statements, including the Basis of Preparation.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Group Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent auditors' report continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA"), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas as described in our key audit matters. Audit procedures performed by the engagement team included:

- Discussions with the Board, management, Internal Audit, senior management involved in the Risk and Compliance functions, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Assessment of matters reported on the Group's whistleblowing register and the results of management's investigation of such matters where applicable;
- Reviewing correspondence with the PRA and FCA in relation to compliance with laws and regulations;
- Meeting with the PRA supervisory team to discuss matters in relation to compliance with laws and regulations;
- Attendance of Audit Committee meetings;
- Reviewing relevant meeting minutes including those of the Board of Directors, Group Audit, Group Risk and Compliance, Investment and Remuneration Committees;
- Reviewing data regarding policyholder complaints, the Group's register of litigation and claims, Internal Audit reports, and Compliance reports in so far as they related to non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Procedures relating to the valuation of life insurance contract liabilities, in particular annuitant mortality, credit default and expense assumptions, and the valuation of certain hard to value investments, described in the related key audit matters;
- Validating the appropriateness of journal entries identified based on our fraud risk criteria; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the company for the financial year ended 31 December 2020. Our uninterrupted engagement covers six financial years.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Philip Watson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

26 February 2026

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Insurance revenue		2,073	1,809
Insurance service expenses		(1,870)	(1,621)
Net expenses from reinsurance contracts		(33)	(39)
Insurance service result	3	**170**	**149**
Interest income on financial assets measured at amortised cost		176	135
Other investment return		1,601	(263)
Investment return		**1,777**	**(128)**
Net finance (expenses)/income from insurance contracts		(1,765)	480
Net finance income/(expenses) from reinsurance contracts		65	(52)
Movement in investment contract liabilities		(5)	(2)
Net investment result	4	**72**	**298**
Other income		17	18
Other expenses	3	(132)	(85)
Other finance costs	5	(245)	(241)
Share of results of associates accounted for using the equity method	31	–	(26)
(Loss)/profit before tax	2	**(118)**	**113**
Income tax income/(expense)	6	19	(33)
(Loss)/profit for the year		**(99)**	**80**
Other comprehensive income/(loss) for the year, net of income tax		**1**	**(6)**
Total comprehensive (loss)/income for the year		**(98)**	**74**
Basic (loss)/earnings per share (pence)	10	(10.7)	6.5
Diluted (loss)/earnings per share (pence)	10	(10.7)	6.5

All (loss)/profit and comprehensive (loss)/income is attributable to equity holders of Just Group plc in all periods presented.

The notes are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

Year ended 31 December 2025	Note	Share capital £m	Share premium £m	Other reserves £m	Retained earnings[1] £m	Tier 1 notes £m	Total equity excluding NCI £m	Non-controlling interest £m	Total £m
At 1 January 2025		**104**	**95**	**944**	**(219)**	**322**	**1,246**	–	**1,246**
Loss for the year		–	–	–	**(99)**	–	**(99)**	–	**(99)**
Other comprehensive income for the year, net of income tax		–	–	–	**1**	–	**1**	–	**1**
Total comprehensive loss for the year		–	–	–	**(98)**	–	**(98)**	–	**(98)**
Contributions and distributions									
Dividends	11	–	–	–	(28)	–	(28)	–	(28)
Interest paid on Tier 1 notes (net of tax)	21	–	–	–	(12)	–	(12)	–	(12)
Share-based payments reserve credit (net of tax)		–	–	–	16	–	16	–	16
Transactions in shares held by trusts		–	–	–	(14)	–	(14)	–	(14)
Total contributions and distributions		**–**	**–**	**–**	**(38)**	**–**	**(38)**	**–**	**(38)**
At 31 December 2025		**104**	**95**	**944**	**(355)**	**322**	**1,110**	**–**	**1,110**

Year ended 31 December 2024	Note	Share capital £m	Share premium £m	Other reserves £m	Retained earnings[1] £m	Tier 1 notes £m	Total equity excluding NCI £m	Non-controlling interest £m	Total £m
At 1 January 2024		**104**	**95**	**943**	**(259)**	**322**	**1,205**	**(2)**	**1,203**
Profit for the year		**–**	**–**	**–**	**80**	**–**	**80**	**–**	**80**
Other comprehensive loss for the year, net of income tax		–	–	(2)	(4)	–	(6)	–	(6)
Total comprehensive income for the year		**–**	**–**	**(2)**	**76**	**–**	**74**	**–**	**74**
Contributions and distributions									
Dividends	11	–	–	–	(23)	–	(23)	–	(23)
Interest paid on Tier 1 notes (net of tax)	21	–	–	–	(12)	–	(12)	–	(12)
Share-based payments reserve credit (net of tax)		–	–	–	9	–	9	–	9
Transactions in shares held by trusts		–	–	3	(7)	–	(4)	–	(4)
Total contributions and distributions		**–**	**–**	**3**	**(33)**	**–**	**(30)**	**–**	**(30)**
Acquisition of non-controlling interest		–	–	–	(3)	–	(3)	2	(1)
Total changes in ownership interests		**–**	**–**	**–**	**(3)**	**–**	**(3)**	**2**	**(1)**
At 31 December 2024		**104**	**95**	**944**	**(219)**	**322**	**1,246**	**–**	**1,246**

1 Includes currency translation reserve of £5m (31 December 2024: £5m).

The notes are an integral part of these financial statements.

Consolidated Statement of Financial Position

as at 31 December 2025

	Note	31 December 2025 £m	31 December 2024 £m
Assets			
Intangible assets	12	47	40
Property and equipment	13	34	20
Investment property	14	29	27
Financial investments	15	37,273	34,390
Investments accounted for using the equity method	31	114	119
Reinsurance contract assets	22	2,055	2,067
Deferred tax assets	17	416	387
Current tax assets		–	1
Prepayments and accrued income		13	14
Other receivables		35	49
Cash available on demand	18	758	808
Total assets		**40,774**	**37,922**
Equity			
Share capital	19	104	104
Share premium	19	95	95
Other reserves	20	944	944
Retained earnings		(355)	(219)
Total equity attributable to shareholders of Just Group plc		**788**	**924**
Tier 1 notes	21	322	322
Total equity attributable to owners of Just Group plc		**1,110**	**1,246**
Liabilities			
Insurance contract liabilities	22	31,386	27,753
Reinsurance contract liabilities	22	125	94
Investment contract liabilities	23	50	42
Loans and borrowings	24	682	839
Payables and other financial liabilities	25	7,344	7,889
Accruals and provisions	29	77	59
Total liabilities		**39,664**	**36,676**
Total equity and liabilities		**40,774**	**37,922**

The notes are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 February 2026 and were signed on its behalf by:

Mark Godson
Director

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash flows from operating activities			
(Loss)/profit before tax		(118)	113
Adjustments for:			
Depreciation / amortisation	12, 13	7	4
Share of results from associates		–	26
Share-based payments		(1)	1
Interest income	4	(1,378)	(1,217)
Interest expense	5	245	241
Change in operating assets and liabilities:			
Net increase in financial investments		(3,358)	(4,247)
Decrease/(increase) in net reinsurance contracts balance		43	(955)
Decrease/(increase) in prepayments and accrued income		1	(2)
Decrease in other receivables		14	10
Increase in insurance contract liabilities		3,633	3,622
Increase in investment contract liabilities		8	7
Increase in accruals and provisions		18	9
(Decrease)/increase in net derivative liabilities, financial liabilities and other payables		(734)	2,101
Interest received		1,293	1,151
Taxation paid		–	(1)
Net cash (outflow)/inflow from operating activities		**(327)**	**863**
Cash flows from investing activities			
Payments for acquisition of property and equipment	13	(19)	(4)
Payments for acquisition of subsidiary net of cash acquired	12	(9)	–
Dividends received from associates		5	4
Net cash outflow from investing activities		**(23)**	**–**
Cash flows from financing activities			
Proceeds on issue of borrowings (net of costs)	24	–	398
Payment on redemption of borrowings	24	(155)	(256)
Payment for acquisition of non-controlling interests		–	(1)
Dividends paid	11	(28)	(23)
Coupon paid on Tier 1 notes	11	(16)	(16)
Interest paid on borrowings		(57)	(48)
Payment of lease liabilities – principal		(2)	(2)
Net cash (outflow)/inflow from financing activities		**(258)**	**52**
Net (decrease)/increase in cash and cash equivalents		**(608)**	**915**
Foreign exchange differences on cash balances		–	(2)
Cash and cash equivalents at 1 January		2,600	1,687
Cash and cash equivalents at 31 December		**1,992**	**2,600**
Cash available on demand		758	808
Units in liquidity funds		1,234	1,792
Cash and cash equivalents at 31 December	18	**1,992**	**2,600**

The notes are an integral part of these financial statements.

Notes to the Consolidated Financial Statements

1. Material Accounting Policies

General information

Just Group plc (the "Company") is a public company limited by shares, incorporated and domiciled in England and Wales with equity and debt securities registered on the London Stock Exchange at the end at 31 December 2025. The Company's registered office is Enterprise House, Bancroft Road, Reigate, Surrey, RH2 7RP.

1.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the disclosure guidance and transparency rules sourcebook of the United Kingdom's Financial Conduct Authority applicable to companies with a premium listing on the London Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, certain financial assets and financial liabilities (including derivative instruments and investment contract liabilities) and investment properties at fair value and the accounting for the remeasurement of insurance and reinsurance contracts as required by IFRS 17. Unless otherwise stated, values are expressed to the nearest £1m.

Going concern

A going concern assessment has been undertaken and having completed this assessment, the Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for a period of not less than 12 months from the date of approval of this report and that there is no material uncertainty in relation to going concern. Accordingly, the going concern basis continues to be applied in preparing these financial statements and it remains appropriate to value assets and liabilities on the assumption that there are adequate resources to continue in business and meet obligations as they fall due. The Directors considered the findings of the work performed to support the long-term viability statement of the Group in the Risk management section, which is undertaken together with the going concern assessment.

This assessment includes the consideration of the Group's business plan approved by the Board; the projected solvency and liquidity positions of the Company and the Group, impacts of economic stresses, current financing arrangements, contingent liabilities, and a range of forecast scenarios with differing levels of new business and associated additional capital requirements to write anticipated levels of new business. Over the time periods assessed, the Group does not consider there to be any material uncertainty arising from climate-related risk. Further information regarding the Group's exposure to physical and transition risks of climate change is included in the Strategic report disclosures on the TCFD disclosure framework.

The Group has a robust liquidity framework designed to withstand a range of "worst case" 1-in-200-year historic liquidity events. The Group's liquid resources include an undrawn revolving credit facility of up to £400m for general corporate and working capital purposes. The Group's business plan indicates that liquidity headroom will be maintained above the Group's borrowing facilities and financial covenants will be met throughout the going concern period.

The Group complies with the requirements of Solvency II, including maintaining eligible capital resources in excess of the Solvency Capital Requirement ("SCR") measured to absorb 1-in-200 year stress tests over the next years' time horizon.

The resilience of the solvency capital position has been tested under a range of adverse scenarios, before and after management actions within the Group's control, which consider the possible impacts on the Group's business, including stresses to risk-free rates, UK residential property prices, house price inflation, the credit quality of assets and mortality rates. Eligible own funds exceeded the minimum capital requirement in all these scenarios. Please refer to note 34 for the financial impact of Government announced leasehold reform, which has not impacted conclusions regarding going concern.

The Group has also considered the potential impact of the offer by Brookfield Wealth Solutions Ltd ("BWS") to acquire the Group, which was approved by the Company shareholders on 19 September 2025 and is subject to a number of conditions, a key one of which is regulatory approval to the change of control. In this going concern assessment the Directors considered BWS's intentions set out in the firm intention announcement (under Rule 2.7 of the Code) made on 31 July 2025 regarding the Group's strategy, growth plans, senior management, brand and operational footprint. The Group's existing loans and borrowings are not subject to change of control clauses that would trigger redemption. The Group's current senior management will lead the combined UK Group and BWS endorses the Group's existing strategy. On the basis of the publicly stated intentions the Directors believe they have sufficient visibility to be able to assess the going concern position should the planned transaction proceed and have concluded that the proposed acquisition will not have any significant adverse impact on the conclusions reached regarding going concern of the Group.

1.2. New accounting standards and new material accounting policies

There have been no changes in accounting standards during the year that have a material impact on the Group. The following new accounting standards are in issue but not endorsed yet. These have not yet been adopted and are not expected to have a significant impact on the results within the financial statements:

- Annual improvements to IFRS Accounting standards – volume 11 (effective 1 January 2026). This includes minor clarifications to IFRS 7 'Classification and Measurement of Financial Instruments', IFRS 9 Financial instruments', IFRS 10 'Consolidated financial statements' and IAS 7 'Statement of cash flows'.
- Amendments to IFRS 9 & IFRS 7 (effective 1 January 2026). These provide additional application guidance regarding recognition and derecognition of financial instruments including an exception regarding electronic payments, guidance regarding assessment of the solely payments of principal and interest criteria, plus updates to disclosure requirements.

- IFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027). IFRS 18 introduces new requirements on presentation and disclosures in the financial statements, primarily focused on (i) requiring additional defined subtotals in the statement of profit or loss; (ii) requiring disclosures about management-defined performance measures and (iii) adding new principles for the grouping of information. As a presentation and disclosure standard, the Group does not expect financial impacts as a result of adoption, however, initial views on the potential implications on the presentation of the financial statements include the following:
  - The statement of profit and loss requires grouping of items into categories, operating, investing and financing. The main business activity of the group is both investing in assets and providing insurance and therefore the majority of income and expenses will be included within operating activities.
  - Management-defined performance measures will now be included within the notes of the financial statements alongside greater disclosure surrounding the importance of the measure, alongside a reconciliation to the most directly comparable subtotal within the primary statements.

1.3. Material accounting policies and the use of judgements, estimates and assumptions

The preparation of financial statements requires the selection of accounting policies and making estimates and judgements. All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and predictions of future events and actions. Actual results may differ significantly from those estimates.

The major areas of judgement applied as part of accounting policy application are summarised below.

Note	Item involving judgement	Critical accounting judgement
1.7	Selection of the top-down approach and identification of the reference portfolio used to determine the discount rate for insurance and reinsurance contracts	An election to apply the top-down approach for the determination of discount rate for insurance and reinsurance contracts has been made. Discount rates are determined based on a reference portfolio of assets and allow for deductions for credit risk (both expected and unexpected). Management have exercised judgement in identifying the reference portfolio which is based upon the actual asset portfolio backing the net of reinsurance future cash flows and risk adjustment and is adjusted in respect of new contracts incepting in the period to allow for a period of transition from the actual asset holdings to the target portfolio where necessary. No adjustment for liquidity differences between the reference portfolio and the liabilities is made. For calculation of the Contractual Service Margin ("CSM") at the inception of contracts, discount rates are based on the yields from a reference portfolio assumed to be represented by the current target portfolio mix based on the latest investment strategy. A consistent approach is applied in determining the discount rates used to calculate the reinsurance CSM and those used for the underlying business.
1.7, 22	Calibration of risk adjustment for insurance contract liabilities and reinsurance assets and liabilities	Future cash flows are adjusted by the risk adjustment for non-financial risk representing the level of compensation required for bearing the uncertainty regarding the amount and timing of the cash flows that arise from non-financial risk. Judgement is applied in calibrating the risk adjustment using an appropriate confidence interval. The risk adjustment is calibrated to provide a 70% level of confidence that longevity, expense and insurance contract specific operational risks will be covered by the liabilities when viewed over the lifetime of the contracts and is used as a core parameter within the pricing framework when assessing the profitability of new business. The reinsurance risk adjustment represents the extent to which non-financial risks are transferred to reinsurers and is measured using the same calibrations as applied to the underlying contracts.
1.7, 22	Determination of the weighting of coverage units for phasing the recognition of CSM in profit or loss	Coverage units for phasing the recognition of CSM in profit or loss are determined by the type of service provided. Coverage units are defined as follows: • In the deferred phase of Defined Benefit policies, investment return service coverage units are represented by the return on the funds backing the future cash flow liability in this accumulation phase. Insurance service in this phase is considered insignificant. • In the guaranteed phase of Defined Benefit and Guaranteed Income for Life policies, when payments outwards are being made regardless of any insurance event, investment return service is represented by the payments to annuitants. • In the life contingent phase of all policies, insurance service is represented by payments to annuitants, as confirmed by the IASB Interpretation Committee ("IFRIC") in 2022 agenda item "Transfer of Insurance Coverage under a Group of Annuity Contracts (IFRS 17 Insurance Contracts)". A judgement that the value of services provided to policyholders is broadly equivalent across the different phases in the life of contracts has been made. As such, coverage units are weighted based on the probability of the policy being in force.

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.3. Material accounting policies and the use of judgements, estimates and assumptions continued

The major areas of judgement applied as part of accounting policy application are summarised below (continued)

Note	Item involving judgement	Critical accounting judgement
1.13	Assessment whether a market is active and the selection of an appropriate measurement model to determine the fair value of financial assets where the market is not active	Management exercises judgement in determining whether there is an active market for a particular security and the selection of the appropriate valuation technique where the market is not active. The valuation model to fair value the No-Negative Equity Guarantee ("NNEG") associated with Lifetime Mortgages ("LTMs") is a variant of the Black-Scholes option pricing formula with real world assumptions. Real world assumptions are used instead of risk neutral assumptions due to the lack of relevant observable market inputs to support a risk neutral valuation approach.

The table below sets out the significant estimates and assumptions and other estimates applied in measuring assets and liabilities.

Note	Significant estimate	Description
1.7, 22	Measurement of insurance contract liabilities using assumptions for mortality, expenses, discount rates	The measurement of insurance liabilities is determined by the present value of estimates of the projected future annuity payments and the cost of administering payments to policyholders. The key assumptions used in the determination of future cash flows are mortality and annuity escalation assumptions and the level and inflation of costs of administration. Mortality assumptions are derived from the appropriate standard mortality tables, adjusted to reflect the future expected mortality experience of the policyholders. Estimates of future expenses that are directly attributable to maintenance of insurance contracts are determined from expense analyses and are assumed to inflate at market-implied rates. Discount rates are based on estimates of the yield of a reference portfolio including deductions for allowances for expected and unexpected credit risks. Factors that may affect future levels of defaults, including historic trends and current spread levels, are closely monitored when determining deductions for credit risk.
1.7, 22	Measurement of reinsurance contracts using assumptions for mortality, discount rates and credit default risk	The measurement of the value of reinsurance assets and liabilities is determined by the present value of estimates of the projected future cash flows arising from the reinsurers' share of the underlying insurance liabilities including the risk adjustment. The key assumptions used in the valuation include mortality experience, discount rates and assumptions around the reinsurers' ability to meet their claims obligations. Mortality assumptions and discount rates are derived consistently with the approach described above for insurance contract liabilities. Allowance is made for reinsurer credit default risk based on the net balance held with the reinsurer after allowing for collateral arrangements.
1.13, 16(a) 16(d)	Measurement of fair value of LTMs, including measurement of the NNEG	The measurement of LTMs includes estimates of the projected future receipts of interest and loan repayments and the costs of administering the portfolio. The key assumptions used as part of the valuation calculation include future residential property prices and their volatility, mortality, the rate of voluntary redemptions and the liquidity premium added to the swap curve and used to discount the mortgage cash flows. In addition, the costs of administering the loan portfolio are estimated using assumptions for future policy expense levels.
16	Measurement of fair value of other illiquid financial investments	The fair value of other illiquid investments are estimated using discounted cash flow valuation approaches and pricing from asset managers and other third party pricing sources. Discounted cash flow models include assumptions regarding unobservable inputs where the market is not active. The assumptions for unobservable inputs include credit spreads and also credit ratings for privately-rated assets used in determining the discount rate for such investments. The valuation of residential ground rents reflects the uncertainty that existed at the balance sheet date regarding the outcome of the Government consultation on leasehold reform. The new proposal set out in the 27 January 2026 policy statement is deemed to be a non-adjusting post balance sheet event. See note 34 for further details.

1.4. Consolidation principles

The consolidated financial statements incorporate the assets, liabilities, results and cash flows of the Company and its subsidiaries, joint ventures and associates. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between Group companies are eliminated on consolidation.

Subsidiaries are those investments over which the Group has control. The Group has control over an investee if all of the following are met:

- it has power over the investee;
- it is exposed, or has rights, to variable returns from its involvement with the investee; and
- it has the ability to use its power over the investee to affect its own returns.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are excluded from consolidation from the date on which control ceases. Accounting policies of subsidiaries are aligned on acquisition to ensure consistency with Group policies.

The Group uses the acquisition method of accounting for business combinations. Under this method, the cost of acquisition is measured as the aggregate of the fair value of the consideration at the date of acquisition and the amount of any non-controlling interest in the acquiree. The excess of the consideration transferred over the identifiable net assets acquired is recognised as goodwill.

The Group uses the equity method of accounting to consolidate its investments in joint ventures and associates. Under the equity method the investment is initially recognised at fair value and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the joint ventures and associates.

1.5. Segments

The Group's segmental results are presented on a basis consistent with internal reporting used by the Chief Operating Decision Maker ("CODM") to assess the performance of operating segments and the allocation of resources. The CODM has been identified as the Group Executive Committee.

An operating segment is a component of the Group that engages in business activities from which it derives income and incurs expenses. The results of operating segments that do not meet the Reportable segment criteria within IFRS 8 "Operating segments" are not disclosed on a standalone basis and are combined when determining reportable segments.

1.6. Foreign currencies

Transactions in foreign currencies are translated to sterling at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The assets and liabilities of foreign operations are translated to sterling at the rates of exchange at the reporting date. The revenues and expenses are translated to sterling at the average rates of exchange for the year. Foreign exchange differences arising on the translation of foreign operations to sterling are accounted for through other comprehensive income.

1.7. Insurance contracts

The General Measurement Model is used to measure all insurance and reinsurance contracts.

1.7.1 Contract classification of insurance and investment contracts

The measurement and presentation of assets, liabilities, income and expenses arising from retirement income contracts issued and associated reinsurance contracts held is dependent upon the classification of those contracts as either insurance or investment contracts.

A contract is classified as insurance only if it transfers significant insurance risk. Classification is determined at initial recognition and not subsequently reassessed. The primary products written by the Group include Defined Benefit ("DB") and Guaranteed Income for Life ("GIfL") contracts which are classified as insurance contracts.

Any contracts not considered to be insurance contracts are classified as investment contracts. IFRS 17 includes an election to treat LTMs as either financial instruments or insurance contracts, the Group has chosen to report LTMs as financial assets, measured at FVTPL in accordance with IFRS 9.

IFRS 17 is only applied to insurance and reinsurance contracts and not to any other ancillary agreements which represent the provision of distinct non-insurance services including LTM servicing as part of reinsurance arrangements.

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.7. Insurance contracts continued

1.7.2 Recognition

A group of insurance contracts are recognised from the earliest of the following dates:

- The date of the beginning of the insurance coverage period of the group of contracts.
- The date when the first payment from a policyholder in the group becomes due.
- The date when facts and circumstances indicate that the group to which an insurance contract will belong is onerous.

Premiums are considered to be due and the policy is "on risk" only after a contract with a policyholder has been completed. New contracts are added to the annual cohort group when they are issued, provided that all contracts in the group are issued in the same financial year.

Reinsurance is recognised from the start of the period during which coverage is received for claims arising from the reinsured portions of the underlying insurance contracts. From time to time reinsurance coverage may be transacted in respect of underlying contracts already in force, in which case recognition is from the date of the reinsurance contract.

A group of contracts acquired as part of a business transfer is recognised as at the date of acquisition.

1.7.3 Level of aggregation

Insurance contracts may be negotiated as a suite of legal arrangements which are combined into a single insurance contract where these are designed to achieve an overall commercial effect. This applies to certain DB schemes. In addition, framework agreements have been established with reinsurers in order to facilitate the execution of subsequent DB scheme reinsurance contracts. These contracts are not combined into a single contract as they are individually negotiated and not designed to achieve an overall commercial effect.

The unit of account for measurement purposes is a group of contracts. Within each legal entity, portfolios of insurance contracts comprise contracts that are subject to similar risks, and are managed together. Risks included in this assessment comprise both risks transferred from the policyholder and other business risks. For this purpose, DB, GIfL, and Care contracts have been determined to represent a single portfolio of contracts that are managed together and subject to primarily longevity and financial risk.

The single annual portfolio for reporting purposes is divided into three groups:

- contracts that are onerous on initial recognition, if any;
- contracts that have no significant likelihood of becoming onerous, if any; and
- any remaining contracts in the portfolio.

Contracts within the single portfolio that would otherwise fall into different groups are included in the same group where law or regulation specifically constrains the practical ability to set a different price or level of benefits for policyholders with different characteristics. This applies to contracts issued in the UK that are required by regulation to be priced on a gender-neutral basis.

Each group of insurance contracts is further divided by year of issue for calculation of the CSM. The resulting groups represent the level at which the recognition and measurement accounting policies are applied. The groups are established on initial recognition and their composition is not reassessed subsequently. On inception, the determination of profitability grouping is made based on new business margin for individual GIfL and Care contracts, and based on capital strain for DB scheme contracts.

Reinsurance treaties are allocated to portfolios depending on whether they transfer longevity and financial (inflation and/or investment) risk or longevity risk alone. Reinsurance CSM is computed separately for each reinsurance treaty for each annual cohort.

1.7.4 Contract boundaries

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the current reporting period under which there is a substantive obligation to provide services or be compelled to pay reinsurance premiums, or the reinsurer can be compelled to pay claims.

1.7.5 Initial measurement

On initial recognition, a group of profitable insurance contracts are measured as the total of:

- the fulfilment cash flows; and
- the CSM, if a positive value.

Fulfilment cash flows, which comprise estimates of current and future cash flows, are adjusted to reflect the time value of money and associated financial risks, and a risk adjustment for non-financial risk. These calculations are maintained at contract level for GIfL and Care business, and at DB scheme member level. The estimate of present value of future cash outflows are quantified at the discount rates applicable at recognition date of contracts.

Fulfilment cash flows include payments to policyholders and directly attributable expenses that are incurred in fulfilling contracts (maintenance expenses) comprise of both direct costs and an allocation of fixed and variable overheads. Any maintenance expenses are considered to be directly attributable if they are required to be incurred to enable the insurance entities to continue to operate as insurance companies maintaining the contracts in force.

Directly attributable acquisition costs are costs incurred in the selling, underwriting and commencing of insurance contracts and are included as insurance acquisition cash flows.

Directly attributable expenses, both acquisition and maintenance, are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. Directly attributable costs include investment management expenses if they are in respect of investment activities from which the expected investment returns are considered in setting the price at outset for the policyholder benefits. The risk adjustment for non-financial risk for a group of insurance contracts is the compensation required for bearing uncertainty regarding the amount and timing of the cash flows that arise from non-financial risk.

The policies and methodologies used for the determination of the discount rate and the risk adjustment are included within note 22(b).

The CSM of a group of insurance contracts represents the unearned profit that will be recognised as services are provided under those contracts. The CSM is recognised at point of sale based on the value of the fulfilment cash flows, and directly attributable acquisition expenses.

A group of insurance contracts is not onerous on initial recognition if the total of the fulfilment cash flows, any derecognised assets for insurance acquisition cash flows, and any cash flows arising at that date is a net inflow. In this case, the CSM recognised at point of sale is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total of the fulfilment cash flows is a net outflow, then the CSM grouping of contracts is considered to be onerous. The full value of the fulfilment cash flows is recognised as an insurance contract liability, and the net outflow is recognised as a loss component in profit or loss on initial recognition. Reversals of loss components following re-projection of future cash flows are recognised in profit or loss only to the extent that they reverse the loss previously recorded in profit or loss, with any further amounts recognised on the balance sheet by creation of a CSM. The value of the run-off of the loss component as policyholder benefits are paid is excluded from insurance revenue.

1.7.6 Subsequent measurement

The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises:

- the fulfilment cash flows that relate to services that will be provided under the contracts in future periods; and
- any remaining CSM at that date.

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Outstanding balances due from or to policyholders and intermediaries are also included within this balance.

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.7. Insurance contracts continued

1.7.6 Subsequent measurement continued

For insurance contracts, the carrying amount of the CSM at the end of each period is the carrying amount at the start of the period, adjusted for:

- the CSM of any new contracts that are added to the group in the period;
- interest accreted on the carrying amount of the CSM during the period, measured at the discount rates determined on initial recognition of the group of contracts;
- changes in fulfilment cash flows that relate to future services, except to the extent that:
  - the changes are due to financial risk in policyholder cash flows compared with expectations, for example inflation;
  - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in the profit or loss account and creates a loss component; or
  - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss account;
- the amount recognised as insurance revenue in respect of services provided in the period.

Changes in fulfilment cash flows that relate to future services and accordingly adjust the CSM comprise:

- premium adjustments, such as DB true-ups (which can be both positive and negative) to the extent that they relate to future coverage;
- changes in estimates of the present value of future cash flows in the liability for remaining coverage that do not relate to the effects of time value of money and financial risk; and
- changes in the risk adjustment for non-financial risk that relate to future services.

A weighted average discount rate curve is used for accreting interest on the CSM and for calculating movements in the CSM due to changes in fulfilment cash flows relating to future service. This separate "locked-in" discount rate curve is determined for each annual cohort at the end of the cohort's first year and then does not change throughout the remainder of life of the group of contracts. The allowance for benefit inflation within the CSM calculation uses the locked-in inflation assumptions prospectively, with actual inflation experience recognised in the period up to the measurement date. The effect of changes to the related estimate of the present value of future cash flows and risk adjustment balances caused by changes in discount rates and benefit inflation are recognised as insurance finance income or expenses within profit or loss.

The CSM of each group of contracts is calculated on a cumulative year to date basis, rather than being locked in at each interim reporting period.

1.7.7 Coverage units

The pattern of recognition of the CSM in profit and loss over the contract term is based on coverage units which represent the services that are received by the policyholder.

The following services are provided to policyholders for which coverage units are defined:

- investment return service when a policyholder is in the deferred or guarantee phase; and
- insurance coverage services when a policyholder is in the in-payment period for annuitants.

A weighting is applied to the different types of coverage unit in order to calculate an aggregate value of the proportion of the CSM balance that is to be released. The Group uses the probability of the policy being in force in each time period for weighting coverage units. This weighting reflects management's view that the value of services provided to policyholders is broadly equivalent across the different phases over the term of contracts. The weightings applied are updated each period for changes in life expectancies of policyholders.

The coverage units and the weightings used to combine coverage units are discounted using the locked-in discount rates and financial risk assumptions as at inception of the contracts.

1.7.8 Reinsurance contracts

Reinsurance contracts are measured using accounting policies consistent with those described above for underlying contracts. Measurement of the estimates of the present value of future cash flows use assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

Discount rates are derived consistently with the approach described in 1.3 above for gross insurance contracts with the following adjustments:

- In instances where reinsurance cover is in place when underlying contracts are written, the reinsurance CSM is calculated using discount rates as at the start of the relevant treaty notice period.
- In instances where reinsurance is transacted subsequently to the underlying business being written, the reinsurance CSM is calculated using discount rates as at the start date of the reinsurance treaty.

On initial recognition, the CSM of a group of reinsurance contracts represents the net cost or net gain on purchasing reinsurance. Reinsurance contracts cannot be onerous. The initial CSM is measured as the equal and opposite amount of the total of the reinsurance fulfilment cash flows recognised in the period including any cash flows arising at that date. However, if any net cost on purchasing reinsurance coverage relates to insured events that occurred before the purchase, the cost is recognised immediately in profit or loss as an expense.

The level of aggregation for CSM calculation purposes is described in 1.7.3 above.

The carrying amount of the reinsurance CSM at the end of each period is the carrying amount at the start of the year, adjusted for:

- the CSM of reinsurance ceded in the period;
- interest accreted on the CSM during the period, measured at the discount rates determined on initial recognition;
- changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, except to the extent that a change results from a change in fulfilment cash flows allocated to a group of underlying insurance contracts that does not adjust the CSM of the group of underlying contracts, in which case the change is recognised in profit or loss;
- any reinsurance recovery, or reversal thereof, recognised in connection with a loss component on underlying contracts calculated based on the reinsurance quota share; and
- the amount representing either the cost or gain of services received from reinsurance in the period.

The allowance for benefit inflation within the CSM calculation uses the locked-in inflation assumptions prospectively, with actual inflation experience recognised in the period up to the measurement date.

The coverage units for the release of the reinsurance CSM in profit and loss are based on the cash flows associated with the risk transferred to the reinsurer, this includes “variable leg” reinsurance claim cash flow values.

1.7.9 Derecognition and contract modification

An insurance contract is derecognised when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled. It also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then changes in cash flows caused by the modification are treated as changes in estimates of fulfilment cash flows.

On the derecognition of a contract from within a group of contracts, the fulfilment cash flows, CSM and coverage units of the group are adjusted to reflect the removal of the contract that has been derecognised.

Two main types of contract modification are transacted which are not normally expected to result in derecognition as they do not result in changes to classification, profitability groupings, contract boundaries or accounting treatment:

- transition of DB schemes from Buy-in to Buy-out is anticipated within the original contracts and is therefore not treated as modifications; and
- from time to time, terms and conditions of reinsurance treaties are amended for revision to fees, level of quota shares and minor benefit simplification which do not have a significant impact on the treaties.

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.7. Insurance contracts continued

1.7.10 Presentation

The Group only writes types of annuity insurance business which are similar in risk profile and are managed together. The small protection portfolio, which is in run-off, is considered immaterial and is aggregated with the annuity business and reported as a single portfolio.

Aggregated reinsurance portfolio balances may be either assets or liabilities in the statement of financial position.

Income and expenses from insurance contracts are presented separately from income and expenses from reinsurance contracts. Income and expenses from reinsurance contracts, other than reinsurance finance income or expenses, are presented on a net basis as "net expenses from reinsurance contracts" in the insurance service result.

An election has been made to disaggregate the change in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses.

1.7.10.1 Insurance revenue

Insurance revenue is recognised as performance obligations are satisfied – i.e. as coverage or other services are provided under groups of insurance contracts through the payment of annuities and expenses. Insurance revenue includes recognition of compensation for expected levels of claims and other insurance service expenses based on the assumptions within the opening liability for future cash flows excluding the value of investment components and other non-insurance components.

The proportion of the CSM balance recognised as insurance revenue in each period is based on the proportion of insurance contract services provided in the period compared with the value of services expected to be provided in future periods using coverage units as described in 1.7.7.

Acquisition costs are deducted from the CSM at point of sale, with the result that as the CSM is released, there will be an implicit allowance for acquisition costs made each year over the life of contracts. A portion of premiums that relate to recovery of insurance acquisition cash flows is allocated to each period in a systematic way based on CSM coverage units. Insurance revenue and insurance service expenses are grossed up by this annual value of acquisition expenses in order that the full value of the premium is recognised as insurance revenue over the lifetime of contracts.

1.7.10.2 Insurance service expenses

Insurance service expenses arising from groups of insurance contracts comprise incurred claims (excluding repayments of investment components); maintenance expenses; amortisation of insurance acquisition cash flows; and the impact of changes that relate to either past service (changes in fulfilment cash flows relating to the liability for incurred claims) or future service (loss component).

1.7.10.3 Investment component

Policyholder cash flows that will occur regardless of an insurance event are deemed to be "investment components" or other non- insurance components (such as a premium refund) or a combination. This includes guarantees offered to policyholders which provide for annuity payments to continue after death until the policy reaches a predetermined anniversary of its start date (the guarantee period), tax-free cash payments that DB scheme members may select at retirement, and payments on surrenders and transfers to other retirement schemes. All investment components are regarded as non-distinct as they only exist as a result of the underlying insurance contract, and are measured consistently with future insurance cash flows included in the estimate of present value of future cash flows. The value of payments made within investment components and other non-insurance payments are excluded from both insurance revenue and expenses. Reinsurance contracts are aggregated at a treaty level, therefore any cash flows from reinsurance groups of contracts will have a variable component, as a result no investment component is recognised on reinsurance cash flows.

1.7.10.4 Loss component

A loss component is established for the liability for remaining coverage for onerous groups of insurance contracts, if any. The loss component represents the amount of fulfilment cash outflows that exceed the premium income, and hence are excluded from insurance revenue. Loss components are recognised within insurance service expenses when they occur. The run-off of the loss component element of the liability for remaining coverage is determined based on coverage units (as used for CSM amortisation) such that the loss component is nil at the end of the contracts.

Once a loss component is established, changes in estimates of cash flows relating to future services are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

1.8. Finance costs

Finance costs include interest on financial liabilities held at amortised cost which include loans and borrowings and certain repurchase agreements. Interest is recognised applying the effective interest method and recognised as an expense each year over the term of the liability. The effective interest rate calculation includes the impact of capitalised transaction costs and any premium/discount associated with borrowings.

1.9. Employee benefits

Defined contribution plans

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in funds managed by a third party. Obligations for contributions to the defined contribution pension scheme are recognised as an expense in profit or loss when due.

Share-based payment transactions

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at grant date, determined using stochastic and scenario-based modelling techniques where appropriate. The fair value of each scheme, based on the Group's estimate of the equity instruments that will eventually vest, is expensed on a straight-line basis over the vesting period, with a corresponding credit to equity.

At each reporting date, the Group revises its estimate of the number of equity instruments that will eventually vest as a result of changes in non-market-based vesting conditions, and recognises the impact of the revision within expenses over the remaining vesting period, with a corresponding adjustment to equity. Where a leaver is entitled to their scheme benefits, this is treated as an acceleration of the vesting in the period they leave. Where a scheme is modified before it vests, any increase in fair value as a result of the modification is recognised over the remaining vesting period. Where a scheme is cancelled, this is treated as an acceleration in the period of the vesting of all remaining options. Where there is a change in the expected vesting date and / or amount of options that are expected to vest, the impact of the change is recognised over the revised remaining vesting period.

1.10. Intangible assets

Goodwill is measured as the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary and represents the future economic benefit arising from assets that are not capable of being individually identified and separately recognised. Goodwill is subsequently measured at the initial value less any accumulated impairment losses. Goodwill is not amortised but assessed for impairment annually or when circumstances or events indicate there may be uncertainty over the carrying value.

For the purpose of impairment testing, goodwill has been allocated to cash-generating units and an impairment is recognised when the carrying value of the cash-generating unit exceeds its recoverable amount. Impairment losses are recognised as an expense and are not subsequently reversed.

Other intangible assets are recognised if it is probable that future economic benefits attributable to the asset will flow to the Group, and are measured at cost less accumulated amortisation and any impairment losses. For intangible assets with finite useful lives, impairment testing is performed where there is an indication that the carrying value of the assets may be subject to an impairment. An impairment loss is recognised where the carrying value of an intangible asset exceeds its recoverable amount.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Group are capitalised and recognised as an intangible asset. Direct costs include the incremental software development team's employee costs. All other costs associated with researching or maintaining computer software programmes are recognised as an expense as incurred.

Intangible assets with finite useful lives are amortised on a straight-line basis over their useful lives, up to 15 years. The useful lives are determined by considering relevant factors, such as usage of the asset, potential obsolescence, competitive position and stability of the industry.

The useful economic life and the method used to determine the cost of intangible assets acquired in a business combination is as follows:

Intangible asset	Estimated useful economic life	Valuation method
Intellectual property	12–15 years	Estimated replacement cost

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.10. Intangible assets continued

The useful economic lives of intangible assets recognised by the Group other than those acquired in a business combination are as follows:

Intangible asset	Estimated useful economic life
PrognoSys™ [1]	12 years
Software	3 years

1 PrognoSys™ is the Group's proprietary underwriting engine; see note 12.

1.11. Property and equipment

Aside from land and buildings, all other property and equipment is measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis to write down the cost to residual value over the estimated useful lives.

Land and buildings are measured at their revalued amounts less any subsequent depreciation, and impairment losses. The revaluation policy is to perform valuations periodically but at least triennially to ensure that the fair value of the revalued asset does not differ materially from its carrying value. A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve in equity. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation reserve. Reversals of revaluation deficits follow the original classification of the deficit in the Consolidated statement of comprehensive income.

The useful lives over which depreciation is charged for all categories of property and equipment are as follows:

Property and equipment	Estimated useful economic life
Land	Indefinite – Land is not depreciated
Buildings	25 years
Computer equipment	3–4 years
Furniture and fittings	2–10 years

1.12. Investment property

Investment property includes property that is held to earn rentals and/or for capital appreciation. Investment property is initially recognised at cost, including any directly attributable transaction costs and subsequently measured at fair value.

Fair value is the price that would be received to sell a property in an orderly transaction between market participants at the measurement date. The subsequent measurement of fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions. Gains and losses arising from the change in fair value are recognised in Investment return.

1.13. Financial investments

1.13.1 Classification of financial assets and financial liabilities

Financial assets are classified into either the amortised cost or FVTPL measurement categories according to the business model applied. This reflects how financial assets are managed, either in order to solely collect the contractual cash flows from assets (measured at amortised cost), or collect both the contractual cash flows and cash flows arising from the sale of assets (measured at FVTPL).

Business model – measurement of financial investments at FVTPL

Financial investments which back the net insurance fulfilment cash flows are classified as part of the fair value business model and measured at FVTPL. Factors considered in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed, and how managers are compensated. To ensure that the contractual cash flows from the financial assets are sufficient to settle those liabilities, significant buying and selling activity is undertaken on a regular basis to rebalance the portfolio of assets and to meet cash flow needs as they arise. Investments are measured at fair value with any gains and losses recognised in Investment return. Transaction costs are recognised in expenses when incurred.

Investments in LTMs, which contain NNEG, are included in financial investments mandatorily measured at FVTPL as the cash flows do not represent the solely payments of principal and interest ("SPPI").

Derivative instruments

All derivative instruments, both assets and liabilities are classified as FVTPL in accordance with IFRS 9 as they are held for trading.

All derivatives are carried as assets when the fair value is positive and liabilities when the fair values are negative. The Group does not use hedge accounting.

Amortised cost

Bank balances and other receivables are classified at amortised cost as they contain payments of solely payments of principal and interest and are not held for trading purposes.

In addition, a distinct portfolio of UK Government bonds ("Gilts") is held in a business model to collect cash flows that represent solely payments of principal and interest. This portfolio is managed separately from the assets that are held to back the insurance contracts, and these assets are expected to be held through to maturity. Policies and procedures are in place which define the framework for when disposals of these Gilts can occur, which is expected to be in extreme market conditions for risk management purposes.

Transaction costs incurred on financial assets measured at amortised cost are capitalised to the underlying instrument and are included in the determination of the effective rate of interest.

1.13.2 Recognition and derecognition

Regular-way purchases and sales of investments are recognised on the trade date, which is the date when there is a commitment to purchase or sell the assets. For purchases of new illiquid investments a commitment exists to purchase the assets where there is unconditional agreement made by both parties. Amounts payable or receivable on unsettled purchases or sales are recognised in other payables or other receivables respectively. Contracts to enter into investments at a future contracted date are not recognised until the settlement date; prior to that a derivative forward contract is recognised.

LTMs are recognised when cash is advanced to borrowers.

Financial investments are derecognised when the rights to the contractual cash flows expire or the IFRS 9 derecognition criteria for transferred financial assets are met. The criteria includes an assessment of rights and obligations to the cash flows, an assessment of the transfer of substantially all the risks and rewards of ownership and of whether control of the investment has been retained.

Collateral

Collateral is received and pledged in the form of cash or securities in respect of derivative, repurchase, reinsurance or other contracts such as securities lending. Cash collateral received that is not legally segregated is recognised as an asset with a corresponding liability for the repayment in other financial liabilities. Cash collateral pledged that is legally segregated is derecognised and a receivable for its return is recognised.

Non-cash collateral received is not recognised as an asset unless it qualifies for derecognition by the transferor. Non-cash collateral pledged continues to be recognised within the appropriate asset classification when control of, and the right to, economic benefits of the collateral are retained. Where non-cash collateral pledged continues to be recognised but the counterparty is permitted to sell or re-pledge the collateral, the non-cash collateral assets are classified separately within the Financial instruments note 26.

Various reinsurance collateral arrangements have been established, including funds withheld, funds transferred and premium deposit-back arrangements. The recognition/derecognition of the collateral assets is determined by the IFRS 9 recognition/derecognition criteria. An assessment is made of the contractual terms, including consideration of exposure to the economic benefits. See note 27(c)(iii) for further details. Where collateral is recognised, such as premium deposit-back arrangements, the liability for the repayment of the deposit is recognised as a cash flow within the boundary of the insurance contract.

1.13.3 Investment return

Investment return on financial assets consists of interest receivable, realised gains and losses and also unrealised gains and losses on FVTPL financial assets and liabilities.

Interest income is recognised as it accrues on the effective interest method. Realised gains and losses occur on disposal or transfer and represent the difference between the proceeds received net of transaction costs, and the original cost. Unrealised gains and losses arising on financial assets and liabilities measured at FVTPL represent the difference between the carrying value at the end of the year and the carrying value at the start of the year or purchase value during the year, less the reversal of previously recognised unrealised gains and losses in respect of disposals made during the year.

1.13.4 Use of fair value

Current bid prices are used to value investments with quoted prices. Actively traded investments without quoted prices are valued using prices provided by third parties. If there is no active established market for an investment, an appropriate valuation technique is applied as described below.

Notes to the Consolidated Financial Statements continued

1. Material Accounting Policies continued

1.13. Financial investments continued

1.13.4 Use of fair value continued

Determining the fair value of financial investments when the markets are not active

Certain financial investments are held which are not quoted in active markets and there is generally no or limited observable market data that can be used in the fair value measurement of the financial investments. The determination of whether an active market exists for a financial investment requires management's judgement as set out in note 16(a).

If the market for a financial investment is not active, the fair value is determined using valuation techniques. These valuation techniques involve judgement with regard to the valuation models used and the inputs to these models can lead to a range of plausible valuations for financial investments. Fair value for these financial investments is established using internally developed pricing models validated against independent price verifications where possible. The valuation technique is chosen with the objective of arriving at a fair value measurement which reflects the price at which an orderly transaction would take place between market participants on the measurement date. The valuation techniques include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models. The valuation techniques may include a number of assumptions relating to variables such as credit risk and interest rates and, for LTMs, mortality, future expenses, voluntary redemptions and house price assumptions. These assumptions can be impacted by climate change transition risk, noting, for example, investment in residential and commercial mortgages secured on properties.

1.13.5 Financial assets measured at amortised cost

Financial assets held at amortised cost are measured using the effective interest rate method and a loss allowance is recognised for expected credit losses. The model splits financial assets into those which are performing, underperforming and non-performing based on changes in credit quality since initial recognition.

At initial recognition financial assets are considered to be performing. They become underperforming where there has been a significant increase in credit risk since initial recognition, and non-performing when there is objective evidence of impairment. Expected credit losses over the 12 month time horizon are netted against the financial asset for all performing financial assets, with lifetime expected credit losses recognised for underperforming and non-performing financial assets.

Expected credit losses are based on the historic levels of loss experienced for the relevant financial assets, with due consideration given to forward-looking information. Investments are reclassified from performing to under- performing when coupons become more than 30 days past due, in line with the presumption set out in IFRS 9, or when the financial institution is no longer considered to be investment grade by the rating agents.

1.13.6 Investment contract liabilities

The majority of investment contract liabilities are linked endowment contracts. Deposits collected on investment contracts are accounted for directly through the statement of financial position as an adjustment to the investment contract liability. Fair value is determined by reference to the value of the assets backing the liabilities.

1.13.7 Loans and borrowings

Loans and borrowings are initially recognised at fair value, net of transaction costs which are subsequently amortised through profit or loss over the period to maturity at the effective rate of interest required to recognise the discounted estimated cash flows to maturity.

1.13.8 Other financial liabilities

Derivative financial liabilities are mandatorily classified at FVTPL. Aside from certain repurchase agreements (see below), all other financial liabilities are held at amortised cost and measured using the effective interest rate method.

Repurchase agreements entered into alongside the amortised cost portfolio of gilts are also held at amortised cost. Repurchase agreements entered into to support the investment strategy are designated at FVTPL. Repurchase agreements classified at FVTPL are valued based on the discounted cash flows expected to be paid, using an observable market interest rate, in line with the value of the underlying security.

1.14. Cash and cash equivalents

Cash and cash equivalents in the Consolidated statement of cash flows consist of amounts reported in Cash available on demand in the Consolidated statement of financial position and short-term highly liquid investments with less than 90 days' maturity from the date of acquisition which are included in Financial investments in the Consolidated statement of financial position as those do not meet the definition of Cash available on demand. Cash available on demand includes cash at bank and in hand and deposits held at call with banks.

1.15. Equity

Share capital, share premium and payment of dividends

The difference between the proceeds received on issue of the shares, net of share issue costs, and the par value of the shares issued is credited to the share premium account.

Interim dividends are recognised in equity in the period in which they are paid. Final dividends require shareholder approval prior to payment and are therefore recognised when they have been approved by shareholders.

Where the Company purchases shares for the purposes of employee incentive plans, the consideration paid, net of issue costs, is deducted from equity within shares held by trusts. Upon subsequent issue or sale to employees, any consideration received net of related costs is credited to equity within shares held by trusts.

Other reserves

The reorganisation reserve represents the difference between the value of shares in the Company and the value of subsidiary shares for which they were exchanged as part of a group reorganisation.

The merger reserve represents the difference between the value of businesses acquired and the nominal value of shares issued to acquire those businesses in a share-for-share exchange that meets the requirements to apply merger relief under Section 612 of the Companies Act 2006.

Tier 1 notes

Loan notes are classified as either debt or equity based on the contractual terms of the instruments. Loan notes are classified as equity where they do not meet the definition of a liability because they are perpetual with no fixed redemption or maturity date, they are only repayable on liquidation, conversion is only triggered under certain circumstances of non-compliance, and interest on the notes is non-cumulative and cancellable at the discretion of the issuer.

1.16. Taxation

The current tax expense is based on the taxable profits for the year, using blended rates determined from tax rates substantively enacted at the reporting date, and after any adjustments in respect of prior years. Current and deferred tax is charged or credited to Profit or loss unless it relates to items recognised in Other comprehensive income or directly in equity.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all temporary differences between the tax bases of assets and liabilities and their carrying amounts. The principal temporary differences arise from the transitional tax adjustments resulting from the implementation of IFRS 17 and are being amortised over a period of 10 years from 1 January 2023.

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. The deferred tax assets and liabilities are measured using substantively enacted corporation tax rates based on the timings of when they are expected to reverse.

2. Segmental Reporting

Segmental analysis

The Group has a single reportable segment “Insurance” which is reconciled to the total Group result by including the non-reportable Advisory segment plus the result of other Group companies, such as holding companies that primarily perform corporate activities.

The Insurance segment writes insurance products for the at/in-retirement market and the DB de-risking market. The primary products written by the Group are DB and GIfL. Premiums received from these contracts are invested in fixed income investments including debt and other fixed income securities, illiquid assets, LTMs and liquidity funds.

The Group’s Advisory segment performs activities regarding the arranging of retirement income products through regulated advice and intermediary services and the provision of licensed software to financial advisers, financial institutions and pension trustees. This segment is currently below the reportable segment thresholds and therefore the results of this segment are not separately disclosed.

The metrics used by the Chief Operating Decision Maker “CODM” (identified as the Group Executive Committee) to evaluate the performance of operating segments include:

- Underlying operating profit
- Retirement income sales

Premium information is analysed by product line and includes shareholder funded DB, DB Partner (funded re) and GIfL products. Profitability information used by the CODM within the insurance operating segment is not analysed by product.

The Group primarily operates in the material geographical segment the United Kingdom.

Notes to the Consolidated Financial Statements continued

2. Segmental Reporting continued

Underlying operating profit

The Group reports underlying operating profit as an alternative measure of profit which is used for decision making and performance measurement. The Board believes that underlying operating profit, which represents a combination of both the future profit generated from new business written in the year and additional profit emerging from the in-force book of business, provides a view of the development of the business aligned to growth and future cash release. The underlying operating profit metric is presented prior to deferring new business profit to the CSM as the Board considers the value of new business is significant in assessing business performance.

New business profits incorporate the expected investment returns on the target asset mix assumed to be purchased to back that business, after allowing for expected movements in liabilities and deducting acquisition costs. Incremental marginal costs are also included and reflect the overheads attributable to new business. New business profits are based on the valuation of investment returns as at the quote date for GIfL business and the market condition date for DB business, whereas the CSM on new business is calculated as at the IFRS 17 recognition date. Profits arising from the in-force book of business represent an expected return on surplus assets of 4% (2024: 4%) which is primarily based upon short-term risk-free rates, the expected unwind of allowances for credit default and the release of the risk adjustment, together with the CSM amortisation.

Experience variances and the impacts of changes to future operating assumptions plus investment variances between actual and expected investment returns due to economic and market changes, are disclosed outside underlying operating profit. In addition underlying operating profit excludes strategic expenditure, and where applicable any impairments, exceptional items and amortisation of intangible assets arising on consolidation, since these items arise outside the normal course of business in the year.

Segmental reporting and reconciliation to financial information

	Year ended 31 December 2025			Year ended 31 December 2024		
	Insurance £m	Other £m	Total £m	Insurance £m	Other £m	Total £m
New business profits[1,2]	249	–	249	460	–	460
CSM amortisation[1]	(67)	–	(67)	(71)	–	(71)
Net underlying CSM increase	**182**	**–**	**182**	**389**	**–**	**389**
In-force operating profit[1]	238	8	246	226	10	236
Other Group companies' operating results[1]	–	(16)	(16)	–	(17)	(17)
Development costs and other[1]	(28)	(8)	(36)	(24)	(11)	(35)
Finance costs[1,3]	(78)	7	(71)	(82)	13	(69)
Underlying operating profit[1]	**314**	**(9)**	**305**	**509**	**(5)**	**504**
Reconciliation to (Loss)/profit before tax						
Operating experience and assumption changes[1]	(32)	–	(32)	(37)	–	(37)
Investment and economic movements[1]	(100)	2	(98)	24	(6)	18
Strategic expenditure[1]	(3)	(68)	(71)	(8)	(15)	(23)
Adjustment for transactions reported directly in equity in IFRS[3]	24	(8)	16	26	(6)	20
Adjusted profit before tax[1]	**203**	**(83)**	**120**	**514**	**(32)**	**482**
Deferral of profit in CSM[1]	(238)	–	(238)	(369)	–	(369)
(Loss)/profit before tax	**(35)**	**(83)**	**(118)**	**145**	**(32)**	**113**

1 See glossary for definition.

2 See reconciliation to IFRS new business CSM recognised in the Additional financial information section at the end of this report.

3 The adjustment for transactions reported directly in equity in IFRS primarily relates to interest on the Tier 1 notes which are classified as equity instruments. Coupon payments are reported within Finance costs within the Underlying operating profit metric, and are therefore removed in the reconciliation to IFRS profit before tax. The amount reported in the other segment represents the difference between interest charged to the insurance segment in respect of internal Tier 1 notes and interest incurred by the Group in respect of external Tier 1 notes.

Product information analysis

Additional analysis relating to the Group's products is presented below:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Defined Benefit de-risking solutions ("DB")	3,071	4,275
Guaranteed Income for Life contracts ("GIfL")[1,2]	1,270	1,033
Retirement income sales (shareholder funded)[1]	**4,341**	**5,308**
DB Partner (funded re)[1]	–	1,101
Retirement income sales	**4,341**	**6,409**
Movements in premiums receivable	58	4
Premium cash flows (note 22(c))	**4,399**	**6,413**

1 See glossary for definition.
2 GIfL includes UK GIfL, South Africa GIfL and Care Plans.

LTMs advances and deposits regarding investment contracts are shown below:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
LTMs advances	433	340
Other investment products	7	13

3. Insurance Service Result

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Insurance revenue			
Release of CSM for services provided		197	177
Release of risk adjustment for non-financial risk for risks expired		9	11
Expected incurred claims and other insurance service expenses		1,823	1,589
Recovery of insurance acquisition cash flows		44	32
Total insurance revenue	(a)	**2,073**	**1,809**
Insurance service expenses			
Actual claims and maintenance expenses		(1,826)	(1,589)
Amortisation of insurance acquisition cash flows		(44)	(32)
Total insurance service expenses	(b)	**(1,870)**	**(1,621)**
Net expenses from reinsurance contracts	(c)	(33)	(39)
Insurance service result		**170**	**149**

Notes to the Consolidated Financial Statements continued

3. Insurance Service Result continued

(a) Insurance revenue:

The increase in release of CSM compared with the prior year reflects the inclusion of an additional year's cohort of business.

The CSM release represents 6.6% (2024: 6.1%) of the CSM reserve balance immediately prior to release. The release includes the effects of the deferral in CSM of the demographic assumption changes made at 31 December 2024 and the new business written in 2025.

The risk adjustment release represents the value of the release of risk as insurance coverage expires.

The increase in expected incurred claims and other insurance service expenses reflects the growth of the in-force book, including the maturity beyond initial guarantee periods, together with the change in business mix towards products with more limited guarantee periods.

The growth in the recovery of insurance acquisition cash flows in the year reflects the inclusion of an additional new business cohort.

(b) Insurance service expenses:

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Incurred expenses			
Claims		1,777	1,534
Personnel expenses and other	8	168	149
Investment expenses and charges		45	71
Other costs and professional fees		100	89
Commission		41	33
Other acquisition costs		6	13
IFRS 17 treatment of acquisition costs			
Amounts attributable to insurance acquisition cash flows		(179)	(215)
Amortisation of insurance acquisition cash flows		44	32
		2,002	**1,706**
Represented by:			
Actual claims and maintenance expenses		1,826	1,589
Amortisation of insurance acquisition cash flows		44	32
Insurance service expenses		**1,870**	**1,621**
Other expenses		132	85
Total		**2,002**	**1,706**

Actual claims and maintenance expenses are broadly in line with expectation. The continued increase reflects the growth of the in force book. These amounts exclude investment components such as payments within guarantee periods, which amount to £341m (2024: £296m).

The decrease in incurred acquisition cash flows reflects the reduction in DB new business volumes and the associated reduction in investment acquisition expenses incurred. The increase in commission reflects the growth in GIfL and LTM policies written. Only the cohorts measured on a fully retrospective basis at transition to IFRS 17 and cohorts of business written since transition (i.e. underwriting years 2021 onwards) have insurance acquisition cash flows.

Other expenses of £132m (2024: £85m) primarily include strategic expenditure of £71m (2024: £23m), development costs and other of £36m (2024: £35m) and other expenses of the Group's non-insurance business £16m (2024: £17m). Please refer to Business Review for details.

During the year the following services included in other costs in the table above, were provided by the external Auditors:

	Year ended 31 December 2025 £000	Year ended 31 December 2024 £000
Auditors remuneration		
Fees payable for the audit of the Parent Company and consolidated accounts	**724**	**697**
Fees payable for other services		
The audit of the Company's subsidiaries pursuant to legislation	2,011	1,910
Audit-related assurance services	809	822
Other non-audit services not covered above	118	77
Total	**3,662**	**3,506**

Audit-related assurance services mainly include fees relating to the audit of the Group's Solvency II regulatory returns and review procedures in relation to the Group's interim results.

(c) Net expenses from reinsurance contracts:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Contractual service margin recognised for services received	23	23
Change in risk adjustment for non-financial risk in respect of risk expired	6	4
Expected net settlements and reinsurance expenses	88	46
Actual net settlements and reinsurance expenses	(84)	(34)
Total	**33**	**39**

The contractual service margin ("CSM") release on gross insurance contracts is detailed in note 3(a). On a net of reinsurance basis, the CSM release represents 6.4% (2024: 6.2%) of the CSM balance immediately prior to release.

The reinsurance risk adjustment is based on the floating leg cash flows, and hence the behaviour of the risk adjustment, including its release, is similar to the movement on the underlying contracts that are reinsured.

Actual reinsurance claims and expenses were in line with the expected value (2024: actual amounts were lower due to reductions in longevity experience).

Notes to the Consolidated Financial Statements continued

4. Net Investment Result

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Investment return			
Interest income on financial assets:			
• at amortised cost		176	135
• classified at FVTPL		947	869
• mandatorily measured at FVTPL: LTMs		255	213
		1,378	**1,217**
Movement in fair value of financial assets:			
• classified at FVTPL		(5)	(951)
• mandatorily measured at FVTPL: LTMs		101	(212)
• mandatorily measured at FVTPL: Derivatives		303	(180)
		399	**(1,343)**
Foreign exchange losses on amortised cost assets		–	(2)
Investment return	(a)	**1,777**	**(128)**
Net finance (expenses)/income from insurance contracts			
Interest accreted		(1,801)	(1,693)
Effect of changes in interest rates and other financial assumptions		54	2,142
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition		(18)	31
Net finance (expenses)/income from insurance contracts	(b)	**(1,765)**	**480**
Net finance income/(expenses) from reinsurance contracts			
Interest accreted		121	99
Effect of changes in interest rates and other financial assumptions		4	(114)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition		(55)	(28)
Effect of changes in non-performance risk of reinsurers		(5)	(9)
Net finance income/(expenses) from reinsurance contracts	(c)	**65**	**(52)**
Movement in investment contract liabilities		**(5)**	(2)
Net investment result		**72**	**298**

The Net investment result is the net impact from the return on investments offset by similar movements on insurance/reinsurance and investment contract liabilities.

These amounts will not completely offset for a number of reasons, including:

- the term structures for financial investments held and net insurance liabilities are not identical;
- the existence of surplus assets held on the balance sheet which do not back insurance liabilities and the value of which are subject to changes in interest rates; and
- the deduction of a credit default allowance from the interest rate used to value insurance liabilities.

(a) Investment return

The growth in interest income reflects continued investment of new business premiums into additional holdings of fixed income investments. The Group invested over £1.8bn (2024: £2.4bn) into illiquid fixed income investments over the year to back insurance liabilities.

Interest income also includes interest on the £4bn (2024: £4bn) amortised cost portfolio that is valued at amortised cost in the IFRS balance sheet. In the Solvency II balance sheet, this portfolio is held at fair value and used to manage interest rate volatility.

During the year, long-term interest rates remained broadly stable and credit spreads also stayed relatively tight throughout the period. As a result, the Group's investment return was influenced less by interest rate or credit movements and more by other economic factors, notably exchange rates and inflation. In 2025, the most significant economic factor affecting returns was the continued strengthening of Sterling against the US Dollar. This movement generated MTM losses on USD-denominated investments held at FVTPL. The Group utilises derivative contracts to eliminate economic risks it does not wish to retain, including exposures to currency, and inflation. Consequently, the net impact from movement in fair value of investments and associated derivatives was relatively small compared to 2024, occurring against a backdrop of largely unchanged long-term interest rates.

(b) Net finance (expenses)/income from insurance contracts

Interest accreted

Interest accreted represents the effect of unwinding of the discount rates on the future cash flow and risk adjustment components of the insurance contract liabilities and the effect of interest accretion on the CSM. The increased accretion in the current period compared with the prior year reflects the growth in the size of the insurance portfolio.

Effect of changes in interest rates and other financial assumptions

The principal economic assumption changes impacting the movement in insurance liabilities relate to discount rates and inflation. The discount rates applied in 2025 valuation have reduced in the near term reflecting drops in the short-term bond yields following interest rate cuts and slowing economies. However, the most significant impact of discount rate is on the longer duration cash flows which have remained broadly unchanged as compared to 2024. Conversely, the significant impact in 2024 was driven by the rises in both short and long term interest rates. The inflation assumption has reduced in 2025 reflecting market expectations of long-term inflation drop.

Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition

The CSM is measured at locked-in discount rates and benefit inflation. The difference in the measurement of changes in estimates relating to future coverage at current discount rates compared to locked-in rates is recognised within net finance income. Significant assumption changes in estimates mainly relate to the demographic basis changes which are explained in note 22(b)(ii) Mortality assumptions.

(c) Net finance income/(expenses) from reinsurance contracts

The net finance income from reinsurance contracts includes the effect of financial assumptions and unwind of discount rates as described above for underlying contracts.

5. Other Finance Costs

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest on subordinated debt	52	50
Interest on repurchase agreements	166	146
Interest on collateral received and other	27	39
Tender premium on redemption of Tier 2 subordinated debt	–	6
Total	**245**	**241**

Notes to the Consolidated Financial Statements continued

6. Income Tax

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Current taxation		
Current year tax on current year profits	2	4
Adjustments in respect of prior periods	2	6
Effect of tax losses carried back on current tax	–	(1)
Total current tax	**4**	**9**
Deferred taxation		
Deferred tax recognised for losses in the current period	(57)	(13)
Origination and reversal of temporary differences	(1)	2
Adjustments in respect of prior periods	1	–
Effect of tax losses carried back on current tax	–	1
Tax relief on the transitional adjustment on IFRS 17 implementation	34	34
Total deferred tax	**(23)**	**24**
Total income tax recognised in profit or loss	**(19)**	**33**

The deferred tax assets and liabilities have been calculated at 25% (2024: 25%), the current corporation tax rate, and the rate at which they are expected to reverse. Deferred tax balances are assessed to be fully recoverable based on the five-year business plan and projection thereafter.

In accordance with Paragraph 4A of IAS 12 "Income taxes", the Group has neither recognised nor disclosed information about deferred tax assets and liabilities related to Pillar Two income taxes. The Group does not currently expect the effect of the Pillar Two legislation to have a material impact on the tax position in future periods.

Reconciliation of total income tax to the applicable tax rate

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
(Loss)/profit on ordinary activities before tax	(118)	113
Income tax at 25% (2024: 25%)	(29)	28
Effects of:		
Expenses not deductible for tax purposes	8	–
Adjustments in respect of prior periods	3	6
Other	(1)	(1)
Total income tax recognised in profit or loss	**(19)**	**33**

Income tax recognised directly in equity

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Current taxation		
Relief on Tier 1 interest	–	(4)
Relief in respect of share-based payments	(2)	–
Total current tax	**(2)**	**(4)**
Deferred taxation		
Relief on Tier 1 interest	(4)	–
Relief in respect of share-based payments	(1)	(4)
Total deferred tax	(5)	**(4)**
Total income tax recognised directly in equity	**(7)**	**(8)**

Pillar 2 is not considered to have a significant impact on the financial statements. The Group is predominantly a UK-centric business with an effective tax rate of close to the UK rate of tax of 25%.

In 2023, IFRS 17 Insurance Contracts was adopted. Cumulative differences arising between IFRS 17 and the previous accounting standard (IFRS 4), which represent the differences in retained profits previously reported and impact of the adoption of the standard, are brought back into the computation of taxable profits. However, legislation provided for transitional arrangements whereby such differences are amortised on a straight-line basis over a ten-year period from 1 January 2023. The tax charge for the year to 31 December 2025 includes current tax relief arising from amortisation of transitional balances of £34m (2024: £34m).

7. Remuneration of Directors

For the purposes of the disclosure required by Schedule 5 to the Companies Act 2006, the total aggregate emoluments of the Directors in the year was £7m (2024: £5m). Employer contributions to pensions for Executive Directors for qualifying periods were £nil (2024: nil). The aggregate net value of share awards granted to the Directors in the year was £3m (2024: £2m), calculated by reference to the average closing middle-market price of an ordinary share over the five days preceding the grant. One Director exercised share options during the year with an aggregate gain of £4m (2024: one Director exercised options with an aggregate gain of £1m).

8. Staff Numbers and Costs

The monthly average number of persons employed by the Group (including Directors) during the financial year, analysed by category, was as follows:

	Year ended 31 December 2025 Number	Year ended 31 December 2024 Number
Directors	9	10
Senior management	187	165
Staff	1,282	1,179
Average number of staff	**1,478**	**1,354**

The aggregate personnel costs were as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Wages and salaries	128	121
Social security costs	20	15
Other pension costs	8	7
Share-based payment expense	12	6
Total	**168**	**149**

Notes to the Consolidated Financial Statements continued

9. Employee Benefits

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable to the fund and amounted to £8m (2024: £7m).

Employee share plans

The Group operates a number of employee share option plans. Details of those plans are as follows:

Long Term Incentive Plans ("LTIP")

The Group has made awards under the LTIP to Executive Directors and other senior managers. Awards granted prior to 9 May 2023 were granted under the Just Retirement Group plc 2013 Long Term Incentive Plan. Awards granted since 9 May 2023 are granted under the Just Group plc Long Term Incentive Plan. Awards are made in the form of nil-cost options which become exercisable on the third anniversary of the grant date, subject to the satisfaction of service and performance conditions which include a range of measures regarding financial metrics and Environmental Social and Governance "ESG" targets.

Options are exercisable until the tenth anniversary of the grant date, with the exception for good leavers in respect of awards granted after 9 May 2023 which are exercisable until the first anniversary of the vesting date. The majority of options granted are also subject to a two-year holding period after the options have vested. The options are accounted for as equity-settled schemes.

The number and weighted-average remaining contractual life of outstanding options under the LTIP are as follows:

	Year ended 31 December 2025 Number of options	Year ended 31 December 2024 Number of options
Outstanding at 1 January	25,213,433	26,004,780
Granted	5,296,179	7,005,523
Forfeited	(6,347,238)	(2,466,040)
Exercised	(5,305,881)	(5,311,380)
Expired	(2,507)	(19,450)
Outstanding at 31 December	**18,853,986**	**25,213,433**
Exercisable at 31 December	2,832,972	3,119,011
Weighted-average share price at exercise for options exercised during the year (£)	1.69	1.08
Weighted-average remaining contractual life (years)	1.05	1.06

The exercise price for options granted under the LTIP is nil.

During the year to 31 December 2025, awards of LTIPs were made on 31 March 2025, 9 September 2025 and 16 September 2025. The weighted- average fair value and assumptions used to determine the fair value of the LTIPs and the Buy-out options granted during the year are as follows:

	2025 awards	2024 awards
Fair value at grant date	£1.31	£0.95
Option pricing model used	Black–Scholes, Stochastic	Black–Scholes, Stochastic, Finnerty
Share price at grant date	£1.53	£1.05
Exercise price	Nil	Nil
Expected volatility – TSR performance	36.20%	34.70% – 37.89%
Expected volatility – holding period	36.80%	37.45%
Option life (including 2-year holding period)	5 years	2.93, 3.93 and 5 years
Dividend yield	Nil	Nil
Risk-free interest rate – TSR performance	4.10%	4.11% – 4.59%
Risk-free interest rate – holding period	4.00%	3.94%

A Stochastic model is used where vesting is related to a total shareholder return target, a Black-Scholes option pricing model is used for all other performance vesting targets, and for the holding period a mean output of four different models (2024: a Finnerty model).

For awards subject to a market performance condition, such as Total Shareholder Return ("TSR"), expected volatility has been calculated using historic volatility of the Company, and for each company in the TSR comparator group, over the period of time commensurate with the remainder of the performance period immediately prior to the date of grant. For awards with a holding period condition, expected volatility has been calculated using historic volatility of the Company over the period of time commensurate with the holding period immediately prior to the date of grant.

Deferred share bonus plan ("DSBP")

The DSBP is operated in conjunction with the Group's short-term incentive plan for Executive Directors and other senior managers of the Company or any of its subsidiaries. Awards are made in the form of nil-cost options which become exercisable on the third anniversary of the grant date. Options are exercisable until the tenth anniversary of the grant date, with the exception of good leavers in respect of awards granted after 9 May 2023 which are exercisable until the first anniversary of the vesting date.

The options are accounted for as equity-settled schemes.

The number and weighted-average remaining contractual life of outstanding options under the DSBP are as follows:

	Year ended 31 December 2025 Number of options	Year ended 31 December 2024 Number of options
Outstanding at 1 January	5,002,738	5,400,381
Granted	925,940	1,336,229
Forfeited	(87,210)	–
Exercised	(1,862,920)	(1,733,872)
Outstanding at 31 December	**3,978,548**	**5,002,738**
Exercisable at 31 December	597,876	1,263,652
Weighted-average share price at exercise for options exercised during the year (£)	1.82	1.08
Weighted-average remaining contractual life (years)	0.98	0.95

The exercise price for options granted under the DSBP is nil (2024: nil).

During the year to 31 December 2025, awards of DSBPs were made on 31 March 2025. The weighted-average fair value and assumptions used to determine the fair value of options granted during the year under the DSBP are as follows:

	2025 awards	2024 awards
Fair value at grant date	£1.47	£1.05
Option pricing model used	Black–Scholes	Black–Scholes
Share price at grant date	£1.47	£1.05
Exercise price	Nil	nil
Option life	3 years	3 years
Dividend yield	nil	nil
Risk-free interest rate	nil	nil

Notes to the Consolidated Financial Statements continued

9. Employee Benefits continued

Employee share plans continued

Save As You Earn ("SAYE") scheme

The Group operates SAYE plans for all employees, allowing a monthly amount to be saved from salaries over either a three- or five-year period that can be used to purchase shares in the Company at a predetermined price. The employee must remain in employment for the duration of the saving period and satisfy the monthly savings requirement (except in "good leaver" circumstances). Options are exercisable for up to six months after the saving period. The options are accounted for as equity-settled schemes.

The number, weighted-average exercise price, weighted-average share price at exercise, and weighted-average remaining contractual life of outstanding options under the SAYE are as follows:

	Year ended 31 December 2025		Year ended 31 December 2024	
	Number of options	Weighted-average exercise price £	Number of options	Weighted-average exercise price £
Outstanding at 1 January	8,498,786	0.66	7,853,387	0.60
Granted	1,998,818	1.20	2,215,921	0.85
Forfeited	(146,238)	0.92	(262,928)	0.69
Cancelled	(165,323)	0.85	(241,025)	0.73
Exercised	(2,786,085)	0.50	(1,020,834)	0.59
Expired	–	–	(45,735)	0.74
Outstanding at 31 December	**7,399,958**	**0.86**	**8,498,786**	**0.66**
Exercisable at 31 December	61,804	0.72	75,215	0.42
Weighted-average share price at exercise for options exercised during the year (£)	1.54		1.12	
Weighted-average remaining contractual life (years)	1.56		1.55	

The range of exercise prices of options outstanding at the end of the year are as follows:

	2025 Number of options outstanding	2024 Number of options outstanding
£0.38	–	1,750,493
£0.67	3,124,238	3,273,896
£0.71	270,840	1,235,804
£0.74	117,896	125,566
£0.85	1,956,966	2,113,027
£1.20	1,930,018	–
Total	**7,399,958**	**8,498,786**

During the year to 31 December 2025, awards of SAYEs were made on 24 April 2025. The weighted-average fair value and assumptions used to determine the fair value of options granted during the year under the SAYE are as follows:

	2025 awards	2024 awards
Fair value at grant date	£0.45	£0.36
Option pricing model used	Black-Scholes	Black–Scholes
Share price at grant date	£1.37	£1.03
Exercise price	£1.20	£0.85
Expected volatility – 3-year scheme	37.40%	37.51%
Expected volatility – 5-year scheme	43.00%	48.00%
Option life	3.4 or 5.4 years	3.35 or 5.36 years
Dividend yield	1.80%	2.02%
Risk-free interest rate – 3-year scheme	3.80%	4.46%
Risk-free interest rate – 5-year scheme	4.00%	4.30%

Expected volatility has been calculated using historic volatility of the Company over the period of time commensurate with the expected term of the awards immediately prior to the date of grant.

Employee share plans expense

The share-based payment expense recognised in the Consolidated statement of comprehensive income for employee services receivable during the year is as follows:

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Equity-settled schemes		12	6
Total expense	8	**12**	**6**

Where a scheme is expected to vest early due to a change of control of the Group, such as the proposed acquisition of the Group by BWS, revisions to the estimate of the number of equity instruments that will eventually vest and revisions to the estimated vesting date, are recognised over the revised remaining vesting period. The impact of the acceleration of expense recognised in 2025 as a result of revised estimates due to the proposed acquisition of the Group by BWS is £5m.

10. Earnings per Share

Set out below are the earnings and weighted average number of shares used in determining Basic and Diluted Earnings Per Share ("EPS") on an IFRS basis.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
(Loss)/profit attributable to equity holders of Just Group plc	(99)	80
Coupon payments in respect of Tier 1 notes (net of tax)[1]	(12)	(12)
(Loss)/profit attributable to ordinary equity holders of Just Group plc/basic earnings	**(111)**	**68**
Effect of potentially dilutive share options	–	–
Diluted (loss)/profit attributable to ordinary equity holders of Just Group plc	**(111)**	**68**

1 Earnings for the purposes of determining EPS and diluted EPS includes an adjustment for amounts in respect of the Tier 1 notes. This is based on the judgement that the rights associated with the Tier 1 notes are similar to preference shares. Adjustments include coupon payments and any gains/losses on redemption.

Notes to the Consolidated Financial Statements continued

10. Earnings per Share continued

	Year ended 31 December 2025 million	Year ended 31 December 2024 million
Basic weighted average number of shares[2]	1,042	1,040
Effect of potentially dilutive share options[3]	–	13
Diluted weighted average number of shares[2]	**1,042**	**1,053**

2 The weighted-average number of ordinary shares excludes shares held by the Employee Benefit Trust on behalf of the Company to satisfy future exercises of employee share scheme awards.

3 The weighted-average number of share options for the year ended 31 December 2025 that could have potentially diluted basic earnings per share in the future but are not included in diluted EPS because they would be anti dilutive was 16 million share options.

	Year ended 31 December 2025 pence	Year ended 31 December 2024 pence
Basic (loss)/earnings per share	**(10.7)**	**6.5**
Diluted (loss)/earnings per share	**(10.7)**	**6.5**

11. Dividends and Appropriations

Dividends and appropriations paid in the year were as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Final dividend		
Final dividend in respect of prior year end (1.8 pence per ordinary share, paid on 14 May 2025)	19	16
Interim dividend		
Interim dividend in respect of current year end (0.84 pence per ordinary share, paid on 15 September 2025)	9	7
Total dividends paid	**28**	**23**
Coupon payments in respect of Tier 1 notes[1]	16	16
Total distributions to equity holders in the year	**44**	**39**

1 Coupon payments on Tier 1 notes are treated as an appropriation of retained profits and, accordingly, are accounted for when paid.

12. Intangible Assets

	Acquired intangible assets				
Year ended 31 December 2025	**Goodwill £m**	**Intellectual property £m**	**PrognoSys™ £m**	**Software £m**	**Total £m**
Cost					
At 1 January 2025	35	2	6	28	71
Acquired during the year	9	–	–	–	9
Disposed during the year	–	–	–	(1)	(1)
At 31 December 2025	**44**	**2**	**6**	**27**	**79**
Accumulated amortisation and impairment					
At 1 January 2025	(1)	(1)	(5)	(24)	(31)
Charge for the year	–	–	–	(2)	(2)
Disposed during the year	–	–	–	1	1
At 31 December 2025	**(1)**	**(1)**	**(5)**	**(25)**	**(32)**
Net book value at 31 December 2025	**43**	**1**	1	**2**	**47**
Net book value at 1 January 2025	34	1	1	4	40

	Acquired intangible assets				
Year ended 31 December 2024	Goodwill £m	Intellectual property £m	PrognoSys™ £m	Software £m	Total £m
Cost					
At 1 January 2024	35	2	6	29	72
Disposed during the year	–	–	–	(1)	(1)
At 31 December 2024	**35**	**2**	**6**	**28**	**71**
Accumulated amortisation and impairment					
At 1 January 2024	(1)	(1)	(4)	(25)	(31)
Charge for the year	–	–	(1)	–	(1)
Disposed during the year	–	–	–	1	1
At 31 December 2024	**(1)**	**(1)**	**(5)**	**(24)**	**(31)**
Net book value at 31 December 2024	**34**	**1**	**1**	**4**	**40**
Net book value at 1 January 2024	34	1	2	4	41

Impairment testing

The Group's goodwill of £43m at 31 December 2025 represents the following:

- £33m on the 2009 acquisition by Just Retirement Group Holdings Limited of Just Retirement (Holdings) Limited, the Holding company of Just Retirement Limited ("JRL");
- £1m recognised on the 2018 acquisition of HUB Pension Consulting (Holdings) Limited; and
- £9m recognised on the 2025 acquisition of Intrepid Owls Limited.

The majority of the goodwill has been allocated to the cash-generating unit of Just Retirement (Holdings) Limited and its subsidiaries. The recoverable amount of goodwill related to Just Retirement (Holdings) Limited has been determined based on the fair value. The offer for Just Group by BWS provides a fair value price from the market which can be utilised for this assessment. The 219.16p per share offered by BWS has been treated as the fair value of the Group and allocated to the cash generating unit based on the proportion of own funds. This recoverable amount is greater than the total of the net assets and goodwill of the cash generating unit indicating no impairment of goodwill was required.

Notes to the Consolidated Financial Statements continued

13. Property and Equipment

Year ended 31 December 2025	Freehold land and buildings £m	Computer equipment £m	Furniture and fittings £m	Right-of-use assets £m	Total £m
Cost or valuation					
At 1 January 2025	6	13	12	9	40
Acquired during the year	–	3	13	3	19
At 31 December 2025	**6**	**16**	**25**	**12**	**59**
Accumulated depreciation and impairment					
At 1 January 2025	1	(12)	(7)	(2)	(20)
Depreciation charge for the year	–	(1)	(2)	(2)	(5)
At 31 December 2025	**1**	**(13)**	**(9)**	**(4)**	**(25)**
Net book value at 31 December 2025	**7**	**3**	**16**	**8**	**34**
Net book value at 1 January 2025	7	1	5	7	20

Year ended 31 December 2024	Freehold land and buildings £m	Computer equipment £m	Furniture and fittings £m	Right-of-use assets £m	Total £m
Cost or valuation					
At 1 January 2024	10	12	9	16	47
Acquired during the year	–	1	3	–	4
Disposed during the year	–	–	–	(7)	(7)
Revaluations	(4)	–	–	–	(4)
At 31 December 2024	**6**	**13**	**12**	**9**	**40**
Accumulated depreciation and impairment					
At 1 January 2024	–	(11)	(6)	(8)	(25)
Depreciation charge for the year	–	(1)	(1)	(1)	(3)
Disposed during the year	–	–	–	7	7
Revaluations	1	–	–	–	1
At 31 December 2024	**1**	**(12)**	**(7)**	**(2)**	**(20)**
Net book value at 31 December 2024	**7**	**1**	**5**	**7**	**20**
Net book value at 1 January 2024	10	1	3	8	22

Included in freehold land and buildings is land of value £2m (2024: £2m). Acquisition of furniture and fittings includes construction in progress of £10m (2024: £nil) in respect of the Company's new London office.

The Group's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of freehold land and buildings as at 22 August 2024 were performed by Hurst Warne and Partners Surveyors Ltd, independent valuers not related to the Group. Hurst Warne and Partners Surveyors Ltd is registered for regulation by the Royal Institution of Chartered Surveyors ("RICS"). The valuation process relies on expert judgement which is heightened due to the macroeconomic-related uncertainty. The valuer has sufficient current local knowledge of the particular market, and the knowledge, skills and understanding to undertake the valuation competently. The fair value of the freehold land was undertaken using a residual valuation assuming a new build office to an exact equivalent size as currently exists to a modern Grade A specification, disregarding the possibility of developing any alternative uses or possible enhancements. The fair value of the buildings was determined based on open market comparable evidence of market rent in the existing condition. The fair value measurement of revalued land and buildings has been categorised as Level 3 within the fair value hierarchy based on the non-observable inputs to the valuation technique used.

The most recent revaluation was performed in 2024 which comprised a loss in the prior year of £4m recognised in other comprehensive income (gross of tax of £1m) and the elimination of depreciation on the revaluations of £1m, reversing previously recognised gains of £4m (gross of tax of £1m).

If freehold land and buildings were stated on the historical cost basis, the carrying values would be land of £4m (2024: £4m) and buildings of £4m (2024: £4m).

Right-of-use assets are property assets leased by the Group.

14. Investment Property

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
At 1 January	27	32
Net gain/(loss) from fair value adjustment	2	(5)
At 31 December	**29**	**27**

Investment properties are leased to commercial tenants. Investment properties are valued using discounted cash flow analysis based on estimated future cash flows. The valuation model discounts the expected future cash flows using a discount rate which includes a credit spread allowance associated with that asset. The redemption and default assumptions are derived from the assumptions for the Group's bond portfolio. The Group's investment property is held by the Group's Jersey Property Unit Trust ("JPUT"). Rental income received in the year from investment properties was £1m (2024: £1m). Minimum lease payments receivable on leases of investment properties are as follows (undiscounted cash flows):

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Within 1 year	1	1
Between 1 and 2 years	1	1
Between 2 and 3 years	1	1
Between 3 and 4 years	1	1
Between 4 and 5 years	1	1
Later than 5 years	263	265
Total	**268**	**270**

Notes to the Consolidated Financial Statements continued

15. Financial Investments

Financial investments that are measured at fair value through the profit or loss are either managed within a fair value business model, or mandatorily measured at fair value. Financial investments that are measured at amortised cost are held within a business model where the intention of holding the instruments is to collect solely payments of principal and interest. The table below summarises the classification of financial assets and liabilities.

Analysis of financial investments

	31 December 2025 £m	31 December 2024 £m
Debt securities and other fixed income securities		
• Debt securities	14,369	12,860
• Infrastructure debt securities	3,581	2,266
• Long income real estate debt securities	797	884
• Commercial mortgage backed securities	266	–
	19,013	**16,010**
Units in liquidity funds	1,234	1,792
Investment funds	386	399
Deposits with credit institutions	646	808
Loans secured by commercial mortgages	1,061	809
Long income real estate[1]	846	787
Infrastructure loans	857	1,246
Other loans	220	195
Total investments measured at FVTPL – classified	**24,263**	**22,046**
LTMs	6,015	5,637
Derivative financial assets	2,999	2,756
Total investments measured at FVTPL – mandatory	**9,014**	**8,393**
Total investments measured at FVTPL	**33,277**	**30,439**
Gilts – subject to repurchase agreements	3,996	3,951
Total investments measured at amortised cost	**3,996**	**3,951**
Total financial investments	**37,273**	**34,390**

1. Long income real estate includes £154m (2024: £157m) residential and £692m (2024: £630m) commercial ground rents.

The majority of investments included in debt securities and other fixed income securities are listed investments. In addition, illiquid fixed income investments are originated including infrastructure, real estate and private placements and also longer duration investments in long income real estate investments to match the cash flow profile of DB deferred liabilities.

Units in liquidity funds comprise wholly of units in funds which invest in very short dated liquid assets. Deposits with credit institutions with a carrying value of £646m includes £601m (2024: £808m) of collateral pledged to counterparties in respect of derivative and repurchase agreements.

The long dated gilts subject to repurchase agreements that are held within an amortised cost portfolio on the IFRS balance sheet, are at fair value on the Solvency II balance sheet and used to manage interest rate volatility.

16. Fair Value of Financial Assets and Liabilities

This note explains the methodology for valuing financial assets and liabilities at fair value and provides disclosures in accordance with IFRS 13 "Fair value measurement" including an analysis of such assets and liabilities categorised according to their fair value hierarchy level based on market observability of valuation inputs.

(a) Determination of fair value and fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed 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

Inputs to Level 1 fair values are unadjusted quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. A Level 2 input must be observable for substantially the full contractual term of the instrument. Level 2 inputs include the following:

a. quoted prices for similar assets and liabilities in active markets;

b. quoted prices for identical assets or similar assets in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which very little information is released publicly;

c. inputs other than quoted prices that are observable for the asset or liability; and

d. market-corroborated inputs.

Level 3

Inputs to Level 3 fair values include significant unobservable inputs. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Unobservable inputs reflect the same assumptions as those that the market participant would use in pricing the asset or liability including those about risk.

The valuation of financial instruments is based on the availability and quality of market data, with a preference for observable inputs wherever possible.

For instruments where market prices or inputs are readily observable and liquid, valuations are typically derived using pricing data sourced from Bloomberg and other reputable market data providers. These include quoted prices, benchmark curves, and other market-consensus inputs. Where available, recent execution prices are also used to support or validate valuations.

For instruments where observable inputs are limited or unavailable (or vendor data is considered low quality), such as certain private or illiquid assets, valuation techniques incorporate proxy market data (e.g. relevant indices, sector-specific yields), recent transaction data, or comparable instruments. In the absence of reliable market proxies, valuations may be determined using internal models supported by expert judgement, historical analysis, and other relevant data. These models are designed to reflect the assumptions a market participant would use in determining an exit price.

Valuation approaches are selected to ensure consistency with IFRS 13 and are subject to appropriate governance and oversight.

Notes to the Consolidated Financial Statements continued

16. Fair Value of Financial Assets and Liabilities continued

(b) Analysis of assets and liabilities held at fair value according to fair value hierarchy

	31 December 2025				31 December 2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets held at fair value through profit or loss								
Debt securities and other fixed income securities	7,954	4,994	6,065	19,013	6,291	4,964	4,755	16,010
Units in liquidity funds	1,233	1	–	1,234	1,792	–	–	1,792
Investment funds	–	138	248	386	–	110	289	399
Deposits with credit institutions	609	37	–	646	808	–	–	808
Loans secured by commercial mortgages	–	–	1,061	1,061	–	–	809	809
Long income real estate	–	–	846	846	–	–	787	787
Infrastructure loans	–	–	857	857	–	–	1,246	1,246
Other loans	–	84	136	220	–	61	134	195
LTMs	–	–	6,015	6,015	–	–	5,637	5,637
Derivative financial assets	–	2,999	–	2,999	–	2,750	6	2,756
Financial investments	**9,796**	**8,253**	**15,228**	**33,277**	**8,891**	**7,885**	**13,663**	**30,439**
Investment property	–	–	29	29	–	–	27	27
Fair value of financial assets held at amortised cost								
Gilts – subject to repurchase agreements (fair value)	3,624	–	–	3,624	3,604	–	–	3,604
Total financial assets and investment property	**13,420**	**8,253**	**15,257**	**36,930**	**12,495**	**7,885**	**13,690**	**34,070**
Liabilities held at fair value								
Investment contract liabilities	–	48	2	50	–	37	5	42
Derivative financial liabilities	–	3,050	13	3,063	–	2,997	18	3,015
Fair value of financial liabilities at amortised cost								
Obligations for repayment of cash collateral received (fair value)	568	–	–	568	662	–	–	662
Loans and borrowings at amortised cost (fair value)	–	717	–	717	–	862	–	862
Repurchase obligation (fair value)	–	3,675	–	3,675	–	3,878	–	3,878
Total financial liabilities	**568**	**7,490**	**15**	**8,073**	**662**	**7,774**	**23**	**8,459**

There are no non-recurring fair value measurements of financial investments in either period.

(c) Transfers between levels

The policy is to assess pricing source changes and determine transfers between levels as of the end of each half-yearly reporting period. Transfers between levels arise from changes in the pricing sources. During the year there were the following transfers between levels:

- Transfers from Level 2 to Level 1 as a result of improved pricing sources were £820m (2024: £1,380m)
- Transfers from Level 1 to Level 2 due to a fall in pricing quality were £1,021m (2024: £275m)
- Transfers from level 2 to level 3 due to a fall in pricing quality £24m (2024: 192m)
- Transfers from level 3 to level 2 are investments which have improved pricing sources £264m (2024: £467m) and in the prior year investment contract liabilities of £37m.

(d) Level 3 financial instruments measured at fair value

Reconciliation of the opening and closing recorded amount of Level 3 financial instruments held at fair value

Year ended 31 December 2025	Debt securities and other fixed income securities £m	Investment funds £m	Loans secured by commercial mortgages £m	Long income real estate £m	Infra-structure Loans £m	Other loans £m	LTMs £m
At 1 January 2025	4,755	289	809	787	1,246	134	5,637
Recognition of assets	1,601	15	287	9	30	1	433
Transfers to Level 3	22	2	–	–	–	–	–
Transfers from Level 3	(264)	–	–	–	–	–	–
Reclassification between level 3	272	–	–	56	(373)	45	–
Derecognition of assets	(164)	(71)	(60)	(26)	(83)	–	(399)
Recognised in profit or loss in investment return							
• Realised gains and losses	19	–	–	–	(5)	(1)	165
• Unrealised gains and losses	(134)	13	22	18	42	(51)	(66)
Interest accrued	(42)	–	3	2	–	8	245
At 31 December 2025	**6,065**	**248**	**1,061**	**846**	**857**	**136**	**6,015**

Year ended 31 December 2024	Debt securities and other fixed income securities £m	Investment funds £m	Loans secured by commercial mortgages £m	Long income real estate £m	Infra-structure Loans £m	Other loans £m	LTMs £m
At 1 January 2024	2,914	398	764	779	1,113	123	5,681
Recognition of assets	2,417	81	178	235	101	–	340
Transfers to Level 3	192	–	–	–	–	–	–
Transfers from Level 3	(467)	–	–	–	–	–	–
Reclassification between level 3	–	–	–	(119)	119	–	–
Derecognition of assets	(107)	(180)	(127)	(13)	(39)	–	(375)
Recognised in profit or loss in investment return							
• Realised gains and losses	–	(11)	–	–	–	–	150
• Unrealised gains and losses	(175)	1	(7)	(95)	(43)	2	(364)
Interest accrued	(19)	–	1	–	(5)	9	205
At 31 December 2024	**4,755**	**289**	**809**	**787**	**1,246**	**134**	**5,637**

Notes to the Consolidated Financial Statements continued

16. Fair Value of Financial Assets and Liabilities continued

(e) Valuation techniques and the inputs used in the fair value measurement of Level 3 assets

Investment funds

Investment funds classified as Level 3 are structured entities that operate under contractual arrangements which allow a group of investors to invest in a pool of corporate loans without any one investor having overall control of the entity. The average discount rate used is 8% (2024: 8%).

Illiquid public bonds, loans secured by commercial mortgages, long income real estate assets, infrastructure loans and other loans

Debt and fixed income securities include illiquid public bonds which are classified as level 3 in the fair value hierarchy, as the valuation includes the use of significant unobservable inputs. Illiquid public bonds and other level 3 investments including loans secured by commercial mortgages, long income real estate, infrastructure loans and other loans are valued using a discounted cash flow model. The contractual cash flows are discounted by a risk-free discount rate with additional spreads to allow for credit and illiquidity risks. The additional spreads used in the discount rate are calculated using an internally developed methodology, which takes into consideration the credit rating of each loan and refers to external market spread indices to assess market movements in spreads and the impact of changes in credit ratings.

In determining the credit spreads for the valuation of residential ground rents, a market participant approach has been applied, which requires consideration of the assumptions, including those about risk, that a market participant would make at the balance sheet date for valuing such assets. At 31 December 2025, there continued to be significant uncertainty regarding the outcome of the consultation to restrict residential ground rents and therefore the valuation of these investments continued to include an adjustment to reflect this uncertainty with an expected increase in credit spread and consequential increase the credit risk deduction for defaults. On 27 January 2026, the Government announced proposed reforms to existing residential ground rents which included a fixed annual cap of £250 on existing residential ground rents which will transition to a peppercorn amount after a period of 40 years. The announcement in January produced the new condition which was created after the reporting date and is therefore considered a non-adjusting post balance sheet event. Please refer to Note 34 Post Balance Sheet Events for details of the financial impact.

LTMs

Methodology and judgement underlying the calculation of LTMs

The valuation of LTMs is determined using internal models which project future cash flows expected to arise from each loan. Future cash flows allow for assumptions relating to future expenses, future mortality experience, voluntary redemptions and repayment shortfalls on redemption of the mortgages due to the NNEG. The fair value is calculated by discounting the future cash flows at a swap rate plus a liquidity premium.

Under the NNEG, the amount recoverable on eligible termination of mortgages is capped at the net sale proceeds of the property. A key judgement is with regard to the calculation approach used. The Black 76 variant of the Black-Scholes option pricing model has been used in conjunction with an approach using best estimate future house price growth assumptions.

Cash flow models are used in the absence of a deep and liquid market for LTMs. The bulk sales of the portfolios of Just LTMs in recent years represented market prices specific to the characteristics of the underlying portfolios of loans sold, in particular: loan rates; loan-to-value ratios; and customer age. This was considered insufficient to affect the judgement of the methodology and assumptions underlying the discounted cash flow approach used to value individual loans in the remaining portfolio. The pricing of these portfolio sales did not indicate a bias in either direction and, as such, any suggestion that the current valuation approach was inappropriate. The methodology and assumptions used would be reconsidered if any information is obtained from future portfolio sales that is relevant and applicable to the remaining portfolio.

Principal assumptions underlying the calculation of LTMs

Principal assumptions underlying the calculation of LTMs include the items set out below. These assumptions are also used to provide the expected cash flows from the LTMs which determine the yield on this asset. This yield is used for the purpose of setting valuation discount rates on the liabilities supported, as described in note 22(b).

Maintenance expenses

Assumptions for future policy expense levels are based on the most recent expense analyses which has reflected expected volumes of new business over the near term. The 2025 assumptions remain unchanged from 2024 except for inflation. The assumed future expense levels incorporate an annual inflation rate allowance of 3.4% (2024: 3.7%).

Mortality

Mortality assumptions have been derived with reference to England and Wales population mortality using an in-house forecasting model of future mortality based on expert judgement of the impact of multiple drivers covering public health, individual behaviours, healthcare funding constraints, medical treatment and future innovations in drug development and technology (2024: CMI 2023). These base mortality and improvement tables have been adjusted to reflect the expected future mortality experience of mortgage contract holders, taking into account the medical and lifestyle evidence collected during the sales process and the assessment of how this experience will develop in the future. This assessment takes into consideration relevant industry and population studies, published research materials and management's own experience. The possible impact of the COVID-19 pandemic on mortality assumptions has been considered and an allowance has been included for the expected future direct and indirect impacts of this and wider UK mortality trends, updated from that which applied at 31 December 2024. Further details of the matters considered in relation to mortality assumptions at 31 December 2025 are set out in note 22(b).

Property prices

The approach in place as at 31 December 2025, which is the same as at 31 December 2024, is to calculate the value of a property by taking the latest Automated Valuation Model "AVM" result, or latest surveyor value if more recent, indexing this to the balance sheet date using Nationwide UK house price indices and then making a further allowance for property dilapidation since the last revaluation date.

The appropriateness of this valuation basis is regularly tested on the event of redemption of mortgages. The sensitivity of LTMs to a fall in property prices is included in the table of sensitivities below.

Future residential property price

In the absence of a reliable long-term forward curve for UK residential property price inflation, an assumption has been made about future residential property price inflation based upon available market and industry data. These assumptions have been derived with reference to the long-term expectation of the UK consumer price index inflation metric, "CPI", plus an allowance for the expectation of house price growth above CPI (property risk premium) less a margin for a combination of risks including property dilapidation and basis risk. An additional allowance is made for the volatility of future residential property prices. This results in a single rate of future house price growth of 3.3% (2024: 3.3%), with a volatility assumption of 13% per annum (2024: 13%). The setting of these assumptions includes consideration of future long and short-term forecasts, historical experience, benchmarking data, future uncertainties and a higher interest and inflation rate economic environment on the UK property market. Changes in house price indices over the last 12 months have been slightly below our long-term expectations. At this stage our view is that there is no clear indication of a change in the long-term prospects of the housing market. In light of this, the future house price growth and property volatility assumptions have been maintained at the same level as assumed at 31 December 2024. The sensitivity of LTMs to changes in future residential property price growth is included in the table of sensitivities below.

Voluntary redemptions

Assumptions for future voluntary redemption levels are based on recent experience analyses and management's expert judgement. The assumed redemption rate varies by factors such as product type, duration, issue age, loan amount, property value together with assumptions around mortgage interest rates available in the wider mortgage market with base assumptions varying between 0.2% and 4.4% for loans in JRL (2024: 0.5% and 3.7%) and between 0.1% and 6.0% for loans in Partnership Life Assurance Company Limited ("PLACL") (2024: 0.2% and 6.0%).

Liquidity premium

The liquidity premium partly reflects the illiquidity of the loan and also spreads the recognition of profit over the lifetime of the loan. Once calculated, the liquidity premium remains unchanged at future valuations except when further advances are taken out. The average liquidity premium for loans held within JRL is 3.1% (2024: 3.2%) and for loans held within PLACL is 3.3% (2024: 3.3%), with changes reflecting the timing of originations across the in-force LTM portfolio.

Notes to the Consolidated Financial Statements continued

16. Fair Value of Financial Assets and Liabilities continued

(f) Sensitivity analysis

The sensitivities disclosed in this note only consider the impact of the change in these assumptions on the fair value of the assets. Some of these sensitivities would also impact the yield on assets and hence the valuation discount rate used to determine the insurance contract liabilities. The impact on the value of insurance contract liabilities, assets backing such liabilities and hence profit before tax is included in note 22(h).

Sensitivities are performed for reasonably possible alternative assumptions for unobservable inputs used in the valuation model either as at the valuation date or from a suitable recent reporting period where appropriate to do so, that could give rise to significant changes in the fair value of the assets. The estimated impact on fair value to changes to these inputs is as follows:

Financial investments	Principal assumption[1]	Sensitivity applied	31 December 2025 £m	31 December 2024 £m
Investment funds	credit spreads	+100bps	(10)	(11)
Debt securities and other fixed income securities	credit spreads	+100bps	(523)	(420)
Loans secured by commercial mortgages	credit spreads	+100bps	(31)	(27)
Long income real estate	credit spreads	+100bps	(129)	(114)
Infrastructure loans	credit spreads	+100bps	(55)	(87)
Other loans	credit spreads	scenario analysis	(37)	N/A
LTMs	Maintenance expenses	+10%	(6)	(5)
	Base mortality	-5%	(31)	(23)
	Mortality improvement	+10%	(2)	(3)
	Immediate property price fall[2]	-10%	(151)	(88)
	Future residential property price growth	-0.5%	(68)	(51)
	Future residential property price volatility	+1%	(38)	(33)
	Voluntary redemptions	+10%	29	27
	Liquidity premium	+10bps	(48)	(46)

1 Sensitivities are determined by reference to the movement in credit spreads where the valuation models used to discount the expected cash flows using a discount rate which includes a credit spread allowance associated with the asset.

2 Property sensitivity reflects the impact of basis updates.

The analysis has been prepared for a change in each variable with other assumptions remaining constant. In reality such an occurrence is unlikely due to correlation between the assumptions and other factors. It should be noted that some of these sensitivities are non-linear and larger or smaller impacts should not be simply interpolated or extrapolated from these results. For example, the impact from a 5% fall in property prices would be slightly less than half of that disclosed in the table above.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk that only represents a view of reasonably possible near-term market changes that cannot be predicted with any certainty.

17. Deferred Tax Assets

	31 December 2025 £m	31 December 2024 £m
Transitional tax relief on adoption of IFRS 17	239	273
Tax losses and other	177	114
Total	**416**	**387**

The £239m (2024: £273m) deferred tax asset was recognised on adoption of IFRS 17 for transitional tax relief and is being amortised over a period of ten years from 1 January 2023. Deferred tax assets are recognised only to the extent that it is probable, that is to say more likely than not, that future taxable profit will be available against which the temporary differences and losses can be utilised. The tax losses have no expiry date. The availability of future taxable profits is assessed by reference to board approved business plans, including the release of CSM as services are provided.

The movement in the net deferred tax balance was as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Net balance at 1 January	387	406
Recognised in profit or loss	23	(24)
Recognised in other comprehensive income	1	1
Recognised in equity	5	4
Net balance at 31 December	**416**	**387**

The Group has gross unexpired tax losses and temporary differences on which no deferred tax is recognised of £57m (2024: £34m).

18. Cash and Cash Equivalents

	31 December 2025 £m	31 December 2024 £m
Cash available on demand	758	808
Units in liquidity funds	1,234	1,792
Cash and cash equivalents in the Consolidated statement of cash flows	**1,992**	**2,600**

Units in liquidity funds comprise wholly of units in funds which invest in very short dated liquid assets. However as they do not meet the definition of Cash available on demand, liquidity funds are reported within financial investments (see note 15). Liquidity funds do however meet the definition of cash equivalents for the purposes of disclosure in the Consolidated statement of cash flows.

19. Share Capital and Share Premium

The allotted, issued and fully paid ordinary share capital of Just Group plc is detailed below:

	Number of £0.10 ordinary shares	Share capital £m	Share premium £m
At 1 January 2025	1,038,702,932	104	95
At 31 December 2025	**1,038,702,932**	**104**	**95**
At 1 January 2024	1,038,702,932	104	95
At 31 December 2024	**1,038,702,932**	**104**	**95**

The Company does not have a limited amount of authorised share capital.

20. Other Reserves

	31 December 2025 £m	31 December 2024 £m
Merger reserve	597	597
Reorganisation reserve	348	348
Revaluation reserve	1	1
Share held by trusts	(2)	(2)
Total	**944**	**944**

Reorganisation reserve represents the difference in the nominal value of the shares in the Company and the value of shares in Just Retirement Group Holdings Limited for which they were exchanged as part of the Group reorganisation in November 2013.

The merger reserve is the result of a placing of 94,012,782 ordinary shares in 2019 and the acquisition of 100% of the equity of Partnership Assurance Group plc in 2016. The placing was achieved by the Company acquiring 100% of the equity of a limited company for consideration of the new ordinary shares issued. Merger relief under Section 612 of the Companies Act 2006 applied to both transactions.

Notes to the Consolidated Financial Statements continued

21. Tier 1 Notes

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
At 1 January	322	322
At 31 December	**322**	**322**

On 16 September 2021 the Group issued £325m 5.0% perpetual restricted Tier 1 contingent convertible notes, incurring issue costs of £3m.

During the year, interest of £16m was paid to holders of the Tier 1 notes (2024: £16m). The Tier 1 notes bear interest on the principal amount up to 30 September 2031 (the first reset date) at the rate of 5.0% per annum, and thereafter at a fixed rate of interest reset on the first call date and on each fifth anniversary thereafter. Interest is payable on the Tier 1 notes semi-annually in arrears on 30 March and 30 September each year.

The Group has the option to cancel the coupon payment at its discretion and cancellation of the coupon payment becomes mandatory upon non-compliance with the solvency capital requirement or minimum capital requirement or where the Group has insufficient distributable funds. Cancelled coupon payments do not accumulate or become payable at a later date and do not constitute a default. In the event of non-compliance with specific solvency requirements, the conversion of the Tier 1 notes into ordinary shares could be triggered.

The Tier 1 notes are treated as a separate category within equity and the coupon payments are recognised outside of the profit after tax result and as a deduction directly from shareholders' equity. Amounts reported in the Statement of changes in equity are £12m (2024: £12m) after attributable tax.

22. Insurance Contracts and Related Reinsurance

	31 December 2025 £m	31 December 2024 £m
Gross insurance liabilities	**31,386**	**27,753**
Reinsurance contract assets	(2,055)	(2,067)
Reinsurance contract liabilities	125	94
Net reinsurance contracts	**(1,930)**	**(1,973)**
Net insurance liabilities	**29,456**	**25,780**

Insurance liabilities and reinsurance assets and liabilities include valuation of the estimate of the present value of future cash flows, the risk adjustment for non-financial risk and the contractual service margin. A summary of the movement in insurance liabilities and net reinsurance contracts is presented below.

	Year ended 31 December 2025			Year ended 31 December 2024		
	Gross £m	Net reinsurance £m	Net £m	Gross £m	Net reinsurance £m	Net £m
Future cash flows	23,970	(838)	23,132	20,758	64	20,822
Risk adjustment	1,052	(732)	320	924	(592)	332
CSM	2,731	(403)	2,328	2,449	(490)	1,959
Net opening balance	**27,753**	**(1,973)**	**25,780**	**24,131**	**(1,018)**	**23,113**
CSM recognised for services provided	(197)	23	(174)	(177)	23	(154)
CSM accretion	117	(10)	107	113	(30)	83
Other movements in the CSM	127	178	305	346	94	440
Release from risk adjustment	(9)	6	(3)	(11)	4	(7)
Other movements in risk adjustment	214	(179)	35	139	(144)	(5)
Movements in future cash flows	3,381	25	3,406	3,212	(902)	2,310
Net closing balance	**31,386**	**(1,930)**	**29,456**	**27,753**	**(1,973)**	**25,780**
Future cash flows	27,351	(813)	26,538	23,970	(838)	23,132
Risk adjustment	1,257	(905)	352	1,052	(732)	320
CSM	2,778	(212)	2,566	2,731	(403)	2,328
Net closing balance	**31,386**	**(1,930)**	**29,456**	**27,753**	**(1,973)**	**25,780**

The detailed movements analysis of insurance liabilities and reinsurance assets and liabilities are presented in note 22(c) and (d) respectively. The movements include the CSM split between contracts under the Fair Value Approach ("FVA") and other contracts, including those measured under the Fully Retrospective Approach ("FRA") at transition to IFRS 17 and new contracts issued thereafter.

(a) Terms and conditions of insurance and reinsurance contracts

Long-term insurance contracts include Defined Benefit and Guaranteed Income for Life products.

Reinsurance via longevity swap and quota share arrangements is used as an integral part of risk and capital management of new and in-force business. Reinsurance also includes DB Partner (funded re) transactions. These are DB de-risking transactions entered into alongside reinsurance partners. In such a transaction, a proportion of both the longevity and investment risk is transferred to the reinsurer by transferring premium and associated assets.

During the year new business has been reinsured as follows:

- GIfL was reinsured using longevity swap reinsurance at 90%.
- DB was reinsured using longevity swap reinsurance at c.90% for future cash flows excluding tax free cash.
- No DB partner transactions took place.

Reinsurance is subject to collateral arrangements in order to mitigate credit risk as described in note 27(c)(iii).

(b) Measurement of insurance contracts

(i) Estimates of future cash flows

In estimating future cash flows, all reasonable and supportable information that is available without undue cost or effort is incorporated, in an unbiased way, at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events. When estimating future cash flows, current expectations of future events that might affect those cash flows are taken into account.

(ii) Mortality assumptions

Mortality assumptions have been set by reference to appropriate standard mortality tables, adjusted to reflect the future mortality experience of policyholders, medical and lifestyle evidence and view on future experience development. This assessment takes into consideration relevant industry and population studies, published research materials, and management's own industry experience.

Last year, an explicit allowance was added to the CMI 2023 mortality model to reflect the emerging evidence of the future impacts of COVID infections and continuing and likely long-lasting disruption to healthcare services. In this year, the scope has been extended to consider future mortality and mortality improvements in totality, investigating the likely impact of future mortality drivers in the domains of Public Health, Individual Behaviours, Health & Social Care Funding, Medical Advances and Future Developments in Technology. This research has involved longevity experts from different disciplines inside and outside the Group.

In addition, following research on the importance of historical smoking patterns and the treatment of circulatory disease to long-term differences in mortality rates and mortality improvements by gender, the same pattern of long-term mortality improvement assumptions are now used for men and women. The long-term mortality improvement rates are 1.25% p.a. at 2050, trending to 1.5% p.a. for 2060+ up to age 85, and then tapering to zero by age 110. This aligns with the definition of long-term used by the Office for National Statistics, namely 25 years.

The resulting 2025 mortality basis, derived using an expert-led mortality driver model, is equivalent across key ages to the CMI 2024 mortality model with default parameters and long-term mortality improvement assumptions of 1.5% for men and 1.25% for women. (2024: CMI 2023 model with period smoothing parameter (Sk) set to 7.0, addition to initial rates ("A") parameter set to 0%, 0% weighting to 2020-2023 mortality experience, long-term mortality improvement rates of 1.5% for males and 1.25% for females, all other parameters set to defaults; together with additional explicit mortality uplifts of +2.8% over 2025-2027, +2.3% over 2028-37 and +1.4% over 2038-54).

For 31 December 2025, projected mortality rates are lower (versus 31 December 2024) in the short term, and higher in the long term. An age-standardised mortality rate for the population of England & Wales aged 50-89 for calendar year 2025 is 1.8% lower; for calendar year 2035 it is 2.0% lower; and for 2045 it is 1.1% higher.

There has been no significant change to overall life expectancies. Cohort life expectancies for the population of England & Wales as at 31 December 2025 would be 19.8 years for men aged 65 (2024: 19.8 years) and 22.4 years for women aged 65 (2024: 22.4 years).

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(b) Measurement of insurance contracts continued

(ii) Mortality assumptions continued

The standard tables which underpin the mortality assumptions are summarised in the table below.

Product group	Entity	2025	2024
Individually underwritten Guaranteed Income for Life Solutions	JRL, PLACL	Modified E and W Population 2024 mortality experience, with mortality improvements based on expert-led mortality driver model	Modified E and W Population mortality, with CMI 2023 model mortality improvements
Defined Benefit	JRL	Modified E and W Population 2024 mortality experience, with mortality improvements based on expert-led mortality driver model. Medically underwritten unchanged from 2024	Modified E and W Population mortality, with CMI 2023 model mortality improvements. Medically underwritten: Reinsurer supplied tables underpinned by the Self-Administered Pension Scheme ("SAPS") S1 tables, with modified CMI 2009 model mortality improvements for medically underwritten business
Defined Benefit	PLACL	Modified E and W Population 2024 mortality experience, with mortality improvements based on expert-led mortality driver model	Modified E and W Population mortality, with CMI 2023 model mortality improvements
Care Plans and other annuity products	PLACL	Modified PCMA/PCFA or modified E and W Population 2024 mortality experience, with mortality improvements based on expert-led mortality driver model	Modified PCMA/PCFA or modified E and W Population mortality with CMI 2023 model mortality improvements
Protection	PLACL	Unchanged from 2024	TM/TF00 Select

Further to research on the importance of historical smoking patterns and the treatment of circulatory disease to long-term differences in mortality rates and mortality improvements by gender, the same pattern of long-term mortality improvement assumptions are now used for men and women. The long-term mortality improvement rates are 1.25% p.a. at 2050, trending to 1.5% p.a. for 2060+ up to age 85, and then tapering to zero by age 110. This aligns with the definition of long-term used by the Office for National Statistics, namely 25 years. For reference, the 2024 long-term mortality improvement assumptions with the CMI 2023 mortality model were 1.5% p.a. for men and 1.25% p.a. for women, with the same tapering pattern by age.

(iii) Discount rates

Discount rates at the inception of each contract are based on the yields within a hypothetical reference portfolio of assets which the Group expects to acquire to back the portfolio of new insurance liabilities (the "target portfolio"). At each period end, the discount rate is based upon the actual asset portfolio backing the net of reinsurance future cash flows and risk adjustment and is adjusted in respect of new contracts incepting in the period to allow for a period of transition from the actual asset holdings to the target portfolio where necessary. This is expected to be 12 months from the period close, but may be longer depending on the speed and volume of asset originations together with any delay in the sale of assets transferred in species, if applicable.

All cash flows are discounted using investment yield curves adjusted to allow for expected and unexpected credit risk. For non-LTM assets, this adjustment is comprised of an element based upon historic default experience and an element based upon current spread levels where both elements are relevant to the asset in question. The yields on LTM assets are derived using the assumptions described in note 16 with an additional reduction to the future house price growth rate of 50bps in all periods reported. The yields on residential ground rents are derived using the assumptions described in note 16(d)(iv) in light of the ongoing uncertainty.

The overall reduction in yield to allow for the risk of defaults from all non-LTMs and the adjustment from LTMs, which included a combination of the NNEG and the additional reduction to future house price growth rate, were 58bps for JRL (2024: 56bps) and 78bps for PLACL (2024: 96bps).

The tables below set out rates at certain points on the yield curves used to discount the future cash flows and risk adjustment reserves as at each period end together with the weighted average discount rates applied to the new business cohorts for the principal insurance product lines. The discount rates used for the gross insurance and reinsurance contracts at the period end date are consistent, having been based on a single investment portfolio for each legal entity. As such only the rates for underlying business are presented below. The discount rates used for locking-in the CSM for the new business cohort are based on the interest rates applicable on the date of recognition for underlying business. Equivalent locked-in reinsurance discount rates vary by reinsurer but are based upon the same underlying reference portfolios as for gross insurance business so will only differ due to any difference in recognition date. Discount rates have been determined in aggregate and not separately by profitability groupings.

Discount rate – insurance contracts JRL

	31 December 2025			31 December 2024		
	Valuation rate at 31 December	New business cohort (Locked-in rates)		Valuation rate at 31 December	New business cohort (Locked-in rates)	
	All products	GIfL	DB	All products	GIfL	DB
1 year	5.5%	6.3%	6.0%	6.6%	6.4%	6.2%
5 year	5.6%	6.3%	6.1%	6.2%	6.1%	5.9%
10 year	6.0%	6.6%	6.5%	6.2%	6.1%	6.0%
20 year	6.5%	6.8%	6.8%	6.4%	6.2%	6.2%
30 year	6.5%	6.5%	6.5%	6.4%	5.9%	5.8%

Discount rate – insurance contracts PLACL

	Valuation rate at 31 December 2025		Valuation rate at 31 December 2024	
	GIfL/DB	Care	GIfL/DB	Care
1 year	5.1%	4.3%	6.6%	5.1%
5 year	5.2%	4.4%	6.2%	4.6%
10 year	5.6%	4.8%	6.2%	4.7%
20 year	6.1%	5.3%	6.4%	4.9%
30 year	6.2%	5.4%	6.4%	4.8%

(iv) Inflation

Assumptions for annuity escalation are required for RPI, CPI and LPI index-linked liabilities, the majority of which are within the Defined Benefit business. The inflation curve assumed in each case is that which is implied by market swap rates, using a mark to model basis for LPI inflation, taking into account any escalation caps and/or floors applicable.

For the purposes of calculating movements in the CSM relating to each group of contracts, for JRL separate weighted average inflation curves for each index are calculated and locked-in for each annual cohort. The inflation curves from each day are weighted by the business volumes completed on that day to which that inflation variant applies.

(v) Future expenses

Assumptions for future costs of maintaining policies are set with reference to analysis of the existing expense base and actual fees payable under the contracts for those services outsourced. The 2025 assumptions remain unchanged from 2024 except for inflation. The assumptions cover both the direct and indirect costs of maintaining policies. The JRL GIfL maintenance expense assumption used was £29.49 per plan (2024: £29.05), and the JRL DB maintenance assumption used was £71.83 per scheme member (2024: £71.14). The PLACL GIfL maintenance expense assumption used was £41.92 per plan (2024: £40.42), and the PLACL DB maintenance assumption used was £124.17 per scheme member (2024: £119.74).

Assumptions for future policy expense levels are determined from the most recent expense analyses and incorporate an annual inflation rate allowance of 3.4% (2024: 3.7%) derived from the expected RPI and CPI implied by inflation swap rates and an additional allowance for earnings inflation. The annual inflation rate allowance is regarded as a financial assumption and therefore all changes in expense inflation rates are recognised immediately within net investment result.

(vi) Risk adjustment

The future cash flows represent the present value of future net cash outflows to settle claims and expenses quantified at the 50th percentile confidence interval. The risk adjustment for non-financial risk is determined using a value at risk technique and reflects the compensation required for bearing longevity, expense, and insurance-contract specific operational risks, consistent with the primary life underwriting risks allowed for in Solvency II reporting. The risk adjustment represents an additional reserve held that increases the ultimate time horizon confidence interval up to the 70th percentile and amounts to £0.4bn (2024 £0.3bn) net of reinsurance. The confidence level is targeted on a net of reinsurance basis as this reflects how insurance risk is managed. Based upon the annual risk adjustment calibration exercise, a 5% increase in the ultimate run-off confidence interval would increase the net of reinsurance risk adjustment by c£0.1bn (2024: c£0.1bn).

The risk adjustment is calibrated using the probability distributions of the future cash flows on a one-year time horizon as used within the respective JRL and PLACL internal models for Solvency II reporting for non-financial risks, which are then converted to ultimate horizon distributions in order to determine stress parameters at the target percentile. At the point of calibration, this calibration represents an approximately one-in-ten year stress on a one-year basis. The calibration is carried out on an annual basis ahead of the financial reporting year end, therefore the actual confidence interval as at the valuation date may differ slightly, for example, due to economic movements in the intervening period.

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(b) Measurement of insurance contracts continued

(vi) Risk adjustment continued

The Group's IFRS risk adjustment for non-financial risk is considered by management to provide an economic view of the profitability of new business and is therefore set with reference to that used for pricing purposes and the basis used within the new business profits KPI.

The reinsurance risk adjustment represents the amount of risk being transferred by the holder of the reinsurance contract to the issuer of that contract. Reinsurance contracts held by the Group transfer longevity risk proportional to the underlying insurance contract. Consequently, the same risk adjustment stresses for this non-financial risk are applied to both gross and reinsurance contracts to determine the respective risk adjustment for each. Expense and operational risks are not transferred to reinsurers as part of the reinsurance contract held by the Group and hence there are no stresses applied for these in the reinsurance risk adjustment. Allowance is made for diversification between risks within legal entities, but not between the different legal entities within the Group.

(c) Movements analyses – insurance contracts

(i) Insurance contracts analysis of remaining coverage

Year ended 31 December 2025	Note	Liability for remaining coverage £m	Incurred claims £m	Total £m
Opening insurance contract liabilities balance		27,849	(96)	27,753
Changes in the statement of comprehensive income				
Insurance revenue				
• Contracts under the fully retrospective transition approach and General measurement model applied since inception		(764)	–	(764)
• Contracts under the fair value transition approach		(1,309)	–	(1,309)
	3(a)	**(2,073)**	–	**(2,073)**
Insurance service expenses				
Incurred claims and directly attributable expenses		–	1,826	1,826
Amortisation of insurance acquisition cash flows		44	–	44
	3(b)	**44**	**1,826**	**1,870**
Insurance service result		(2,029)	1,826	(203)
Investment component		(341)	341	–
Net finance expenses from insurance contracts	4(b)	1,765	–	1,765
Exchange rate movements		32	–	32
Total change in the statement of comprehensive income		**(573)**	**2,167**	**1,594**
Cash flows				
Premiums received	2	4,399	–	4,399
Claims and other insurance service expenses paid, including investment components		–	(2,181)	(2,181)
Insurance acquisition cash flows	3(b)	(179)	–	(179)
Total cash flows		**4,220**	**(2,181)**	**2,039**
Closing insurance contract liabilities balance		**31,496**	**(110)**	**31,386**

Year ended 31 December 2024	Note	Liability for remaining coverage £m	Incurred claims £m	Total £m
Opening insurance contract liabilities balance		24,208	(77)	24,131
Changes in the statement of comprehensive income				
Insurance revenue				
• Contracts under the fully retrospective transition approach and General measurement model applied since inception		(512)	–	(512)
• Contracts under the fair value transition approach		(1,297)	–	(1,297)
	3(a)	(1,809)	–	(1,809)
Insurance service expenses				
Incurred claims and directly attributable expenses		–	1,589	1,589
Amortisation of insurance acquisition cash flows		32	–	32
	3(b)	32	1,589	1,621
Insurance service result		(1,777)	1,589	(188)
Investment component		(296)	296	–
Net finance income from insurance contracts	4(b)	(480)	–	(480)
Exchange rate movements		(4)	–	(4)
Total change in the statement of comprehensive income		(2,557)	1,885	(672)
Cash flows				
Premiums received	2	6,413	–	6,413
Claims and other insurance service expenses paid, including investment components		–	(1,904)	(1,904)
Insurance acquisition cash flows	3(b)	(215)	–	(215)
Total cash flows		6,198	(1,904)	4,294
Closing insurance contract liabilities balance		27,849	(96)	27,753

The amount of insurance contract liabilities that relates to annuity payments due in the year "liability for incurred claims" is reported separately from the amounts related to future periods "Liability for remaining coverage" in the table above. This balance includes guarantee period payments due in future years (together with related CSM) regardless of whether or not the guarantees have crystallised.

Payments of annuities made before due dates, for example on the final working day of the month, are shown as a reduction to insurance contract liabilities (within the liability of incurred claims).

There were no material loss components in the Group during the year.

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(c) Movements analyses – insurance contracts continued

(ii) Insurance contracts analysed by measurement component

Year ended 31 December 2025	Note	Estimate of present value of future cash flows £m	Risk adjustment for non-financial risk £m	CSM £m	Total £m
Opening insurance contract liabilities balance		23,970	1,052	2,731	27,753
Changes in the statement of comprehensive income					
Changes that relate to current service					
CSM recognised for service provided	3(a)	–	–	(197)	(197)
Change in risk adjustment for non-financial risk for risk expired	3(a)	–	(9)	–	(9)
Experience adjustments	3	3	–	–	3
Changes that relate to future service					
Contracts initially recognised in the year		(402)	169	233	–
Changes in estimates that adjust the CSM		83	23	(106)	–
Insurance service result	3	**(316)**	**183**	**(70)**	**(203)**
Net finance expenses from insurance contracts	4(b)	1,626	22	117	1,765
Exchange rate movement		32	–	–	32
Total change in the statement of comprehensive income		**1,342**	**205**	**47**	**1,594**
Cash flows					
Premiums received	2	4,399	–	–	4,399
Claims and other insurance service expenses paid, including investment components		(2,181)	–	–	(2,181)
Insurance acquisition cash flows	3(b)	(179)	–	–	(179)
Total cash flows		**2,039**	**–**	**–**	**2,039**
Closing insurance contract liabilities balance		**27,351**	**1,257**	**2,778**	**31,386**

Year ended 31 December 2024	Note	Estimate of present value of future cash flows £m	Risk adjustment for non-financial risk £m	CSM £m	Total £m
Opening insurance contract liabilities balance		20,758	924	2,449	24,131
Changes in the statement of comprehensive income					
Changes that relate to current service					
CSM recognised for service provided	3(a)	–	–	(177)	(177)
Change in risk adjustment for non-financial risk for risk expired	3(a)	–	(11)	–	(11)
Experience adjustments	3	–	–	–	–
Changes that relate to future service					
Contracts initially recognised in the year		(728)	290	438	–
Changes in estimates that adjust the CSM		72	20	(92)	–
Insurance service result	3	(656)	299	169	(188)
Net finance income from insurance contracts	4(b)	(422)	(171)	113	(480)
Exchange rate movement		(4)	–	–	(4)
Total change in the statement of comprehensive income		**(1,082)**	**128**	**282**	**(672)**
Cash flows					
Premiums received	2	6,413	–	–	6,413
Claims and other insurance service expenses paid, including investment components		(1,904)	–	–	(1,904)
Insurance acquisition cash flows	3(b)	(215)	–	–	(215)
Total cash flows		**4,294**	**–**	**–**	**4,294**
Closing insurance contract liabilities balance		**23,970**	**1,052**	**2,731**	**27,753**

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(c) Movements analyses – insurance contracts continued

(iii) Disclosure of movement in CSM by IFRS 17 Transitional approach

Below is the CSM movement split by Fair Value Approach ("FVA") on transition to IFRS 17 and other contracts.

	Year ended 31 December 2025			Year ended 31 December 2024		
	Contracts under FVA £m	Other contracts £m	Total CSM £m	Contracts under FVA £m	Other contracts £m	Total CSM £m
Opening insurance contract liabilities balance	1,400	1,331	2,731	1,437	1,012	2,449
Changes in the statement of comprehensive income						
Changes that relate to current service						
CSM recognised for service provided	(112)	(85)	(197)	(108)	(69)	(177)
Changes that relate to future service						
Contracts initially recognised in the period	–	233	233	–	438	438
Changes in estimates that adjust the CSM	12	(118)	(106)	27	(119)	(92)
Insurance service result	**(100)**	**30**	**(70)**	**(81)**	**250**	**169**
Net finance expenses from insurance contracts	41	76	117	44	69	113
Total change in the statement of comprehensive income	**(59)**	**106**	**47**	**(37)**	**319**	**282**
Closing insurance contract liabilities balance	**1,341**	**1,437**	**2,778**	**1,400**	**1,331**	**2,731**

CSM recognised in the period is discussed in note 3.

The value of contracts initially recognised in the year is presented in note 22(e).

Changes in estimates that adjust the CSM represent changes in projected future years cash flows that arise from experience in the period and non-economic assumption changes, measured at locked-in discount rates. This movement in the CSM is directionally opposite to the movement in the projected future cash flows.

In the current year the change in present value of future cash flows mainly reflect increases due to updates to demographic assumptions for longevity and expenses. The risk adjustment impact reflects recalibration of the associated stress parameters. Please refer to Business Review for details.

Increase in accretion of CSM is due to the addition of another cohort of new business and the upwards shape of the yield curves for prior year cohorts.

(d) Movements analysis – reinsurance contracts

(i) Reinsurance contracts analysis of remaining coverage

Year ended 31 December 2025	Note	Remaining coverage £m	Incurred claims £m	Total £m
Opening reinsurance contract asset		2,059	8	2,067
Opening reinsurance contract liability		(70)	(24)	(94)
Net opening balance		**1,989**	**(16)**	**1,973**
Changes in the statement of comprehensive income				
Reinsurance expenses		(1,291)	–	(1,291)
Claims recovered		–	1,258	1,258
Net expenses from reinsurance contracts	3(c)	**(1,291)**	**1,258**	**(33)**
Investment component		–	–	–
Net finance income from reinsurance contracts	4(c)	65	–	65
Total change in the statement of comprehensive income		**(1,226)**	**1,258**	**32**
Cash flows				
Premiums paid		1,174	–	1,174
Claims received		–	(1,249)	(1,249)
Total cash flows		**1,174**	**(1,249)**	**(75)**
Closing reinsurance contract asset		2,046	9	2,055
Closing reinsurance contract liability		(109)	(16)	(125)
Net closing balance		**1,937**	**(7)**	**1,930**

Year ended 31 December 2024	Note	Remaining coverage £m	Incurred claims £m	Total £m
Opening reinsurance contract asset		1,136	7	1,143
Opening reinsurance contract liability		(34)	(91)	(125)
Net opening balance		**1,102**	**(84)**	**1,018**
Changes in the statement of comprehensive income				
Reinsurance expenses		(1,035)	–	(1,035)
Claims recovered		–	996	996
Net expenses from reinsurance contracts	3(c)	**(1,035)**	**996**	**(39)**
Investment component		(2)	2	–
Net finance expenses from reinsurance contracts	4(c)	(52)	–	(52)
Total change in the statement of comprehensive income		**(1,089)**	**998**	**(91)**
Cash flows				
Premiums paid		1,976	–	1,976
Claims received		–	(930)	(930)
Total cash flows		**1,976**	**(930)**	**1,046**
Closing reinsurance contract asset		2,059	8	2,067
Closing reinsurance contract liability		(70)	(24)	(94)
Net closing balance		**1,989**	**(16)**	**1,973**

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(d) Movements analysis – reinsurance contracts continued

(i) Reinsurance contracts analysis of remaining coverage continued

Within the table above, the value of the fixed legs of longevity swaps are presented as Reinsurance expenses and Premiums paid, and the value of the floated legs of longevity swaps are presented as Claims recovered and Claims received.

Premiums paid mainly represented new longevity swap premiums of £1,174m (2024: £1,013m in relation to DB partner (funded re) and £963m in relation to longevity swap premiums).

(ii) Reinsurance contracts analysed by measurement component

Year ended 31 December 2025	Note	Estimate of present value of future cash flows £m	Risk adjustment for non-financial risk £m	CSM £m	Total £m
Opening reinsurance contract asset		1,802	128	137	2,067
Opening reinsurance contract liability		(964)	604	266	(94)
Net opening balance		**838**	**732**	**403**	**1,973**
Changes in the statement of comprehensive income					
Changes that relate to current service					
CSM recognised for service received	3(c)	–	–	(23)	(23)
Change in risk adjustment for non-financial risk for risk expired	3(c)	–	(6)	–	(6)
Experience adjustments	3(c)	(4)	–	–	(4)
Changes that relate to future service				–	
Contracts initially recognised in the year		(123)	147	(24)	–
Change in estimates that adjust the CSM		76	78	(154)	–
Net expenses from reinsurance contracts	3(c)	**(51)**	**219**	**(201)**	**(33)**
Net finance income from reinsurance contracts	4(c)	101	(46)	10	65
Total change in the statement of comprehensive income		**50**	**173**	**(191)**	**32**
Cash flows					
Premiums paid		1,174	–	–	1,174
Claims received		(1,249)	–	–	(1,249)
Total cash flows		**(75)**	**–**	**–**	**(75)**
Closing reinsurance contract asset		1,757	136	162	2,055
Closing reinsurance contract liability		(944)	769	50	(125)
Net closing balance		**813**	**905**	**212**	**1,930**

Year ended 31 December 2024	Note	Estimate of present value of future cash flows £m	Risk adjustment for non-financial risk £m	CSM £m	Total £m
Opening reinsurance contract asset		937	106	100	1,143
Opening reinsurance contract liability		(1,001)	486	390	(125)
Net opening balance		**(64)**	**592**	**490**	**1,018**
Changes in the statement of comprehensive income					
Changes that relate to current service					
CSM recognised for service received	3(c)	–	–	(23)	(23)
Change in risk adjustment for non-financial risk for risk expired	3(c)	–	(4)	–	(4)
Experience adjustments	3(c)	(12)	–	–	(12)
Changes that relate to future service					
Contracts initially recognised in the year		(208)	232	(24)	–
Change in estimates that adjust the CSM		(2)	72	(70)	–
Net expenses from reinsurance contracts	3(c)	**(222)**	**300**	**(117)**	**(39)**
Net finance expenses from reinsurance contracts	4(c)	78	(160)	30	(52)
Total change in the statement of comprehensive income		**(144)**	**140**	**(87)**	**(91)**
Cash flows					
Premiums paid		1,976	–	–	1,976
Claims received		(930)	–	–	(930)
Total cash flows		**1,046**	**–**	**–**	**1,046**
Closing reinsurance contract asset		1,802	128	137	2,067
Closing reinsurance contract liability		(964)	604	266	(94)
Net closing balance		**838**	**732**	**403**	**1,973**

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(d) Movements analysis – reinsurance contracts continued

(iii) Disclosure of movement in CSM by IFRS 17 Transitional approach

Below is the CSM movement split by Fair Value Approach ("FVA") on transition to IFRS 17 and other contracts.

	Year ended 31 December 2025			Year ended 31 December 2024		
	Contracts under FVA £m	Other contracts £m	Total CSM £m	Contracts under FVA £m	Other contracts £m	Total CSM £m
Opening reinsurance contract asset	86	51	137	68	32	100
Opening reinsurance contract liability	181	85	266	203	187	390
Net opening balance	**267**	**136**	**403**	**271**	**219**	**490**
Changes in the statement of comprehensive income						
Changes that relate to current service						
CSM recognised for service received	(20)	(3)	(23)	(18)	(5)	(23)
Changes that relate to future service			–			
Contracts initially recognised in the period	–	(24)	(24)	–	(24)	(24)
Change in estimates that adjust the CSM	(41)	(113)	(154)	(3)	(67)	(70)
Net expenses from reinsurance contracts	**(61)**	**(140)**	**(201)**	**(21)**	**(96)**	**(117)**
Net finance income from reinsurance contracts	7	3	10	17	13	30
Total change in the statement of comprehensive income	**(54)**	**(137)**	**(191)**	**(4)**	**(83)**	**(87)**
Closing reinsurance contract asset	122	40	162	86	51	137
Closing reinsurance contract liability	91	(41)	50	181	85	266
Net closing balance	**213**	**(1)**	**212**	**267**	**136**	**403**

The value of contracts initially recognised in the year are explained in note 22(e).

The change in estimates that adjust the CSM recognised in the estimate of present value of future cash flows and risk adjustment in 2025 of £76m (2024: £(2)m) and £78m (2024: £72m) respectively represent the reinsurers' share of the equivalent gross changes of £83m (2024: £72m) and £23m (2024: £20m) respectively explained in note 22(c)(ii).

(e) New insurance contracts issued and reinsurance contracts held

The tables below present the CSM at point of inception of new contracts sold in the year together with CSM for the related reinsurance:

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Insurance contracts issued			
Insurance acquisition cash flows	3(b)	(179)	(215)
Estimate of present value of future cash outflows		(3,760)	(5,466)
Estimate of present value of future cash inflows		4,341	6,409
Estimates of net present value of cash flows		**402**	**728**
Risk adjustment		(169)	(290)
Contractual service margin		**233**	**438**

The amount recognised in the CSM represents the value of new business acquired in the period valued based on point of sale economic and non-economic assumptions. The estimate of present value of future cash outflows of £3,760m (2024: £5,466m) represents the present value of claims and maintenance expenses quantified at the discount rates applicable at date of inception of contracts. The expense loading is determined based on incremental marginal costs including overheads that are attributable to the new contracts signed in the current period and does not include costs which have been previously allocated to existing contracts in prior years.

	Year ended 31 December 2025			Year ended 31 December 2024		
	Originated with a positive CSM £m	Originated with a negative CSM £m	Total £m	Originated with a positive CSM £m	Originated with a negative CSM £m	Total £m
Reinsurance contracts ceded						
Estimate of present value of future cash outflows	(85)	(38)	(123)	(55)	(153)	(208)
Risk adjustment	114	33	147	104	128	232
Contractual service margin	**29**	**(5)**	**24**	**49**	**(25)**	**24**

(f) Contractual service margin run-off

The following represents the current view of the run-off of the CSM after allowing for accretion.

31 December 2025	Insurance contract liability £m	Net reinsurance £m	Net £m
Within 1 year	91	(14)	77
1–2 years	98	(14)	84
2–3 years	101	(14)	87
3–4 years	101	(13)	88
4–5 years	103	(13)	90
5–10 years	503	(60)	443
10–20 years	834	(76)	758
20–30 years	553	(18)	535
Over 30 years	394	10	404
Total	**2,778**	**(212)**	**2,566**

31 December 2024	Insurance contract liability £m	Net reinsurance £m	Net £m
Within 1 year	86	(15)	71
1–2 years	89	(15)	74
2–3 years	93	(15)	78
3–4 years	98	(15)	83
4–5 years	97	(15)	82
5–10 years	482	(78)	404
10–20 years	825	(137)	688
20–30 years	556	(79)	477
Over 30 years	405	(34)	371
Total	**2,731**	**(403)**	**2,328**

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

(g) Estimated timing of net cash outflows from insurance contract liabilities

The following table shows the insurance contract balances analysed by duration. The total balances are split by duration of payments in proportion to the policy cash flows estimated to arise during the year, measured as the expected undiscounted net cash flows.

31 December 2025	Insurance contract liability £m	Reinsurance contract assets £m	Reinsurance contract liabilities £m	Net £m
Less than 1 year	2,296	(136)	30	2,190
1–2 years	2,282	(139)	31	2,174
2–3 years	2,275	(141)	31	2,165
3–4 years	2,266	(143)	32	2,155
4–5 years	2,258	(145)	32	2,145
5–10 years	10,980	(728)	144	10,396
10–20 years	18,960	(1,316)	161	17,805
20–30 years	12,699	(911)	(125)	11,663
Over 30 years	9,997	(685)	(1,022)	8,290
Total value (undiscounted)	**64,013**	**(4,344)**	**(686)**	**58,983**
Carrying value (discounted)	**28,686**	**(1,884)**	**160**	**26,962**

31 December 2024	Insurance contract liability £m	Reinsurance contract assets £m	Reinsurance contract liabilities £m	Net £m
Less than 1 year	2,051	(133)	29	1,947
1–2 years	2,044	(135)	31	1,940
2–3 years	2,037	(138)	33	1,932
3–4 years	2,027	(140)	34	1,921
4–5 years	2,016	(142)	36	1,910
5–10 years	9,790	(724)	190	9,256
10–20 years	16,900	(1,368)	324	15,856
20–30 years	11,272	(1,000)	(40)	10,232
Over 30 years	8,456	(755)	(537)	7,164
Total value (undiscounted)	56,593	(4,535)	100	52,158
Carrying value (discounted)	25,166	(1,922)	337	23,581

The tables above present the timing and amount of expected future cash flows excluding both current insurance related accruals and prepayments, and the CSM release as presented in note 22(f). Contractual amounts payable on demand include amounts that DB scheme members may transfer out in the deferred phase prior to retirement of £5,551m as at 31 December 2025 (31 December 2024: £4,335m).

(h) Sensitivity analysis

The estimated impact on fulfilment cash flows ("FCF"), contractual service margin ("CSM") and profit or loss ("P&L") for the year in relation to insurance contracts and related reinsurance from reasonably possible changes in key assumptions relating to financial assets and to liabilities has been estimated. The sensitivities capture the liability impacts arising from the impact on the yields of the assets backing liabilities in each sensitivity. The impact of changes in the value of assets and liabilities has been shown separately to aid the comparison with the change in value of assets for the relevant sensitivities in note 16.

The sensitivity factors are applied via financial models either from a suitable recent reporting period or as at the valuation date where appropriate to do so. The impact of these sensitivities on IFRS net equity is the impact on profit before tax as set out in the table below less tax at the current tax rate.

Sensitivity factor[1,2,3]	Description of sensitivity factor applied
Interest rate and investment return	The impact of a change in the market interest rates by +/- 1% (e.g. if a current interest rate is 5%, the impact of an immediate change to 4% and 6% respectively). The test consistently allows for similar changes to both assets and liabilities
Expenses	The impact of an increase in maintenance expenses by 10%
Base mortality rates	The impact of a decrease in base table mortality rates by 5% applied to both Retirement Income liabilities and LTMs[4]
Mortality improvement rates	The impact of a level increase in mortality improvement rates of 10% for both Retirement Income liabilities and LTMs[1]. This sensitivity applies a multiplicative adjustment to the improvement rates
Immediate property price fall	The impact of an immediate decrease in the value of properties on LTMs[4] by 10%
Future residential property price growth	The impact of a reduction in future residential property price growth on LTMs[4] by 0.5%
Future residential property price volatility	The impact of an increase in future residential property price volatility on LTMs[4] by 1%
Voluntary redemptions	The impact of an increase in voluntary redemption rates on LTMs[4] by 10%
Credit defaults	The impact of an increase in the credit default assumption of 10bps

1 The analysis has been prepared for a change in each variable with other assumptions remaining constant. In reality, such an occurrence is unlikely, due to correlation between the assumptions and other factors.

2 It should also be noted that these sensitivities are non-linear, and larger or smaller impacts cannot necessarily be interpolated or extrapolated from these results. The extent of non-linearity grows as the severity of any sensitivity is increased. For example, in the specific scenario of property price falls, the impact on IFRS profit before tax from a 5% fall in property prices would be slightly less than half of that disclosed in the table above. Furthermore, in the specific scenario of a mortality reduction, a smaller fall in fulfilment cash flows than disclosed in the table above or a similar increase in mortality may be expected to result in broadly linear impacts. However, it becomes less appropriate to extrapolate the expected impact for more severe scenarios.

3 The sensitivity factors take into consideration that assets and liabilities are actively managed and may vary at the time that any actual market movement occurs. The sensitivities above cover the changes on all assets and liabilities from the given stress. Parameters that have had limited sensitivity both historically and currently are not included, such as inflation for which the risk is substantially hedged.

4 Including the impact from NNEG hedges.

Notes to the Consolidated Financial Statements continued

22. Insurance Contracts and Related Reinsurance continued

Impact of sensitivities

31 December 2025		Insurance contract liabilities Liability decrease/ (increase) £m	Reinsurance contracts (net) held Asset increase/ (decrease) £m	Net insurance contract liabilities Liability decrease/ (increase) £m	Valuation of assets Asset increase/ (decrease) £m	Net impact on profit before tax Profit increase/ (decrease)[2] £m
Interest rate and investments + 1%	FCF	2,538	(205)	2,333	–	–
	CSM	–	–	–	–	–
	P&L	2,538	(205)	2,333	(2,315)	18
Interest rate and investments -1%	FCF	(3,032)	255	(2,777)	–	–
	CSM	–	–	–	–	–
	P&L	(3,032)	255	(2,777)	2,761	(16)
Maintenance expenses +10%	FCF	(43)	–	(43)	–	–
	CSM	43	–	43	–	–
	P&L	–	–	–	(6)	(6)
Decrease in base mortality by 5%	FCF	(387)	262	(125)	–	–
	CSM	571	(433)	138	–	–
	P&L	184	(171)	13	(30)	(17)
Mortality improvements rates +10%	FCF	(173)	116	(57)	–	–
	CSM	271	(235)	36	–	–
	P&L	98	(119)	(21)	(2)	(23)
Immediate fall of 10% in residential property prices[3]	FCF	(35)	3	(32)	–	–
	CSM	–	–	–	–	–
	P&L	(35)	3	(32)	(137)	(169)
Future residential property price growth reduces by 0.5%	FCF	(43)	4	(39)	–	–
	CSM	–	–	–	–	–
	P&L	(43)	4	(39)	(58)	(97)
Future residential property price volatility increase by 1%	FCF	(20)	2	(18)	–	–
	CSM	–	–	–	–	–
	P&L	(20)	2	(18)	(32)	(50)
Voluntary redemptions increase by 10%	FCF	(21)	2	(19)	–	–
	CSM	–	–	–	–	–
	P&L	(21)	2	(19)	28	9
Credit default allowance – increase by 10bps[1]	FCF	(264)	22	(242)	–	–
	CSM	–	–	–	–	–
	P&L	(264)	22	(242)	–	(242)

1. Over that included in the discount rate section in note 22(b).
2. Sensitivities can result in an opposite impact on Profit/(loss) before and after allowance for the CSM due to the impact of the use of locked-in rates for the CSM.
3. Property sensitivity reflects the impact of basis updates.

31 December 2024		Insurance contract liabilities Liability decrease/ (increase) £m	Reinsurance contracts (net) held Asset increase/ (decrease) £m	Net insurance contract liabilities Liability decrease/ (increase) £m	Valuation of assets Asset increase/ (decrease) £m	Net impact on profit before tax Profit increase/ (decrease)[2] £m
Interest rate and investments + 1%	FCF	2,193	(181)	2,012	–	–
	CSM	–	–	–	–	–
	P&L	2,193	(181)	2,012	(1,993)	19
Interest rate and investments -1%	FCF	(2,617)	226	(2,391)	–	–
	CSM	–	–	–	–	–
	P&L	(2,617)	226	(2,391)	2,367	(24)
Maintenance expenses +10%	FCF	(41)	2	(39)	–	–
	CSM	41	–	41	–	–
	P&L	–	2	2	(5)	(3)
Decrease in base mortality by 5%	FCF	(361)	236	(125)	–	–
	CSM	554	(409)	145	–	–
	P&L	193	(173)	20	(23)	(3)
Mortality improvements rates +10%	FCF	(165)	109	(56)	–	–
	CSM	274	(231)	43	–	–
	P&L	109	(122)	(13)	(3)	(16)
Immediate fall of 10% in residential property prices	FCF	(53)	6	(47)	–	–
	CSM	–	–	–	–	–
	P&L	(53)	6	(47)	(75)	(122)
Future residential property price growth reduces by 0.5%	FCF	(40)	4	(36)	–	–
	CSM	–	–	–	–	–
	P&L	(40)	4	(36)	(40)	(76)
Future residential property price volatility increase by 1%	FCF	(20)	3	(17)	–	–
	CSM	–	–	–	–	–
	P&L	(20)	3	(17)	(27)	(44)
Voluntary redemptions increase by 10%	FCF	(22)	3	(19)	–	–
	CSM	–	–	–	–	–
	P&L	(22)	3	(19)	27	8
Credit default allowance – increase by 10bps[1]	FCF	(239)	21	(218)	–	–
	CSM	–	–	–	–	–
	P&L	(239)	21	(218)	–	(218)

1 Over that included in the discount rate section in note 22(b).

2 Sensitivities can result in an opposite impact on Profit/(loss) before and after allowance for the CSM due to the impact of the use of locked-in rates for the CSM.

Notes to the Consolidated Financial Statements continued

23. Investment Contract Liabilities

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
At 1 January	42	35
Deposits received from policyholders	7	13
Payments made to policyholders	(5)	(8)
Change in contract liabilities recognised in profit or loss	5	2
Exchange difference	1	–
At 31 December	**50**	**42**

The majority of investment contract liabilities are linked endowment contracts and term-certain GIfL contracts for the at-retirement market in South Africa.

24. Loans and Borrowings

	Carrying value		Fair value	
	31 December 2025 £m	31 December 2024 £m	31 December 2025 £m	31 December 2024 £m
£250m 9.0% 10-year subordinated debt 2026 (Tier 2) issued by Just Group plc (£150m principal outstanding)	152	152	158	163
£125m 8.125% 10-year subordinated debt 2029 (Tier 2) issued by Just Group plc	126	125	138	136
£400m 6.875% 10.5 year subordinated debt 2035 non-callable for first 10.0-years[1] (Sustainability Tier 2) issued by Just Group plc	404	405	421	407
£230m 3.5% 7-year subordinated debt 2025 (Tier 3) issued by Just Group plc[2]	–	157	–	156
Total	**682**	**839**	**717**	**862**

1 The £400m 6.875% bond is callable after 30 September 2034. The maturity analysis in note 27(d) assumes it is called at the first possible date.

2 At 31 December 2024 £155m principal was outstanding, this was repaid on maturity in February 2025.

The Group does not expect there to be any breaches to report in the attestations to be made to lenders in March 2026 and there are no indications that the Group may have difficulties complying with the covenants over the forthcoming 12 months.

The Group has an undrawn revolving credit facility of £400m for general corporate and working capital purposes. Interest is payable on any drawn amounts at a rate of SONIA plus a margin of between 0.81% and 1.94% per annum depending on the Group's ratio of net debt to net assets and the outcomes of certain sustainability performance targets. The Group has a £250m committed repurchase agreement facility for general corporate and working capital purposes. Interest is payable on any drawn amounts at a rate of SONIA plus a margin of 0.3% per annum.

The borrowing facility is subject to financial covenants that are measured biannually as at the end of June and December, being the ratio of consolidated net debt to the sum of net assets and consolidated net debt not being greater than 45%. The ratio on 31 December 2025 was 27% (31 December 2024: 19%).

Movements in borrowings during the year were as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
At 1 January	839	686
Coupon payments	(55)	(46)
Proceeds on issuance of Just Group plc Tier 2 subordinated debt	–	400
Issue costs	–	(2)
Repayment of Just Group plc Tier 3 (2024: Tier 2) subordinated debt[1]	(155)	(256)
Financing cash flows	(210)	96
Interest charged at the effective interest rate	52	50
Tender premium on redemption of Tier 2 subordinated debt[1]	–	6
Amortisation of issue costs	1	1
Amounts reported in the statement of comprehensive income	**53**	**57**
At 31 December	**682**	**839**

1 The repayment of the Tier 3 debt in 2025 was at maturity. In 2024, 7.0% 10.5-year Tier 2 subordinated debt included £6m tender premium on redemption of the Tier 2 subordinated debt was repaid.

25. Payables and Other Financial Liabilities

	31 December 2025 £m	31 December 2024 £m
Derivative financial liabilities	3,063	3,015
Repurchase obligation	3,672	3,878
Obligations for repayment of cash collateral received	568	662
Outstanding investment purchases	–	307
Other payables	33	20
Lease liability	8	7
Total	**7,344**	**7,889**

Derivative financial liabilities are classified as mandatorily FVTPL and are analysed in note 26 below.

As described in note 15, a number of repurchase agreements have been entered into whereby a fixed amount is repayable at a certain date. Repurchase agreements entered into associated with the amortised cost gilt portfolio are measured at amortised cost in the financial statements. The fair value of these agreements is £3,675m (2024: £3,878m).

Obligations to repay cash collateral received is measured at amortised cost and there is no material difference between the fair value and amortised cost.

As at 31 December 2025, collateral has been pledged in respect of repurchase agreements and derivatives. Collateral pledged of £5,069m (2024: £5,416m) includes £3,624m of the amortised cost gilt portfolio (2024: £3,604m), £799m of corporate bonds (2024: £1,004m) and £646m deposits (2024: £808m), which continue to be recognised in financial investments in the Statement of financial position as significant risks and rewards of ownership are retained.

Notes to the Consolidated Financial Statements continued

26. Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to interest rates, counterparty credit risk, inflation and foreign exchange risk.

	31 December 2025			31 December 2024		
Derivatives	**Asset fair value £m**	**Liability fair value £m**	**Notional amount £m**	**Asset Fair value £m**	**Liability fair value £m**	**Notional amount £m**
Foreign currency swaps	875	958	29,971	475	1,070	22,631
Interest rate swaps	1,791	1,861	58,678	1,762	1,811	46,157
Inflation swaps	300	226	10,137	382	106	8,527
Forward swaps	7	4	613	8	10	692
Total return swaps	25	2	2,613	123	–	1,393
Put options on property index (NNEG hedges)	–	10	380	–	14	380
Interest rate options	–	–	68	–	–	115
Investment asset derivatives	1	2	182	6	4	401
Total	**2,999**	**3,063**	**102,642**	**2,756**	**3,015**	**80,296**

Derivative financial instruments are not designated as hedging instruments and changes in their fair value are included in profit or loss. All over-the-counter derivative transactions are conducted under standardised International Swaps and Derivatives Association Inc. master agreements, and collateral agreements exist with relevant counterparties in place under each of these market master agreements.

27. Financial and Insurance Risk Management

This note presents information about financial and insurance risks including risk management objectives, policies and processes for measurement and management of risk exposures. Financial risk comprises exposure to market, credit and liquidity risk.

(a) Insurance risk

Insurance risks include exposure to longevity, mortality, morbidity and expenses. The writing of long-term insurance contracts requires a range of assumptions to be made. The main insurance risk arises from adverse experience compared with the assumptions used in pricing products and valuing insurance liabilities. In the event of an increase in longevity, the actuarial reserve required to make future payments to customers may increase.

Individually underwritten GIfL policies are priced using assumptions about future longevity that are based on historic experience information, lifestyle and medical factors relevant to individual customers, and judgements about the future development of longevity improvements. Our DB business uses our DB pricing platform and we perform regular insurer price monitoring utilising our bulk quotation service.

LTMs are used as part of the portfolio to match the liabilities arising from writing long-term insurance policies. Early repayments result in a lower amount repayable than assumed at the time of sale. Increases in longevity delay the timing of receipt of cashflows, and the interest accrued will reflect the period the policy is in force. Changes in the amounts repayable affect the LTV ratio and could increase the risk of failing to be repaid in full as a consequence of the NNEG. There is also exposure to morbidity risk as the LTMs are repayable when the customer moves into long- term care.

(i) Management of insurance risk

Underpinning the management of insurance risk are:

- the use of controls around the development of suitable products and their pricing;
- adherence to approved underwriting requirements;
- the development and use of medical information including PrognoSys™ for both pricing and reserving to assess longevity risk;
- the use of reinsurance to transfer longevity risk. A range of reinsurers are used and exposures are monitored against the risk appetite for counterparty risk;
- review and approval of insurance assumptions used by the Board; and
- regular monitoring and analysis of actual experience and expense levels.

The insurance risk exposures to climate change are highly uncertain and have not yet been quantified in the risk scenarios, therefore no explicit allowance is made.

(ii) Concentrations of insurance risk

Improved longevity arises from enhanced medical treatment and improved life circumstances. Concentration risk to groups whose longevity may improve faster than the population is managed by writing business across a wide range of different medical and lifestyle conditions to avoid excessive exposure. Reinsurance is also an important mitigant to concentrations of insurance risk.

(b) Market risk

Market risk is the risk of loss or of adverse impacts from fluctuations in the value of and / or volatility of market prices which impact the measurement of financial investments and other assets, liabilities, including the impact of changes in interest rates. Market risk is implicit in the insurance business model and arises from exposure to interest rates, residential property markets, credit spreads, inflation and exchange rates. There is not a material exposure to equity risk. Some very limited equity risk exposure arises from investment into credit funds which have a mandate that allows preferred equity to be held. In addition to impacts on the value of assets and liabilities, falls in the financial markets can reduce the value of pension funds available to purchase retirement income products and changes in interest rates can affect the relative attractiveness of retirement income products.

The exposure to market risk is mitigated by investing premiums to match the asset and liability cash flows as closely as practicable. In practice, it is not possible to eliminate market risk fully due to reasons set out in note 4.

For each of the material components of market risk, described in more detail below, the Group's Market Risk Policy sets out the Group's risk appetite and management processes governing how each risk should be measured, managed, monitored and reported.

(i) Interest rate risk

Interest rate risk exposure arises from the changes in the values of assets or liabilities as a result of changes in risk-free interest rates. This exposure is limited through appropriate asset and liability matching and hedging strategies. Hedging strategies are executed to actively hedge the interest rate exposure to protect balance sheet positions on both Solvency II and IFRS bases in accordance with the risk appetite framework and principles.

The portfolio of amortised cost gilts is used as part of managing the Solvency II balance sheet exposure to interest rate movements, whilst limiting the interest rate risk exposure on the IFRS balance sheet.

The main exposure to changes in interest rates is concentrated in the investment portfolio and insurance contracts. Changes in investment values attributable to interest rates are mitigated by corresponding and partially offsetting changes in the value of insurance liabilities. This exposure is monitored through regular reviews of the asset and liability position, capital modelling, sensitivity testing and scenario analyses. Interest rate risk is also managed using derivative instruments e.g. swaps.

The following table indicates the earlier of contractual repricing or maturity dates for significant financial assets.

31 December 2025	Less than one year £m	One to five years £m	Five to ten years £m	Over ten years £m	No fixed term £m	Total £m
Debt securities and other fixed income securities	413	1,786	3,310	13,504	-	19,013
Units in liquidity funds	1,234	-	-	-	-	1,234
Investment funds	137	247	-	-	2	386
Deposits with credit institutions	646	-	-	-	-	646
Loans secured by commercial mortgages	78	705	181	97	-	1,061
Long income real estate[1]	-	-	-	846	-	846
Infrastructure loans	-	114	265	478	-	857
Other loans	4	127	55	33	1	220
Total investments measured at FVTPL – classified	**2,512**	**2,979**	**3,811**	**14,958**	**3**	**24,263**
LTMs	-	-	-	-	6,015	6,015
Derivative financial assets	56	268	502	2,173	-	2,999
Total investments measured at FVTPL – mandatory	**56**	**268**	**502**	**2,173**	**6,015**	**9,014**
Gilts – subject to repurchase agreements	-	-	-	3,996	-	3,996
Total investments measured at amortised cost	**-**	**-**	**-**	**3,996**	**-**	**3,996**
Total financial investments	**2,568**	**3,247**	**4,313**	**21,127**	**6,018**	**37,273**

1 Includes residential ground rents of £154m.

Notes to the Consolidated Financial Statements continued

27. Financial and Insurance Risk Management continued

(b) Market risk continued

(i) Interest rate risk continued

31 December 2024	Less than one year £m	One to five years £m	Five to ten years £m	Over ten years £m	No fixed term £m	Total £m
Debt securities and other fixed income securities	499	1,675	2,708	11,128	–	16,010
Units in liquidity funds	1,792	–	–	–	–	1,792
Investment funds	108	289	–	–	2	399
Deposits with credit institutions	808	–	–	–	–	808
Loans secured by commercial mortgages	8	475	165	161	–	809
Long income real estate[1]	21	–	–	766	–	787
Infrastructure loans	–	132	260	854	–	1,246
Other loans	1	168	4	22	–	195
Total investments measured at FVTPL – classified	**3,237**	**2,739**	**3,137**	**12,931**	**2**	**22,046**
LTMs	–	–	–	–	5,637	5,637
Derivative financial assets	52	351	526	1,827	–	2,756
Total investments measured at FVTPL – mandatory	**52**	**351**	**526**	**1,827**	**5,637**	**8,393**
Gilts – subject to repurchase agreements	–	–	–	3,951	–	3,951
Total investments measured at amortised cost	**–**	**–**	**–**	**3,951**	**–**	**3,951**
Total financial investments	**3,289**	**3,090**	**3,663**	**18,709**	**5,639**	**34,390**

1 Includes residential ground rents of £157m.

A sensitivity analysis of the impact of interest rate movements on profit before tax is included in note 22(h).

(ii) Property risk

The exposure to property risk arises from LTMs which creates an exposure to the UK residential property market. A substantial decline or sustained underperformance in UK residential property prices, against which the portfolios of LTMs are secured, could result in the mortgage debt at the date of redemption exceeding the proceeds from the sale of the property.

Demand for LTMs may also be impacted by a fall in property prices as it may diminish consumers' propensity to borrow and reduce the amount they are able to borrow due to reductions in property values.

The risk is managed by limits regarding the loan value as a proportion of the property's value at outset (loan-to-value) and obtaining independent third party valuations on each property before initial mortgages are advanced. LTM contracts are also monitored through dilapidation reviews. House prices are monitored and the impact of exposure to adverse house prices (both regionally and nationally) is regularly reviewed. Further mitigation is through management of the volume of LTMs, including disposals, in the portfolio in line with the LTMs backing ratio limit, and the establishment of the NNEG hedges.

There is also exposure to commercial property risk indirectly through the investment in loans secured by commercial mortgages. A sensitivity analysis of the impact of residential and commercial property price movements is included in note 16(d)(vi) and note 22(h).

(iii) Inflation risk

Exposure to long-term inflation occurs in relation to management expenses and index-linked retirement income contracts. Inflation risk is managed through the application of disciplined cost control over management expenses and matching inflation-linked assets including inflation swaps with inflation-linked liabilities.

(iv) Currency risk

Currency risk arises from changes in foreign exchange rates which affect the value of investment assets denominated in foreign currencies. Certain investments have coupons linked to rates which are hedged into fixed GBP coupons.

All material liabilities are in sterling. As there is no appetite for foreign exchange risk in the investment portfolio, derivative or quasi-derivative contracts are entered into to mitigate the foreign exchange exposure as far as possible.

(c) Credit risk

Credit risk arises if another party fails to perform its financial obligations, including failure to perform them in a timely manner, and is managed through credit concentration limits and collateral arrangements. Climate-related matters may affect the ability of counterparties to meet their obligations in the future, see further information in the Strategic report Sustainability: TCFD report.

Credit risk exposures arise from:

- Holding fixed income investments: The risk of default on principal or interest payments is mitigated by primarily investing in investment grade assets (rating of BBB or above). Concentration of credit risk exposures is managed by placing limits on exposures to individual counterparties, sectors and geographic areas. A portion of fixed income investments are held as loans secured against a variety of types of collateral including but not limited to commercial real estate and commercial and residential ground rents.
- Counterparties in derivative contracts: Derivative instruments are used to mitigate interest rate, inflation and currency risk exposures. This creates a credit exposure to various counterparties through which it transacts these instruments, although this is usually mitigated by collateral arrangements (see note 25).
- Reinsurance treaties: Reinsurance is used to manage longevity risk and to fund new business but, as a consequence, credit risk exposure arises should a reinsurer fail to meet its claim repayment obligations. Credit risk on reinsurance balances is mitigated by robust collateral arrangements as described in section (iii) below. Reinsurance concentration risk is mitigated by transacting with a wide range of reinsurer counterparties in order to diversify exposures.
- Cash balances: Credit risk on cash balances is managed by having restrictions over the credit ratings of third parties with whom cash is deposited, as well as the balances permitted.
- Credit risk for LTMs are considered within “property risk” above.

(i) Credit ratings of financial assets

The following table provides information regarding the credit risk exposure for financial assets, which are neither past due nor impaired as they relate to assets that are carried at amortised cost at 31 December:

31 December 2025	AAA £m	AA £m	A £m	BBB £m	BB or below £m	Unrated £m	Total £m
Debt securities and other fixed income securities	1,118	5,864	5,430	6,464	137	–	19,013
Units in liquidity funds	1,225	–	–	–	–	9	1,234
Investment funds	–	–	–	–	–	386	386
Deposits with credit institutions	–	4	380	262	–	–	646
Loans secured by commercial mortgages	–	–	–	–	–	1,061	1,061
Long income real estate[1]	154	28	328	335	–	1	846
Infrastructure loans	53	94	190	493	27	–	857
Other loans	46	–	–	–	84	90	220
LTMs	–	–	–	–	–	6,015	6,015
Derivative financial assets	–	22	2,215	762	–	–	2,999
Gilts – subject to repurchase agreements	–	3,996	–	–	–	–	3,996
Reinsurance[2]	–	271	1,008	596	–	18	1,893
Other receivables	–	–	–	–	–	35	35
Total	2,596	10,279	9,551	8,912	248	7,615	39,201

1. Includes residential ground rents of £154m rated AAA.
2. This is the reinsurance asset position excluding CSM.

Notes to the Consolidated Financial Statements continued

27. Financial and Insurance Risk Management continued

(c) Credit risk continued

(i) Credit ratings of financial assets continued

31 December 2024	AAA £m	AA £m	A £m	BBB £m	BB or below £m	Unrated £m	Total £m
Debt securities and other fixed income securities	986	3,960	5,452	5,490	122	–	16,010
Units in liquidity funds	1,792	–	–	–	–	–	1,792
Investment funds	–	–	–	–	–	399	399
Deposits with credit institutions	–	11	588	209	–	–	808
Loans secured by commercial mortgages	–	–	–	–	–	809	809
Long income real estate[1]	157	–	241	389	–	–	787
Infrastructure loans	57	135	242	799	13	–	1,246
Other loans	–	–	–	–	60	135	195
LTMs	–	–	–	–	–	5,637	5,637
Derivative financial assets	–	16	2,018	716	–	6	2,756
Gilts – subject to repurchase agreements	–	3,951	–	–	–	–	3,951
Reinsurance[2]	–	416	984	350	–	180	1,930
Other receivables	–	–	–	–	–	49	49
Total	**2,992**	**8,489**	**9,525**	**7,953**	**195**	**7,215**	**36,369**

1 Includes residential ground rents of £157m rated AAA.

2 This is the reinsurance asset position excluding CSM.

There are no financial assets that are either past due or impaired.

Expected credit losses are recorded against financial assets held at amortised cost. The most significant categories of financial assets held at amortised cost are the portfolio of investments in sovereign gilts and cash available on demand. Due to the nature of the investment in sovereign gilts, which have an investment grade credit rating, management concludes that these investments are low credit risk and there has been no significant deterioration in credit risk in the investments. Expected credit losses are therefore considered immaterial.

The credit rating for Cash available on demand at 31 December 2025 was between a range of AA and BBB (31 December 2024: between a range of A and BB).

The carrying amount of those assets subject to credit risk represents the maximum credit risk exposure.

(ii) Offsetting financial assets and liabilities

There are no financial assets and financial liabilities that have been offset as at 31 December 2025 (2024: none). In accordance with IFRS 7, disclosure is included below regarding recognised financial instruments subject to enforceable master netting arrangements irrespective of whether they are set off. In the tables below, the amounts of assets or liabilities are offset first by financial instruments that have the right of offset under master netting arrangement or similar arrangements with any remaining amount reduced by cash and securities collateral.

31 December 2025	As reported £m	Related financial instruments[1] £m	Cash collateral[2] £m	Securities collateral pledged[2] £m	Net amount £m
Derivative assets	2,999	(2,321)	(540)	(130)	8
Derivative liabilities	(3,063)	2,321	469	274	1
Repurchase obligation	(3,672)	–	–	3,672	–

31 December 2024	As reported £m	Related financial instruments[1] £m	Cash collateral[2] £m	Securities collateral pledged[2] £m	Net amount £m
Derivative assets	2,756	(2,317)	(421)	(18)	–
Derivative liabilities	(3,015)	2,317	243	455	–
Repurchase obligation	(3,878)	–	–	3,878	–

1. Related financial instruments represent outstanding amounts with the same counterparty which, under agreements such as the ISDA Master Agreement, could be offset and settled net following certain predetermined events.
2. Cash and securities held may exceed target levels due to the complexities of operational collateral management, timing and agreements in place with individual counterparties. This may result in over/under-collateralisation of derivative positions. In accordance with the IFRS 7 disclosure requirement, the amount of collateral reported in the table above is restricted to the value of the associated derivatives. Securities collateral pledged against the repurchase obligation include the portfolio of amortised cost Gilts.

(iii) Significant reinsurance collateral arrangements

The quota share reinsurance treaties have deposit back or other collateral arrangements to remove the majority of the reinsurer credit risk, as described below. The majority of longevity swaps also have collateral arrangements.

Deposits received from reinsurers that are recognised as part of the cash flows from the reinsurance contract and are included in the measurement of reinsurance balances within note 22. Whereas certain reinsurance arrangements give rise to deposits from reinsurers that are not included in the Consolidated statement of financial position of the Group as described below:

- The Group has agreements with reinsurers, including funded reinsurance partners, whereby financial assets arising from the payment of reinsurance premiums, less the repayment of claims, in relation to specific treaties, are legally and physically deposited back with the Group. Although the funds are controlled by the Group, no future benefits accrue to the Group as any returns on the deposits are paid to reinsurers. Consequently, the deposits are not recognised as assets of the Group and the investment income they produce does not accrue to the Group.
- The Group has an agreement with one reinsurer whereby assets equal to the reinsurer's full obligation under the treaty are deposited into a ring-fenced collateral account. The Group has first claim over these assets should the reinsurer default, but as the Group has no control over these funds and does not accrue any future benefit, this fund is not recognised as an asset of the Group.
- The Group has agreements with reinsurers, including funded reinsurance treaties, whereby assets equal to the reinsurers' full obligation under the treaties are deposited into ring-fenced collateral accounts of notes/shares issued through the dedicated Investment vehicles. The investments in these vehicles are restricted only for the purpose of these reinsurance agreements. Consequently, the collateralised assets are not recognised as assets of the Group and the investment income they produce does not accrue to the Group. The reinsurers also deposit cash into a bank account held legally by the Group to fund reinsurance claims but as this cash is ring-fenced for the reinsurers purpose, it is also not recognised as an asset by the Group.
- The Group has an agreement with one funded reinsurance partner whereby assets equal to the reinsurer's full obligation under the treaty are either deposited into a ring-fenced collateral account of corporate bonds, or held under a funds withheld structure of LTMs. The latter are legally and physically held by the Group. Although the funds are managed by the Group (as the Group controls the investment of the asset), no future benefits accrue to the Group as returns on the assets are paid to reinsurers. Consequently, the LTMs are not recognised as assets of the Group and the investment income they produce does not accrue to the Group. The reinsurer also deposits cash into a bank account held legally by the Group to fund future LTMs but as this cash is ring-fenced for issued LTM quotes agreed by the reinsurer, it is also not recognised as an asset by the Group.

The amount of assets not recognised in the Consolidated statement of financial position in respect of these treaties is as follows.

	2025 £m	2024 £m
Deposits held in trust	**1,970**	**2,133**

The collateral that is not recognised in the Consolidated statement of financial position does not represent a cash flow within the IFRS 17 contract boundaries. The Group is exposed to a minimal amount of reinsurance counterparty default risk in respect of reinsurance arrangements and calculates an allowance for counterparty default in the reinsurance future cash flows accordingly. At 31 December 2025, this liability totalled £21m (2024: £16m).

Notes to the Consolidated Financial Statements continued

27. Financial and Insurance Risk Management continued

(d) Liquidity risk

Liquidity risk is the risk of loss because of a lack of sufficient suitable assets available to meet financial obligations as they fall due.

Exposure to liquidity risk arises as part of the business model and the use of derivatives to manage exposure to inflation, interest rates and currency risks.

Exposure to liquidity risk arises from:

- maintaining and servicing collateral requirements arising from the changes in market value of derivatives;
- needing to realise assets to meet liabilities during stressed market conditions;
- increasing cash flow volatility in the short term giving rise to mismatches between cash flows from assets and liquidity requirement in respect of settling liabilities;
- needing to support liquidity requirements for day-to-day operations;
- higher than expected funding requirements on existing LTMs contracts, or lower redemptions than expected; and
- ensuring financial support can be provided across the Group.

Liquidity risk is managed by holding assets of a suitable maturity, collateral eligibility and marketability to meet liabilities as they fall due. The short-term liquidity requirements to meet annuity payments are predominantly funded by investment coupon receipts, principal repayments and LTM redemptions. There are significant barriers for policyholders to withdraw funds that have already been received in the form of premiums. Cash outflows associated with insurance liabilities including any pension commencement lump sum payments can be reasonably estimated and liquidity can be arranged to meet this expected outflow through asset-liability matching. LTMs are considered illiquid, as they are not readily saleable due to the complexity of valuation and the lack of a market in which to trade them.

Cash flow forecasts over the short, medium and long term are regularly prepared to manage liquidity within risk appetite. Cash flow forecasts include an assessment of the ability to withstand a range of scenarios including 1-in-200 shocks on the long-term liquidity and the minimum cash and cash equivalent levels required to cover enhanced stresses.

The Group has a £400m undrawn Revolving Credit Facility for general corporate and working capital purposes.

The table below summarises the maturity profile of the financial liabilities, including both principal and interest payments, based on remaining undiscounted contractual obligations:

31 December 2025	Within one year or payable on demand £m	One to five years £m	Five to ten years £m	Over ten years £m	Total £m
Investment contract liabilities	4	57	–	–	61
Subordinated debt	201	265	538	–	1,004
Derivative financial liabilities	2,055	11,062	11,491	26,613	51,221
Repurchase obligation	3,724	–	–	–	3,724
Obligations for repayment of cash collateral received	568	–	–	–	568
Other payables	33	–	–	–	33

31 December 2024	Within one year or payable on demand £m	One to five years £m	Five to ten years £m	Over ten years £m	Total £m
Investment contract liabilities	4	50	–	–	54
Subordinated debt	209	439	138	428	1,214
Derivative financial liabilities	3,142	9,393	7,031	19,452	39,018
Repurchase obligation	3,357	626	–	–	3,983
Obligations for repayment of cash collateral received	662	–	–	–	662
Other payables	327	–	–	–	327

28. Commitments

At 31 December 2025, the Group had £182m unfunded commitments (2024: £401m) primarily related to investments and £16m related to the fit out associated with the Group's new office.

The Group has pledged a letter of credit in relation to its Protected Cell Company as explained in note 31.

29. Provisions, Contingent Liabilities, Guarantees and Indemnities

The Group has provisions of £30m (2024:£3m).

Provision for the liabilities arising under contracts with policyholders is based on certain assumptions at outset, which may differ over time based upon actual experience, resulting in a variance of the provision originally made. Liabilities may also arise in respect of claims relating to the interpretation of policyholder contracts, or circumstances in which policyholders have entered into them. It is not possible to predict the preciseness of such liabilities as they are influenced by a number of factors, including updated legislation, guidance and regulation of the PRA, FCA, ombudsman rulings, industry compensation schemes and court judgments.

Relevant Group companies ensure that they make prudent provision as and when such circumstances became known and more precise, and readjust capital and reserves to meet such reasonably foreseeable eventualities. However, it is not always possible to predict with certainty the extent and timing of the financial impact on such liabilities arising from these circumstances.

Group companies continue to give warranties, indemnities and guarantees as part of their normal business operations, whether in relation to capital market transactions or otherwise.

In the current year, provisions primarily relate to legal and broker fees that are payable on completion of the potential acquisition of the Group by BWS. The proposed acquisition was approved by the shareholders in September 2025, and completion is subject to approval by the regulatory authorities. At 31 December 2025 the Directors consider that it is probable that the acquisition will complete in the first half of 2026.

30. Capital

Group capital position

The Group's estimated regulatory capital surplus position at 31 December 2025 is shown below.

	Solvency II capital requirement	
	31 December 2025[1,2] £m	31 December 2024[1,2] £m
Eligible own funds	2,740	3,159
Capital requirement	(1,531)[3]	(1,494)
Excess own funds	1,209 [3]	1,665
Solvency II Capital coverage ratio[3]	179%[3]	211% [2,3]
Proforma Solvency II Capital coverage ratio[3]		204% [2,3]

1 Solvency capital coverage ratios include a recalculation of TMTP at the respective dates. Following the implementation of the UK Reforms to Solvency II on 31 December 2024, TMTP is now recalculated quarterly using the new simplified method. Firms are no longer required to seek PRA approval for their recalculations.

2 2025 regulatory position is estimated. 2024 regulatory position is reported as included in the Group's Solvency II and Financial Condition Report as at 31 December 2024. This excludes the impact from repayment of Tier 3 debt in February 2025, which was included in the proforma Solvency coverage ratio reported in the Business Review of 2024.

3 The capital requirement, excess own funds and Capital coverage ratio information is unaudited.

Further information on the Group's Solvency position, including a reconciliation from IFRS equity to Eligible own funds, an analysis of the movement in Excess own funds in the year and also the impact of sensitivities applied to the Solvency balance sheet are included in the Business Review.

The Group and its regulated insurance subsidiaries are required to comply with the requirements established by the Solvency II Framework directive as adopted by the Prudential Regulation Authority ("PRA") in the UK, and to measure and monitor its capital resources on this basis. The overriding objective of the framework is to ensure there is sufficient capital within the Group and its insurance companies to protect policyholders and meet their payments when due. Firms are required to maintain eligible capital, or "Own Funds", in excess of the value of their Solvency Capital Requirements ("SCR"). The SCR represents the risk capital required to be set aside to absorb a 1–in–200 year stress test over the next one–year time horizon, allowing for each risk type that the Group is exposed to. These risks are all aggregated with appropriate allowance for diversification.

The capital requirement for Just Group plc and its UK insurance subsidiaries JRL and PLACL is calculated using an approved Internal Model.

Notes to the Consolidated Financial Statements continued

30. Capital continued

Group capital position continued

Group entities that are under supervisory regulation and are required to maintain a minimum level of regulatory capital are:

- JRL and PLACL – authorised by the PRA, and regulated by the PRA and FCA.
- HUB Financial Solutions Limited, Just Retirement Money Limited and Partnership Home Loans Limited – authorised and regulated by the FCA.
- In accordance with a waiver agreed with the PRA, the Group's South Africa business is out of scope for regulatory reporting to the PRA.

The Group and its regulated subsidiaries complied with their regulatory capital requirements throughout the year.

Capital management

The Group's objectives when managing capital for all subsidiaries are:

- to comply with the insurance capital requirements required by the regulators of the insurance markets where the Group operates. The Group's policy is to manage its capital in line with its risk appetite and in accordance with regulatory expectations;
- to safeguard the Group's ability to continue as a going concern, and to continue to write new business;
- to ensure that in all reasonably foreseeable circumstances, the Group is able to fulfil its commitment over the short term and long term to pay policyholders' benefits;
- to continue to provide returns for shareholders and benefits for other stakeholders; and
- to generate capital from in–force business, excluding economic variances, management actions, and dividends, that is greater than new business strain.

The Group regularly assesses a wide range of actions to improve the capital position and resilience of the business.

In managing its capital, stress and scenario testing is undertaken to consider the capacity to respond to a series of relevant financial, insurance, or operational shocks or changes to financial regulations should future circumstances or events differ from current assumptions. The review also considers mitigating actions available should a severe stress scenario occur, such as raising capital or varying the volumes of new business written.

EVT Compliance

The Effective Value Test ("EVT") is a regulatory requirement that assesses the economic value of equity release mortgages (LTMs). The EVT is used to ensure that LTMs do not exceed the economic value of these assets on the Solvency balance sheet. At 31 December 2025, JRL and PLACL passed the PRA EVT with a buffer of 0.2% (2024: 1.2%) and 0.5% (2024: 1.0%) (unaudited) respectively, over the current minimum deferment rate of 4.5% (2024: 3.5%) (allowing for volatility of 13%, in line with the requirement for the EVT).

Regulatory developments

The key regulatory developments are included below.

Life Insurance Stress Test – The PRA conducted its second Life Insurance Stress Test ("LIST") exercise in 2025 to assess sector and firm resilience to severe but plausible adverse scenarios and to strengthen market understanding of risk exposures. The impact of a severe economic stress was assessed, as prescribed by the PRA and results from this were published by the PRA in November.

Residential ground rents – On 9 November 2023, the previous government published a consultation seeking views on developments regarding residential ground rents as described in note 16(e). As at 31 December 2025, the current government had yet to publish its associated draft Commonhold and Leasehold Reform Bill. As such the impact of any reforms on the £154m (2024: £157m) portfolio of residential ground rents remained uncertain. Given this, no significant change since year end 2024 has been made to the adjustment held against these investments on the Solvency position. On 27 January 2026, the Government released its draft Commonhold and Leasehold Reform Bill proposing a cap on ground rents, reducing to a peppercorn cap after 40 years. Subject to parliamentary timings, this proposal could come into force in late 2028. The estimated impact of the Bill is a reduction in the Solvency coverage ratio of c1% (unaudited).

31. Group Entities

In accordance with the requirements of the Companies Act 2006, information regarding the Group's related undertakings at 31 December 2025 are disclosed below. Related undertakings comprise subsidiaries, joint ventures, associates and other significant holdings.

	Principal activity	Registered office	Percentage of nominal share capital and voting rights held
Direct subsidiary			
Just Retirement Group Holdings Limited[2]	Holding company	Reigate	100%
Partnership Assurance Group Limited[2]	Holding company	Reigate	100%
Indirect subsidiary			
HUB Financial Solutions Limited	Distribution	Reigate	100%
Intrepid Owls Limited	Digital media	Essex	100%
Just Re 1 Limited[2]	Investment activity	Reigate	100%
Just Re 2 Limited[2]	Investment activity	Reigate	100%
Just Retirement (Holdings) Limited[2]	Holding company	Reigate	100%
Just Retirement (South Africa) Holdings (Pty) Limited	Holding company	South Africa	100%
Just Retirement Life (South Africa) Limited	Life assurance	South Africa	100%
Just Retirement Limited	Life assurance	Reigate	100%
Just Retirement Management Services Limited[2]	Management services	Reigate	100%
Just Retirement Money Limited	Provision of LTM products	Reigate	100%
Partnership Group Holdings Limited[2]	Holding company	Reigate	100%
Partnership Holdings Limited[2]	Holding company	Reigate	100%
Partnership Home Loans Limited	Provision of LTM products	Reigate	100%
Partnership Life Assurance Company Limited	Life assurance	Reigate	100%
Partnership Services Limited[2]	Management services	Reigate	100%
Pineyard Unit Trust	Unit trust	Jersey	100%
PLACL RE 1 Limited[2]	Investment activity	Reigate	100%
Spire Platform Solutions Limited[2]	Software development	Reigate	100%
TOMAS Online Development Limited[2]	Software development	Belfast	100%
White Rock Insurance (Gibraltar) PCC Limited	Protected cell company	Gibraltar	100%
Enhanced Retirement Limited	Dormant	Reigate	100%
HUB Acquisitions Limited[1]	Dormant	Reigate	100%
HUB Digital Solutions Limited	Dormant	Reigate	100%
HUB Pension Consulting (Holdings) Limited	Dormant	Reigate	100%
HUB Pension Consulting Limited	Dormant	Reigate	100%
HUB Pension Solutions Limited	Dormant	Reigate	100%
HUB Transfer Solutions Limited	Dormant	Reigate	100%
JRP Nominees Limited	Dormant	Reigate	100%
Just Annuities Limited	Dormant	Reigate	100%
Just Direct Limited	Dormant	Reigate	100%
Just Equity Release Limited	Dormant	Reigate	100%
Just Management Services (Proprietary) Limited	Dormant	South Africa	100%
Just Protection Limited	Dormant	Reigate	100%

1 Class "A" and Class "B" ordinary shares.

2 The financial statements of these subsidiary undertakings are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of Section 479A of the Companies Act 2006.

Notes to the Consolidated Financial Statements continued

31. Group Entities continued

	Principal activity	Registered office	Percentage of nominal share capital and voting rights held
Just Retirement Finance plc	Dormant	Reigate	100%
Just Retirement Nominees Limited	Dormant	Reigate	100%
Just Retirement Solutions Limited	Dormant	Reigate	100%
PAG Finance Limited	Dormant	Jersey	100%
PAG Holdings Limited	Dormant	Jersey	100%
PASPV Limited	Dormant	Reigate	100%
PayingForCare Limited	Dormant	Reigate	100%
Pension Buddy Limited	Dormant	Belfast	100%
PLACL RE 2 Limited	Dormant	Reigate	100%
Retire Different Limited (formerly JRP Group Limited)	Dormant	Reigate	100%
The Open Market Annuity Service Limited	Dormant	Belfast	100%
TOMAS Acquisitions Limited	Dormant	Reigate	100%
Associate			
TP2 Unit trust	Unit trust	Guernsey	60%
Comentis Ltd	Product development	Bristol	13%

1 Class "A" and Class "B" ordinary shares.

2 The financial statements of these subsidiary undertakings are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of Section 479A of the Companies Act 2006.

Registered offices

Reigate office:	Belfast office:	South Africa office:	Jersey office:	Essex office:
Enterprise House Bancroft Road, Reigate Surrey RH2 7RP	Level 5 The Ewart 3 Bedford Street Belfast BT2 7EP	Spaces Waterfront, Dock Road Junction Cnr Stanley & Dock Road, Waterfront Cape Town 8001	44 Esplanade St Helier Jersey JE4 9WG	47 Butt Road, Colchester Essex CO3 3BZ

Consolidated structured entities

The Group holds an investment in a cell of a Protected Cell Company, White Rock Insurance (Gibraltar) PCC Limited, 913 Europort, Gibraltar, GX 11 1AA. Financial support provided by the Group is limited to amounts required to cover transactions between the cell and the Group. Just is the cell owner of the individual protected cell and owns the single insurance share associated with the cell. The Group has provided £10m financial support in the form of a letter of credit.

The Group holds a controlling interest in a Jersey Property Unit Trust ("JPUT"), Pineyard Unit Trust, Pineyard Trustee 1 Limited, 47 Esplanade, St Helier, Jersey JE1 0BD. The Group has determined that it controls the JPUT as a result of the Group's ability to remove the Trustees; other than the Group and the Trustees there are no other parties with decision making rights over the JPUT. On acquisition, the Group took the option within IFRS 3 "Business Combinations" to apply the concentration test to determine whether the JPUT represents a business within the scope of IFRS 3. The conclusion of the concentration test was that the assets of the JPUT are concentrated in the single identifiable asset of the investment property, which the Trust is not permitted to dispose except on termination, and as such the investment by the Group does not represent a business combination. The Group has consolidated the results of the JPUT; any excess of investment purchase price over the fair value of the assets acquired is allocated against the identifiable assets and liabilities in proportion to their relative fair values; goodwill is not recognised.

Unconsolidated structured entities

The Group has interests in structured entities which are not consolidated as the definition of control has not been met.

Interests in unconsolidated structured entities include investment funds and liquidity funds and loans granted to special purpose vehicles ("SPVs") secured by assets held by the SPVs such as commercial mortgages and long income real estate.

As at 31 December 2025 the Group's interest in unconsolidated structured entities, which are classified as investments held at fair value through profit or loss, is shown below:

	31 December 2025 £m	31 December 2024 £m
Loans secured by commercial mortgages	1,061	809
Long income real estate	846	787
Asset backed securities	1,272	1,078
Investment funds	386	399
Liquidity funds	1,234	1,792
Total	4,799	4,865

The Group's exposure to financial loss from its interest in unconsolidated structured entities is limited to the amounts shown above. The Group is not required to provide financial support to the entities, nor does it sponsor the entities, or intend to do so.

Associates

The Group holds a 60% equity stake in a Guernsey Property Unit Trust ("GPUT") "TP2 Unit Trust", M&G (Guernsey), PO Box 156, Dorey Court, Admiral Park, St. Peter Port, Guernsey GY1 4EU.

The GPUT is a structured entity as voting rights are not the determining factor in assessing which party controls the entity. Although the Group has a majority equity stake, the decisions regarding the relevant activities of the GPUT are made by the Trustee. Each investor holds veto rights, however these are not proportionate to the equity holding and as such the veto rights do not give any investor more power than any other investor. The Group accounts for this investment as an associate using the equity method.

All other associates are immaterial.

Summarised financial information for associates

Summarised balance sheet – GPUT	31 December 2025 £m	31 December 2024 £m
Assets		
Financial investments	187	196
Cash and cash equivalents	3	3
Total assets	**190**	**199**
Equity		
Partners capital	327	327
Retained earnings	(139)	(131)
Total equity	**188**	**196**
Other payables	2	3
Total equity and liability	**190**	**199**

Notes to the Consolidated Financial Statements continued

31. Group Entities continued

Summarised financial information for associates continued

Reconciliation to carrying amount	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Net assets brought forward – GPUT	196	247
Total movement in retained earnings	(8)	(51)
Net assets at 31 December – GPUT	**188**	**196**
Group's share – GPUT	113	118
Group's share – Other associates	1	1
Carrying amount of associates	**114**	**119**

Summarised statement of comprehensive income – GPUT	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Fair value loss on financial investments	–	(43)
Distributions to unitholders	(8)	(8)
Total movement in retained earnings	**(8)**	**(51)**

32. Related Parties

The Group has related party relationships with its key management personnel and subsidiary undertakings detailed in note 31. Key management personnel comprise the Directors of the Company. There were no material transactions between the Group and its key management personnel other than those disclosed below. Key management compensation is as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Short–term employee benefits	3	3
Share–based payments	3	2
Total	**6**	**5**

In addition there are loans owed by Directors of £0.5m (2024: £0.4m) which accrue interest fixed at 4% per annum and are repayable in whole or in part at any time.

33. Ultimate Parent Company and Ultimate Controlling Party

The Company is the ultimate parent and controlling party of the Group.

34. Post Balance Sheet Events

On 27 January 2026, the Government announced proposed reforms to existing residential ground rents. This proposal included a fixed annual cap of £250 on existing residential ground rents which will transition to a peppercorn amount after a period of 40 years. As the announcement is post–year end, the new condition was created after the reporting date and is therefore considered a non–adjusting post balance sheet event. Should the proposed changes take effect, likely in 2028, it will result in an estimated decrease in the net assets of £0.1bn (pre-tax) and a reduction in the Solvency ratio of 1% (unaudited).

Statement of Changes in Equity of the Company

for the year ended 31 December 2025

Year ended 31 December 2025	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Tier 1 notes £m	Total £m
At 1 January 2025	104	93	297	445	322	1,261
Loss for the year	–	–	–	(30)	–	(30)
Total comprehensive loss for the year	**–**	**–**	**–**	**(30)**	**–**	**(30)**
Contributions and distributions						
Dividends	–	–	–	(28)	–	(28)
Interest paid on Tier 1 notes (net of tax)	–	–	–	(12)	–	(12)
Share-based payments reserve credit	–	–	–	12	–	12
Transactions in shares held by trusts	–	–	–	(14)	–	(14)
Total contributions and distributions	**–**	**–**	**–**	**(42)**	**–**	**(42)**
At 31 December 2025	**104**	**93**	**297**	**373**	**322**	**1,189**

Year ended 31 December 2024	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Tier 1 notes £m	Total £m
At 1 January 2024	104	93	295	462	322	1,276
Profit for the year	–	–	–	17	–	17
Total comprehensive income for the year	–	–	–	17	–	17
Contributions and distributions						
Dividends	–	–	–	(23)	–	(23)
Interest paid on Tier 1 notes (net of tax)	–	–	–	(12)	–	(12)
Share-based payments reserve credit	–	–	–	6	–	6
Transactions in shares held by trusts	–	–	2	(5)	–	(3)
Total contributions and distributions	–	–	2	(34)	–	(32)
At 31 December 2024	104	93	297	445	322	1,261

Statement of Financial Position of the Company

as at 31 December 2025

	Note	31 December 2025 £m	31 December 2024 £m
Assets			
Investments in group undertakings	2	923	861
Loans to group undertakings	3	614	910
Property and equipment	4	20	5
Deferred tax assets		1	–
Total non-current assets		**1,558**	**1,776**
Financial investments	5	82	264
Loans to group undertakings	3	254	51
Cash available on demand		15	15
Total current assets		**351**	**330**
Total assets		**1,909**	**2,106**
Equity			
Share capital	6	104	104
Share premium	6	93	93
Other reserves	7	297	297
Retained earnings		373	445
Total equity attributable to shareholders of Just Group plc		**867**	**939**
Tier 1 notes		322	322
Total equity		**1,189**	**1,261**
Liabilities			
Loans and borrowings	8	684	684
Lease liability		4	2
Total non-current liabilities		**688**	**686**
Loans and borrowings		–	157
Provisions	9	27	–
Other payables		5	2
Total current liabilities		**32**	**159**
Total liabilities		**720**	**845**
Total equity and liabilities		**1,909**	**2,106**

The company has taken advantage of the exemption in Section 408 of the companies Act 2006 not to present its own statement of comprehensive income. The loss arising in the year amounts to £(30)m (2024: profit of £17m) and includes one-off transaction costs incurred or provided for in relation to the agreement for sale of the Company and its subsidiaries to BWS. The transaction is subject to approval by the regulators and the Court, which is expected to complete in H1 2026.

The financial statements were approved by the Board of Directors on 26 February 2026 and were signed on its behalf by:

Mark Godson
Director

Company number: 08568957

Statement of Cash Flows of the Company

for the year ended 31 December 2025

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash flows from operating activities		
(Loss)/Profit before tax	(27)	23
Adjustments for:		
Transactions in shares held by trusts	(14)	(3)
Coupon on Tier 1 notes from group undertakings	(24)	(26)
Interest income	(57)	(63)
Interest expense	53	59
Change in operating assets and liabilities:		
Increase in provisions and other payables	32	–
Taxation paid	(1)	–
Net cash outflow from operating activities	**(38)**	**(10)**
Cash flows from investing activities		
Interest received on financial assets	7	7
Capital injections in subsidiaries	(50)	–
Acquisition of property and equipment	(14)	(2)
Repayment of loans from group undertakings	325	300
Issue of loan to group undertakings	(235)	(250)
Coupon received on Tier 1 notes from group undertakings	24	26
Interest received on loans to group undertakings	54	56
Net cash inflow from investing activities	**111**	**137**
Cash flows from financing activities		
Proceeds on issue of borrowings (net of costs)	–	398
Payment on redemption of borrowings	(155)	(256)
Dividends paid	(28)	(23)
Coupon paid on Tier 1 notes[1]	(16)	(16)
Interest paid on borrowings[1]	(56)	(48)
Net cash (outflow)/inflow from financing activities	**(255)**	**55**
Net increase/(decrease) in cash and cash equivalents	(182)	182
Cash and cash equivalents at 1 January	279	97
Cash and cash equivalents at 31 December	**97**	**279**
Cash available on demand	15	15
Units in liquidity funds	82	264
Cash and cash equivalents at 31 December	**97**	**279**

Notes to the Company Financial Statements

1. Material Accounting Policies

General information

Just Group plc (the "Company") is a public company limited by shares, incorporated and domiciled in England and Wales.

1.1. Basis of preparation

The financial statements have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the disclosure guidance and transparency rules sourcebook of the United Kingdom's Financial Conduct Authority. Values are expressed to the nearest £1m. Where applicable, the accounting policies followed in the separate Company financial statements are the same as those described in note 1 to the Group financial statements. In addition the following accounting policies are applied in the Company financial statements.

1.2 Investments in Group undertakings

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

1.3 Loans to Group undertakings

Loans to subsidiary undertakings are valued at amortised cost net of impairment for expected credit losses. Expected credit losses are calculated on a 12-month forward-looking basis where a loan is neither credit impaired on origination nor has experienced a significant increase in credit risk.

1.4 Share-based payments

The Group offers a number of employee share options plans. The share-based payment plans operated by the Group are all equity-settled plans. The Company has the obligation to settle the options and awards of its equity instruments to employees of its subsidiary undertakings. As such, the Company records an increase in the investment in subsidiary undertakings for the value of the share options and awards granted with a corresponding credit entry recognised directly in equity. The value of the share options and awards granted is based upon the fair value of the options and awards at the grant date, the estimated vesting period and the vesting conditions.

1.5 Classification of intra-Group loan arrangements

The Company assesses the commercial substance of its intra-Group lending arrangements to determine the classification as either a financial asset (that gives rise to a financial liability or equity instrument in the subsidiary) or whether the lending arrangement forms part of the Company's investment in the subsidiary. In making the assessment the Company considers evidence of past principal and coupon payments, planned payments and the contractual terms of the arrangement. Intra-Group loans that bear a market rate of interest and have fixed repayment dates are classified as financial liabilities by the subsidiary and as financial assets by the Company.

The Company issued restricted Tier 1 notes in the external market in 2019 and on-lent the proceeds from these instruments to its subsidiaries JRL and PLACL under the same commercial terms as the Company obtained in the external market. In 2021, the external 2019 restricted Tier 1 notes were refinanced. Subsequently, in 2024, the subsidiaries instruments were redeemed at their first call date, and JRL entered into a simultaneous replacement Restricted Tier 1 note with a call date and structure that aligns with the 2021 external restricted Tier 1 notes, with the coupon reflecting the market rate of interest at that time. The PLACL restricted Tier 1 notes were not replaced.

These instruments are classified as equity instruments by the issuer as explained in note 21 to the Group financial statements; classification of corresponding intra-Group arrangements by the subsidiaries is consistent with this. The JRL RT1 reflects market rates of interest at the time of issue and the Company does not consider that the transaction represents an action in its capacity as the shareholder, and therefore the asset recognised in the Company's financial statements is classified as a loan in the scope of IFRS 9. Interest received on these Restricted Tier 1 notes is recognised in profit or loss when received.

2. Investments in Group Undertakings

	Shares in Group undertakings 2025 £m	Shares in Group undertakings 2024 £m
At 1 January	861	855
Additions	62	6
At 31 December	**923**	**861**

Details of the Company's investments in the ordinary shares of subsidiary undertakings are given in note 31 to the Group financial statements. Additions in the year include £50m capital injections to subsidiary undertaking Just Retirement Group Holdings Limited, and £12m (2024: £6m) relating to the cost of share-based payments for services provided by employees of subsidiary undertakings to be satisfied by shares issued by the Company.

Investments in Group undertakings are assessed annually for any indication of impairment. In addition to the annual impairment review, as reported in note 12 to the Group financial statements, the Group performs an annual impairment assessment regarding the goodwill of the Just Retirement businesses which provides assurance over the recoverability of the Company's investment in Just Retirement Group Holdings limited and that no impairment is required.

The Company's other investment in subsidiaries relates to Partnership Assurance Group limited ("PAG"). The Partnership business primarily manages closed books of insurance business within Partnership Life Assurance Company Limited ("PLACL") and as such is tested for impairment annually due to the business being in run-off. Impairment testing has been carried out to assess the recoverable amount of the investment in PAG at 31 December 2025. The recoverable amount has been determined based on fair value and is in excess of the carrying value, indicating that no impairment of the Company's investment in PAG was required. The offer for Just Group by BWS provides a fair value price from the market which is utilised for this assessment. The 219.16p per share offered by BWS has been treated as the fair value of the Group and allocated to PLACL based on the lower of net assets and own funds.

3. Loans to Group Undertakings

	2025 £m	2024 £m
At 1 January	961	1,011
Additions	239	250
Repayments	(332)	(300)
At 31 December	**868**	**961**

Details of the company's loans to group undertakings are as follows:

	31 December 2025 £m	31 December 2024 £m
£250m 9.75% perpetual restricted Tier 1 contingent convertible debt (call option in March 2031) issued by JRL in April 2024	250	250
£225m 6.875% 10-year subordinated debt 2035 (Tier 2) issued by JRL in October 2025	229	–
£25m 8.125% 10-year subordinated debt 2029 (Tier 2) issued by JRL in October 2019	25	25
£250m 9.0% 10-year subordinated debt 2026 (Tier 2) issued by JRL in October 2016	254	254
£100m 8.125% 10-year subordinated debt 2029 (Tier 2) issued by PLACL in October 2019	102	102
£10m SONIA + 0.5% 5-year senior debt 2030 issued by JRH in October 2025	10	–
£75m 7.0% 10.5-year subordinated debt 2031 (Tier 2) issued by JRL in November 2020	–	76
£100m 7.0% 10.5-year subordinated debt 2031 (Tier 2) issued by PLACL in November 2020	–	102
£100m 8.2% 10-year subordinated debt 2030 (Tier 2) issued by JRL in May 2020	–	103
£50m 5.0% 7-year subordinated debt 2025 (Tier 3) issued by JRL in December 2018[1]	–	51
	870	**963**
Less: Loss allowance for expected credit losses	(2)	(2)
Total	**868**	**961**

1 Included in current assets in the prior year.

On 7 February 2025, JRL redeemed in full the £50m Tier 3 subordinated debt issued in December 2018. On 15 October 2025, JRL redeemed in full the £100m Tier 2 subordinated debt issued in May 2020 and the £75m Tier 2 subordinated debt issued in November 2020. JRL concurrently issued new Tier 2 subordinated debt of £225m with an interest rate of 6.875%. On 15 October 2025, PLACL redeemed in full the £100m Tier 2 subordinated debt issued in October 2019. On 15 October 2025, JRH issued a new senior debt of £10m with an interest rate of SONIA + 0.5%.

Additions and repayments in 2024 relate to: redemption on 26 April 2024 by the Company of the fixed rate perpetual restricted Tier 1 contingent convertible notes issued by JRL (£250m) and PLACL (£50m) together with JRL's concurrent re-issue of £250m new loan notes with no fixed maturity date and under same terms but with a market interest rate of 9.75%.

Notes to the Company Financial Statements continued

4. Property and Equipment

Property and equipment consists of right-of-use property lease assets in respect of the addition of the Company's new Reigate office of £6m (2024: £nil) and Belfast office of £4m (2024: £5m), and construction in progress of £10m (2024: £nil) in respect of the Company's new London office.

5. Financial Investments

	Fair value (designated)	
	31 December 2025 £m	31 December 2024 £m
Units in liquidity funds	82	264
Total	**82**	**264**

Units in liquidity funds were temporarily elevated at December 2024 ahead of planned settlement of the Company's Tier 3 debt in February 2025. As at 31 December 2025 the Company has sufficient liquid resources to meet its obligations as they fall due, including amounts provided for as set out in note 9 below.

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measured as a whole. In the fair value hierarchy, units in liquidity funds are all classified as Level 1. There have been no transfers between levels during the year.

6. Share Capital and Share Premium

Details of the Company's share capital and share premium are included in note 19 to the Group financial statements.

7. Other Reserves

	31 December 2025 £m	31 December 2024 £m
Merger reserve	300	300
Share held by trusts	(3)	(3)
Total other reserves	**297**	**297**

The merger reserve was established as the result of a placing of 94,012,782 ordinary shares in 2019 upon the acquisition of 100% of the equity of Partnership Assurance Group plc in 2016. Consideration for the acquisition of the equity shares of Partnership Assurance Group plc consisted of a new issue of shares in the Company. Accordingly, merger relief under Section 612 of the companies Act 2006 applied, and share premium was not recognised in respect of this issue of shares. The merger reserve recognised represents the difference between the nominal value of the shares issued and the net assets of Partnership Assurance Group plc acquired.

8. Subordinated Debt

Details of the Company's subordinated debt are shown in note 24 to the Group financial statements.

9. Provisions

The Company has provisions of £27m (2024: £nil). In the current year, provisions primarily relate to legal and broker fees that are payable on completion of the potential acquisition of the Company and it's subsidiaries by BWS Limited. The proposed acquisition was approved by the shareholders in September 2025, and completion is subject to approval by the regulatory authorities and the court. At 31 December 2025 the Directors consider that it is probable that the acquisition will complete in the first half of 2026.

10. Related Party Transactions

Trading transactions and balances

The following transactions were made with related parties during the year:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Staff costs, Directors' remuneration, operating expenses and management fees charged	(32)	(8)
Interest on loan balances charged to JRL	63	64
Interest on loan balances charged to PLACL	14	18

Additions to Group undertakings are detailed in note 2 and loans advanced to or repaid by Group undertakings are detailed in note 3. The following balances in respect of related parties were owed by the Company at the end of the year:

	31 December 2025 £m	31 December 2024 £m
Amounts owed for Group tax relief	–	(1)
Others	–	(1)

The following balances in respect of related parties were owed to the Company at the end of the year:

	31 December 2025 £m	31 December 2024 £m
Loans to JRL (including interest)	757	758
Loans to PLACL (including interest)	101	203
Loan to JRH (including interest)	10	–

Key management compensation

Key management personnel comprise the Directors of the Company.

Key management compensation is disclosed in note 32 to the Group financial statements.

11. Commitments

The Company has capital commitments of £16.3m (2024: £nil) for the fit out of the new London office.

12. Post Balance Sheet Events

There were no material post balance sheet events that have taken place between 31 December 2025 and the date of this report.

Additional Financial Information

The following additional financial information is unaudited.

Financial Investments Credit Ratings

The sector analysis of the Group's financial investments portfolio by credit rating at 31 December 2025 is shown below:

	Total £m	%	AAA £m	AA £m	A £m	BBB £m	% BBB £m	BB or below £m
Basic materials	97	0.3%	–	5	21	67	0.9%	4
Communications and technology	967	3.2%	156	129	160	507	6.8%	15
Auto manufacturers	50	0.2%	–	–	13	37	0.5%	–
Consumer staples (including healthcare)	1,114	3.7%	107	210	461	314	4.2%	22
Consumer cyclical	165	0.6%	–	4	46	115	1.5%	–
Energy	214	0.7%	–	38	4	149	2.0%	23
Banks	1,325	4.5%	7	150	776	392	5.2%	–
Insurance	864	2.9%	–	429	183	252	3.4%	–
Financial – other	796	2.7%	116	175	484	21	0.3%	–
Real estate including REITs	651	2.2%	30	16	363	242	3.2%	–
Government	4,867	16.4%	324	3,869	458	216	2.9%	–
Industrial	558	1.9%	–	59	267	228	3.0%	4
Utilities	2,236	7.5%	–	173	290	1,773	23.8%	–
Commercial mortgages	1,327	4.5%	113	436	684	73	1.0%	21
Long income real estate[1]	1,776	6.0%	154	253	933	436	5.8%	–
Infrastructure	4,438	14.9%	53	265	1,378	2,645	35.5%	97
Other	41	0.1%	–	–	41	–	–	–
Corporate/government bond total	**21,486**	**72.3%**	**1,060**	**6,211**	**6,562**	**7,467**	**100.0%**	**186**
Other assets	1,030	3.5%						
Lifetime mortgages	6,015	20.1%						
Liquidity funds	1,234	4.1%						
Investments portfolio	**29,765**	100.0%						
Derivatives and collateral	3,645							
Gilts (interest rate hedging)	3,996							
Total	**37,406**							

1 Includes residential ground rents of £154m rated AAA. Includes direct long income real estate and where applicable, investment in trusts of £133m which are primarily included in investments accounted for using the equity method and investment property in the IFRS Consolidated statement of financial position.

New Business Profit Reconciliation

New business profit is deferred on the balance sheet under IFRS 17. In addition IFRS 17 requires that the CSM on initial recognition is determined using economic assumptions at the point of recognition. Just recognises contracts in line with this timing, but bases its assessment of new business profitability for management purposes on the economic parameters prevailing at the quote date for GIfL business and market condition date for DB business.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
New business CSM on gross business written	233	438
Reinsurance CSM	24	24
Net new business CSM	**257**	**462**
Impact of date used for profitability measurement	(8)	(2)
New business profit	**249**	**460**

New business profits are determined based on economic conditions of the target asset mix at the quotation date for GIfL business and market condition date (see glossary for definition) for DB business and is the metric used by the CODM in evaluating profitability of new business. The CSM from new business is measured based on the IFRS 17 recognition date and therefore there is a recognition date reconciling item between the segmental reporting new business profit and the CSM recognised from new business in note 22(e).

Reconciliation from Operating Profit to IFRS Consolidated Statement of Comprehensive Income

The tables below present the reconciliation from the Group's APM income statement view to the IFRS statement of comprehensive income for the Group. Further information on these tables is included in the Business Review.

Year ended 31 December 2025

Alternative profit measure format									Statutory accounts format
	Reported £m	Quote date difference £m	CSM deferral £m	Adjusted total £m	Insurance service result £m	Net investment result £m	Other finance costs £m	Other income, expenses and associates £m	PBT £m
New business profit	249	8	(257)	–					
CSM amortisation	(67)		67	–					
Net underlying CSM increase	182	8	(190)	–					
In-force operating profit	246			**246**	171	75			**246**
Other Group companies' operating results	(16)			**(16)**				(16)	**(16)**
Development costs and other	(36)			**(36)**				(36)	**(36)**
Finance costs	(71)			**(71)**			(71)		**(71)**
Underlying operating profit	305	8	(190)	**123**	171	75	(71)	(52)	**123**
Operating experience and assumption changes	(32)		(48)	**(80)**	(1)	(79)			**(80)**
Investment and economic movements	(98)	(8)		**(106)**		76	(190)	8	**(106)**
Strategic expenditure	(71)			**(71)**				(71)	**(71)**
Adjustment for transactions reported directly in equity in IFRS	16			**16**			16		**16**
Adjusted profit before tax	120		(238)	**(118)**					
Deferral of profit in CSM	(238)		238	–					
Loss before tax	(118)			**(118)**	170	72	(245)	(115)	**(118)**

Additional Financial Information continued

Reconciliation from Operating Profit to IFRS Consolidated Statement of Comprehensive Income continued

Year ended 31 December 2024

Alternative profit measure format									Statutory accounts format
	Reported £m	Quote date difference £m	CSM deferral £m	Adjusted total £m	Insurance service in result £m	Net vestment result £m	Other finance costs £m	Other expenses and associates £m	PBT £m
New business profit	460	2	(462)	–					
CSM amortisation	(71)		71	–					
Net underlying CSM increase	389	2	(391)	–					
In-force operating profit	236			**236**	161	75			**236**
Other Group companies' operating results	(17)			**(17)**				(17)	**(17)**
Development costs and other	(35)			**(35)**				(35)	**(35)**
Finance costs	(69)			**(69)**			(69)		**(69)**
Underlying operating profit	504	2	(391)	**115**	161	75	(69)	(52)	**115**
Operating experience and assumption changes	(37)		22	**(15)**	(12)	(3)			**(15)**
Investment and economic movements	18	(2)		**16**		226	(192)	(18)	**16**
Strategic expenditure	(23)			**(23)**				(23)	**(23)**
Adjustment for transactions reported directly in equity in IFRS	20			20			20		20
Adjusted profit before tax	482		(369)	**113**					
Deferral of profit in CSM	(369)		369	–					
Profit before tax	113			**113**	149	298	(241)	(93)	**113**

Information for Shareholders

The following information is unaudited.

Shareholder profile as at 31 December 2025

Holdings	No. of holders	% of holders	No. of shares	% of issued share capital
1–5,000	491	52.51	461,339	0.04
5,001–10,000	62	6.63	470,061	0.05
10,001–100,000	180	19.25	6,170,522	0.59
100,001–1,000,000	103	11.02	42,139,996	4.06
1,000,001–10,000,000	73	7.81	239,182,153	23.03
10,000,001–20,000,000	14	1.50	208,718,440	20.09
20,000,001 and over	12	1.28	541,560,421	52.14
Totals	**935**	**100**	**1,038,702,932**	**100**

Registrar

The Company's register of shareholders is maintained by our Registrar, Equiniti Limited. All enquiries regarding shareholder administration, including dividends, lost share certificates or changes of address, should be communicated in writing, quoting the Company's reference number 3947 to Equiniti via one of the methods below.

Online
Shareholders can view and manage their shareholdings and dividend mandates online at www.shareview.co.uk.

Telephone
+44 (0)371 384 2787. Lines are open 8.30am to 5.30pm (UK time) Monday to Friday (excluding public holidays in England and Wales).

Post
Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

Dividend payments and mandates

Any dividends due will only be paid by direct credit. We strongly encourage all shareholders to register a Shareview Portfolio and nominate their bank account at www.shareview.co.uk in order to receive their cash dividends by direct transfer to a bank or building society account.

Annual General Meeting

The Company intends to hold its Annual General Meeting for the year ended 31 December 2025 in mid-2026 in London, subject to the Company's listed status and shareholder structure at that time. Further details will be published on the Company's website in due course.

Just Group plc share price

The Company's ordinary shares are listed on the equity shares of commercial companies segment of the London Stock Exchange under the symbol JUST. Current and historical share price information is available on our website **www.justgroupplc.co.uk/ investors/share-monitor** and also on many other websites.

Electronic communications

Shareholders are encouraged to elect to receive shareholder documents electronically to receive shareholder information quickly and securely, and to help us save paper and reduce our carbon footprint, by registering with Shareview at www.shareview.co.uk.

Shareholders who have registered will be sent an email notification whenever shareholder documents are available on the Company's website. When registering, shareholders will need their shareholder reference number which can be found on their share certificate.

Shareholder security

Shareholders should be very wary of any unsolicited advice, offers to buy shares at a discount, or offers of free company reports. These are typically from overseas based "brokers" who target UK shareholders, offering to sell them what often turn out to be worthless or high risk shares in UK investments. These operations are commonly known as "boiler rooms". These "brokers" can be very persistent and persuasive. Just Group plc shareholders are advised to be extremely wary of such approaches and to only deal with firms authorised by the FCA. You can check whether an enquirer is properly authorised and report scam approaches by contacting the FCA on www.fca.org.uk/consumers or by calling the FCA Consumer Helpline on 0800 111 6768.

Investor relations enquiries

For all institutional investor relations enquiries, please contact our Investor Relations team whose contact details can be found at **www.justgroupplc.co.uk/contact-us.** Individual shareholders with queries regarding their shareholding in the Company should contact our Registrar, Equiniti Limited.

Shareholders can stay informed about the latest news and events from Just Group plc by registering for our Alert Service at **www.justgroupplc.co.uk/investors/alert-service.** Simply select the topics that interest you, such as Results and presentations, Board changes and AGM and other meetings. Once registered, you will automatically receive an email notification whenever new information becomes available on our website.

Digital copies of our Annual Report and Accounts are available at **www.justgroupplc.co.uk/investors/results-reports-and-presentations.**

Information for Shareholders continued

Cautionary statement and forward-looking statements

This Annual report has been prepared for, and only for, the members of Just Group plc (the "Company") as a body, and for no other persons. The Company, its Directors, employees, agents and advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

By their nature, the statements concerning the risks and uncertainties facing the Company and its subsidiaries (the "Group") in this Annual Report involve uncertainty, since future events and circumstances can cause results and developments to differ materially from those anticipated. This Annual Report contains, and we may make other statements (verbal or otherwise) containing, forward-looking statements in relation to the current plans, goals and expectations of the Group relating to its or their future financial condition, performance, results, strategy and/or objectives (including, without limitation, climate-related plans and goals). Statements containing the words: 'believes', 'intends', 'expects', 'plans', 'seeks', 'targets', 'continues', 'future', 'outlook', 'potential' and 'anticipates' or other words of similar meaning are forward-looking (although their absence does not mean that a statement is not forward-looking). Forward-looking statements involve risk and uncertainty because they are based on information available at the time they are made, based on assumptions and assessments made by the Company in light of its experience and its perception of historical trends, current conditions, future developments and other factors which the Company believes are appropriate. These statements relate to future events and depend on circumstances which may be or are beyond the Group's control. For example, certain insurance risk disclosures are dependent on the Group's choices about assumptions and models, which by their nature, are estimates. As such, although the Group believes its expectations are based on reasonable assumptions, actual future gains and losses could differ materially from those that we have estimated. Other factors which could cause actual results to differ materially from those estimated by forward-looking statements include, but are not limited to: domestic and global political, economic and business conditions (such as the longer-term impact from the COVID-19 outbreak or the impact of other infectious diseases, climate change, foreign trade policies (including the imposition of tariffs, increasing the risk of trade tensions), the conflict in the Middle East, and the continuing situation in Ukraine); asset prices; market-related risks (such as fluctuations in interest rates, exchange rates, and the performance of financial markets generally); the policies and actions of governmental and/or regulatory authorities (including, for example, new government initiatives related to taxation (including employers National Insurance contributions, capital gains tax and inheritance tax), pensions legislation and regulations or the costs of social care or climate action, particularly the transition to net zero); the impact of inflation and deflation on both market conditions and customer behaviours; and evolving advice needs; market competition; failure to efficiently and effectively respond to climate change related risks and the transition to a net zero economy; changes in assumptions in pricing and reserving for insurance business (particularly with regard to mortality and morbidity trends, gender pricing and lapse rates); risks associated with arrangements with third parties, including joint ventures and distribution partners and the timing, impact and other uncertainties associated with future acquisitions, disposals or other corporate activity undertaken by the Group and/or within relevant industries; inability of reinsurers to meet obligations or unavailability of reinsurance coverage; default of counterparties; information technology or data security breaches including cybersecurity threats and the rapid pace of technological change (including the role of artificial intelligence and machine learning); the impact of changes in capital, solvency or accounting standards; and tax and other legislation and regulations in the jurisdictions in which the Group operates (including changes in the regulatory capital requirements which the Company and its subsidiaries are subject to). As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set out in the forward-looking statements.

On 31 July 2025, the boards of directors of Brookfield Wealth Solutions Ltd ("BWS") and Just Group plc ("Just") announced that they had reached agreement on the terms of a recommended cash offer to be made by BWS Holdings Limited ("Bidco"), a wholly owned subsidiary of BWS, to acquire the entire issued and to be issued share capital of Just (the "Acquisition"), to be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act (the "Scheme"). As previously communicated, the Acquisition is expected to complete during the first half of 2026.

The forward-looking statements are currently only as at the date of this document and reflect knowledge and information available at the date of preparation of this Annual Report. The Group undertakes no obligation to update these forward-looking statements or any other forward-looking statement it may make (whether as a result of new information, future events or otherwise), except as may be required by law.

Persons receiving this Annual Report should not place undue reliance on forward-looking statements. Past performance is not an indicator of future results. The results of the Company and the Group in this Annual Report may not be indicative, and are not an estimate, forecast or projection of, the Group's future results. Nothing in this Annual Report should be construed as a profit forecast.

Directors and Advisers

Directors

Non-Executive Directors:

John Hastings-Bass, Chair

Mary Phibbs, Senior Independent Director

Jim Brown

Michelle Cracknell

Mary Kerrigan

Matt Saker

Executive Directors:

David Richardson, Group Chief Executive Officer

Mark Godson, Group Chief Financial Officer

Group Company Secretary

Simon Watson

Registered Office

Just Group plc

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Bancroft Road
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Surrey
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Tel: +44 (0)1737 233296

Registered in England and Wales number 08568957

Independent Auditor

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Corporate Brokers

J.P. Morgan Cazenove

25 Bank Street
Canary Wharf
London
E14 5JP

RBC Capital Markets

100 Bishopsgate
London
EC2N 4AA

Glossary

Acquisition costs	Comprise directly attributable costs incurred in the selling, underwriting and commencing of insurance contracts.
Adjusted profit/ (loss) before tax	An APM, this is the profit/(loss) before tax before deferral of profit in CSM
Alternative performance measure ("APM")	In addition to statutory IFRS performance measures, the Group has presented a number of non-statutory alternative performance measures. The Board believes that the APMs used give a useful insight into the underlying performance of the Group. APMs are identified in this glossary together with a reference to where the APM has been reconciled to its nearest statutory IFRS equivalent. APMs regarding our Solvency position are reconciled to the Solvency II excess own funds. APMs which are also KPIs are indicated as such.
Buy-in	An exercise enabling a pension scheme to obtain an insurance contract that pays a guaranteed stream of income sufficient to cover the liabilities of a group of the scheme's members.
Buy-out	An exercise that wholly transfers the liability for paying member benefits from the pension scheme to an insurer which then becomes responsible for paying the members directly.
Care Plan ("CP")	A specialist insurance contract contributing to the costs of long-term care by paying a guaranteed income to a registered care provider for the remainder of a person's life.
Cash Generation	A Solvency II APM and one of the Group's KPIs which represents the movement in Solvency II excess own funds over the year, generated from in-force surplus, net of Group overheads and management expenses and debt interest. It excludes new business strain, strategic expenditure, development costs and other one-off expenses, economic variances, regulatory adjustments, impact of capital actions and impact of management actions and other operating items.
Confidence interval	The degree of confidence that the provision for future cash flows plus the risk adjustment reserve will be adequate to meet the cost of future payments to annuitants.
Contractual Service Margin ("CSM")	Represents deferred profit earned on insurance products. CSM is recognised in profit or loss over the life of the contracts.
CSM amortisation	Represents the net release from the CSM reserve into profit as services are provided. The figures are net of accretion (unwind of discount), and the release is computed based on the closing CSM reserve balance for the period.
Deferral of profit in CSM	The total movement on CSM reserve in the year. The figure represents CSM recognised on new business, accretion of CSM (unwind of discount), transfers to CSM related to changes to future cash flows at locked-in economic assumptions, less CSM release in respect of services provided.
Defined benefit deferred ("DB deferred") business	The part of DB de-risking transactions that relates to deferred members of a pension scheme. These members have accrued benefits in the pension scheme but have not yet retired.
Defined benefit de-risking partnering ("DB partner (funded) re")	A DB de-risking transaction in which a reinsurer has provided reinsurance in respect of the asset and liability side risks associated with one of our DB Buy-in transactions.
Defined benefit ("DB") pension scheme	A pension scheme, usually backed or sponsored by an employer, that pays members a guaranteed level of retirement income based on length of membership and earnings.
Defined contribution ("DC") pension scheme	A work-based or personal pension scheme in which contributions are invested to build up a fund that can be used by the individual member to obtain retirement benefits.
De-risk	An action carried out by the trustees of a pension scheme with the aim of transferring risks such as longevity, investment, inflation, from the sponsoring employer and scheme to a third party such as an insurer.
Development costs	Incurred relating to the generation of incremental value (extending market reach or share) in future years, from developing existing products, markets, or new developments to the Group's technology and modelling capability, and additionally major business transformational projects related to generating incremental value in future years.
Drawdown (sales or products)	Collective term for investment products including Capped Drawdown.
Earnings per share (basic and diluted)	The calculation of basic and diluted Earnings Per Share ("EPS") is based on dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted-average number of ordinary shares outstanding, and by the diluted weighted-average number of ordinary shares potentially outstanding at the end of the period.
Employee benefits consultant ("EBC")	An adviser offering specialist knowledge to employers on the legal, regulatory and practical issues of rewarding staff, including non-wage compensation such as pensions, health and life insurance and profit sharing.
Finance costs	Finance costs included within underlying operating profit include coupons paid on the Group's restricted Tier 1 notes, interest payable on the Group's Tier 2 and Tier 3 notes, facility non-utilisation fees and debt repurchase costs when incurred, and amortisation of debt issue and facility arrangement costs capitalised. Finance costs included in cash generation include coupons paid on the Group's restricted Tier 1 notes, interest paid on the Group's Tier 2 and Tier 3 notes, and all facility costs when incurred. Interest paid on repurchase agreements is excluded from the measure of finance costs within underlying operating profit and cash generation, as these costs are reported together with the impact of the investment assets funded by repurchase agreements.

Guaranteed Income for Life ("GIfL")	Retirement income products which transfer investment and longevity risk and provide the retiree with a guarantee to pay an agreed level of income for as long as the retiree lives. On a "joint-life" basis, the policy will continue to pay a guaranteed income to a surviving spouse/partner. Just provides modern individually underwritten GIfL solutions.
IFRS 17 recognition date	The date on which insurance contracts are recognised for IFRS 17 reporting purposes: GIfL and Care policies are recognised on policy completion date, DB contracts are recognised on contract inception date.
IFRS profit before tax	One of the Group's KPIs, representing the profit before tax attributable to equity holders.
In-force operating profit	An APM and represents profits from the in-force portfolio before investment and insurance experience variances, and assumption changes. It mainly represents expected release of risk adjustment for non-financial risk and of allowance for credit default in the period, investment returns earned on shareholder assets, together with the value of the (net) CSM amortisation.
Investment and economic movements	Reflect the difference in the period between expected investment returns, based on investment and economic assumptions at the start of the period, including the target asset mix for new business, and the actual returns earned. Investment and economic profits also reflect the impact of assumption changes in future expected risk-free rates, corporate bond defaults and house price inflation and volatility.
Key performance indicators ("KPIs")	KPIs are metrics adopted by the Board which are considered to give an understanding of the Group's underlying performance drivers. The Group's KPIs are Retirement income sales (shareholder funded), New business profit, Underlying operating profit, IFRS profit before tax, Return on equity, Tangible net asset value per share, New business strain, cash generation and Solvency II capital coverage ratio.
Lifetime mortgage ("LTM")	An equity release product that allows homeowners to take out a loan secured on the value of their home, typically with the loan plus interest repaid when the homeowner has passed away or moved into long-term care.
LTM notes	Structured assets issued by wholly owned special purpose entities, Just Re1 Ltd and PLACL Re 1 Ltd. These entities hold pools of lifetime mortgages, each of which provides the collateral for issuance of senior and mezzanine notes to Just Retirement Ltd and Partnership Life Assurance Group Ltd, eligible for inclusion in its matching portfolio.
Market conditions date	The date used as a reference point for market and economic conditions to determine the quotation premium.
Medical underwriting	The process of evaluating an individual's current health, medical history and lifestyle factors, such as smoking, when pricing an insurance contract.
Net asset value ("NAV")	An APM that represents IFRS total equity, net of tax, and excluding equity attributable to Tier 1 noteholders.
New business margin	An APM that is calculated by dividing new business profit by Retirement income sales (shareholder funded). It provides a measure of the profitability of shareholder funded Retirement income sales.
New business profit ("NBP")	An APM and one of the Group's KPIs, representing the profit generated from new business written in the year after allowing for the establishment of reserves and for future expected cash flows, risk adjustment and incorporate expected investment returns on the target asset mix of investments to back that business plus an allowance for acquisition expenses and incremental marginal costs including overheads that are attributable to new business. The net underlying CSM increase from new business is added back as the Board considers the value of new business is significant in assessing performance. New business profit is reconciled to adjusted profit before tax, which is reconciled to IFRS profit before tax in the Business Review.
New business strain	An APM and one of the Group's KPIs, representing the capital strain on new business written in the year after allowing for acquisition expense allowances and the establishment of Solvency II technical provisions and Solvency Capital Requirement.
No-negative equity guarantee ("NNEG") hedge	A derivative instrument designed to mitigate the impact of changes in property growth rates on both the regulatory and IFRS balance sheets arising from the guarantees on lifetime mortgages provided by the Group which restrict the repayment amounts to the net sales proceeds of the property on which the loan is secured.
Operating experience assumption	Represents changes to cash flows in the current and future periods valued based on end-of-period economic and assumptions. This is reported prior to the deferral of profit in CSM from changes to future cash flows changes
Organic capital generation	An APM that is calculated in the same way as cash generation, plus the impact of new business strain, development costs and other one-off expenses and management actions and other items.
Other Group operating	The results of Group companies including our HUB group of companies, which provides regulated advice and companies' intermediary services, and professional services to corporates, and corporate costs incurred by Group holding results companies.
Peppercorn rent	A very low or nominal rent.
PrognoSys™	The Group's proprietary underwriting engine, which is based on individual mortality curves derived from Just Group's own data collected since its launch in 2004.
Regulated financial advice	Personalised financial advice for retail customers by qualified advisers who are regulated by the Financial Conduct Authority.
REITs	A Real Estate Investment Trust is a company that owns, operates, or finances income-generating real estate.

Glossary continued

Retail	The Group's collective term for GIfL and Care Plan.
Retirement income sales (shareholder funded)	An APM and one of the Group's KPIs and a collective term for GIfL, DB and Care Plan new business sales "Sales" and excludes DB partner premium. Premiums are reported gross of commission paid. Retirement income sales (shareholder funded) are reconciled in note 2 to premiums included in the analysis of movement in insurance liabilities within note 22.
Return on equity	An APM and one of the Group's KPIs. Return on equity is calculated by dividing underlying operating profit after attributed tax for the period by the average tangible net asset value for the period and is expressed as an annualised percentage. Underlying operating profit and tangible net asset value are reconciled respectively to IFRS profit before tax and IFRS total equity in the Business Review.
Risk adjustment for non-financial risk ("RA")	Allowance for longevity, expense, and insurance specific operational risks representing the compensation required by the business when managing existing and pricing new business.
Secure Lifetime Income ("SLI")	A tax efficient solution for individuals who want the security of knowing they will receive a guaranteed income for life and the flexibility to make changes in the early years of the plan.
Solvency II	Sets out regulatory requirements for insurance firms and groups, covering financial resources, governance and accountability, risk assessment and management, supervision, reporting and public disclosure.
Solvency UK	Covers the reforms to the Solvency II requirements for the UK and implemented by the PRA.
Strategic expenditure	Are costs that deliver major regulatory change, the implementation of major strategic investment, new product and business lines and other restructuring costs.
Tangible net asset value ("TNAV")	An APM that comprises IFRS total equity attributable to ordinary shareholders, excluding goodwill and other intangible assets, and after adding back contractual service margin, net of tax.
Tangible net asset value per share	An APM and one of the Group's KPIs, representing tangible net asset value divided by the closing number of issued ordinary shares excluding shares held in trust.
Trustees	Individuals with the legal powers to hold, control and administer the property of a trust such as a pension scheme for the purposes specified in the trust deed. Pension scheme trustees are obliged to act in the best interests of the scheme's members.
Underlying earnings per share	An APM that is calculated by dividing underlying operating profit after attributed tax by the weighted average number of shares in issue by the Group for the period.
Underlying operating profit	An APM and one of the Group's KPIs representing new business profit, in-force operating profit, other Group companies' operating results, development costs and other, and finance costs. Underlying operating profit represents new business profit and profits from in force business excluding operating assumption changes and experience variances. The Board believes the combination of both future profit generated from new business written together with profit from the in-force book of business, provides a view of the development of the Group aligned to growth and future cash release. Variances between actual and expected investment returns due to temporary economic and market changes, including on surplus assets and on assets assumed to back new business, and, are reported outside underlying operating profit. Furthermore, underlying operating profit excludes strategic expenditure, amortisation of intangible assets arising on consolidation, and any impairments since these items arise outside the normal course of business. Underlying operating profit is reconciled to IFRS profit before tax in the Business Review.

Abbreviations

ABI	Association Of British Insurers
AGM	Annual General Meeting
APM	Alternative Performance Measure
BWS	Brookfield Wealth Solutions Ltd
Articles	Articles Of Association
CMI	Continuous Mortality Investigation
Code	UK Corporate Governance Code
CP	Care Plans
CPI	Consumer Prices Index
DB	Defined Benefit De-Risking Solutions
DC	Defined Contribution
DSBP	Deferred Share Bonus Plan
EBT	Employee Benefit Trust
EPS	Earnings Per Share
ERM	Equity Release Mortgage
ESG	Environment, Social And Governance
EVT	Effective Value Test
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GIfL	Guaranteed Income For Life
GIPA	Guaranteed Income Producing Asset
Hannover	Hannover Life Reassurance Bermuda Ltd
IFRS	International Financial Reporting Standards
IP	Intellectual Property
ISA	International Standards On Auditing
JRL	Just Retirement Limited
KPI	Key Performance Indicator
LCP	Lane Clark & Peacock LLP
LPI	Limited Price Index
LTIP	Long Term Incentive Plan
LTM	Lifetime Mortgage
MA	Matching Adjustment
MAR	Market Abuse Regulation
NAV	Net Asset Value
NNEG	No-Negative Equity Guarantee
ORSA	Own Risk And Solvency Assessment
PAG	Partnership Assurance Group
PLACL	Partnership Life Assurance Company Limited
PPF	Pension Protection Fund
PRA	Prudential Regulation Authority
PRI	United Nations Principles For Responsible Investment
PVIF	Purchased Value Of In-Force
PWC	PricewaterhouseCoopers LLP
REIT	Real Estate Investment Trust
RPI	Retail Price Inflation
SAPS	Self-Administered Pension Scheme
SAYE	Save As You Earn
SCR	Solvency Capital Requirement
SFCR	Solvency And Financial Condition Report
SID	Senior Independent Director
SIP	Share Incentive Plan
SLI	Secure Lifetime Income
SME	Small And Medium-Sized Enterprise
STIP	Short Term Incentive Plan
TCO2E	Tonnes Of Carbon Dioxide Equivalent
TMTP	Transitional Measures On Technical Provisions
TSR	Total Shareholder Return

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