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Beazley PLC
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Press Release

Beazley delivers record profit of 1.42bn and announces 500m share buyback

London, 4 March 2025

Beazley plc results for period ended 31 December 2024

- Profit before tax increased to 1,423.5m (2023: 1,254.4m)
- Insurance written premiums increased to 6,164.1m (2023: 5,601.4m)
- Net insurance written premiums increased to 5,152.3m (2023: 4,696.2m)
- Undiscounted combined ratio of 79% (2023: 74%)
- Discounted combined ratio of 75% (2023: 71%)
- Return on equity of 27% (2023: 30%)
- Initial estimate of Californian Wildfires in the region of 80m
- Mid-single digit gross IWP growth guidance for FY 2025
- Mid-80s undiscounted combined ratio guidance for FY 2025
- 500m share buyback programme to be launched
- Ordinary dividend rebased by 76% to 25p.

	Year ended 31 December 2024	Year ended 31 December 2023	% movement
Insurance Written Premiums (m)	**6,164.1**	5,601.4	10%
Net Insurance Written Premiums (m)	**5,152.3**	4,696.2	10%
Insurance Service Result (m)	**1,236.0**	1,251.0	(1)%
Profit before tax (m)	**1,423.5**	1,254.4	13%
Earnings per share (pence)	**137.0**	124.8	10%
Net assets per share (pence)	**570.5**	468.6	22%
Net tangible assets per share (pence)	**545.9**	448.7	22%

Adrian Cox, Chief Executive Officer, said:

"Our record profit of 1.4bn, along with a 79% undiscounted combined ratio and strong premium growth is a testament to the strength of our expertise. I am delighted with what our company has achieved amidst a challenging claims environment, including an active hurricane season.

This robust performance enables a share buyback of 500m as well as an ordinary dividend rebase to 25p, which is a 76% increase. We remain well capitalised to take advantage of growth opportunities in an evolving market and sustain our strong financial performance over the long term."

A webcast will be held at 10:00am GMT on Tuesday, 4 March 2025.

Webcast Link:

https://brrmedia.news/BEZ_YER24

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Note to editors:

Beazley plc (BEZ.L), is the parent company of specialist insurance businesses with operations in Europe, North America, Latin America, and Asia. Beazley manages seven Lloyd's syndicates and, in 2024, underwrote gross premiums worldwide of 6,164.1million. All Lloyd's syndicates are rated A by A.M. Best.

Beazley's underwriters in the United States focus on writing a range of specialist insurance products. In the admitted market, coverage is provided by Beazley Insurance Company, Inc., an A.M. Best A rated carrier licensed in all 50 states and its subsidiary, Beazley America Insurance Company, Inc. In the surplus lines market, coverage is provided by the Beazley syndicates at Lloyd's, and from 1 January 2024, also from Beazley Excess and Surplus Insurance, Inc.

Beazley's European insurance company, Beazley Insurance dac, is regulated by the Central Bank of Ireland and is A rated by A.M. Best and A+ by Fitch.

Beazley is a market leader in many of its chosen lines, which include Professional Indemnity, Cyber Liability, Property, Marine, Reinsurance, Accident and Life, and Political Risks and Contingency business.

For more information please go to: www.beazley.com

Statement of the Chair

2024 produced more evidence that we are living in a period of change, where risk is rapidly increasing and businesses look to specialist insurers for support, as they manage an often challenging environment.

The global IT outage in July 2024 reminded us of the potential for interconnected technology to cause mass disruption. We also have more experience as to how climate risk is changing in the face of extreme weather events. This was seen in the extension of the geographic locations impacted by North Atlantic hurricanes or the intensity of the flooding experienced in the Valencia region of Spain during 2024. The year also saw more than 4 billion people take part in elections, in which digital media dominated much of the debate, bringing increased risk and more uncertain outcomes.

In this environment, I am proud that Beazley has played its part as a leading, global specialty insurer to add real value to businesses around the world. We provided them with effective risk transfer and management to reduce and mitigate threats or, in the worst case scenario, provided them with financial support to get back on their feet.

Businesses need global, specialty insurance expertise

In our Risk & Resilience research with 3,500 senior managers of risk across the world, they tell us that in recent years their businesses have consistently felt risk is rising while their resilience is diminishing.

Beazley's purpose is to help all our stakeholders explore, create and build. It is clear that, as a specialty insurer, we are an increasingly vital asset to businesses. This goes beyond simply transferring risk to our balance sheet, to supporting economic progress by delivering risk management advice and protection. The result is growing demand for our insurance and reinsurance products. This offers an opportunity for us to leverage demand-led growth to extend our brand of specialty insurance to an expanding global pool of insured risks.

We aim to offer continuity of cover for our clients, create innovative products and services for our broker partners, and ensure we deliver strong profitability for our shareholders.

Our approach to underwriting combines active management of the insurance cycle with providing a diverse set of insurance products. Focused selection of risks means we were able to deliver our strongest ever full-year result for 2024, achieving a profit before tax of 1,423.5m (2023: 1,254.4m) despite an active external loss environment.

We are committed to managing our capital by investing in future profitable growth and capital distribution. Following the 2023 results, we announced a 325m share buyback, which was concluded in September 2024. I am delighted to say that the strong result in 2024 allows us to launch a share buyback of 500m. Furthermore, we believe the strength of our results supports a one-off rebasing of the ordinary dividend by 76% to 25p.

Board evolution, strengthening expertise

During 2024, we saw further maturation of the Board. First, we have a strong group of Non-Executive Directors from whom we are able to draw on their market and corporate experience to guide our decision-making. During 2024, specific mention goes to Pierre-Olivier Desaulle who became our new Senior Independent Non-Executive Director, following Christine LaSala's retirement.

Second, we were pleased that Carolyn Johnson, who brings a wealth of experience in the North American market, joined the plc Board and became Chair of our North American business.

Third, we are actively "future proofing" our Group structure by invigorating our three platforms as they become increasingly important to our ability to access risk globally. We have strengthened our leadership and governance in North America, Europe and in London Wholesale, ensuring ongoing access to business across these platforms, enabling continued strong relationships with our brokers and insureds. Just as important is effective engagement with our regulators in each geography as we continue to strengthen our risk management infrastructure to ensure it is effective now and in the future.

Confidence in the future

I am proud of the entire team at Beazley. A pride that is rightly demonstrated by our ranking as the 5th best business globally for sustainable growth by TIME magazine. This ranking includes the measurement of growth, profits and sustainability, a combination which clearly reflects our value and historic, long-term success, and allows us to anticipate the opportunities ahead for your Company.

Achieving this excellent result for 2024 was due to the hard work by Beazley's talented team, guided by our experienced Board of Directors. I would like to thank them all for their continued efforts, which demonstrate our values of "Being Bold, Doing the Right Thing and Striving for Better".

As we look ahead, we remain focused on delivering on our promises to you, our investors, and to all our stakeholders, which includes our broker partners and clients, together with our outstanding team at Beazley. I am grateful for the ongoing support of all of you and I am confident in our shared future.

Group Chief Executive Officer's statement

The power of expertise

Resilient business model delivers in 2024
2024 saw Beazley deliver our highest ever profit before tax of 1,423.5m (2023: 1,254.4m) for the full year and I am proud of the work of our team across the Company in achieving this strong outcome.

This result was delivered in a year with a significant global IT outage, an active hurricane season and ongoing geopolitical volatility, illustrating the resilience of our business. We achieved an undiscounted Combined Ratio (COR) of 79.0% (2023: 74.0%) and, during the year, were able to improve our COR guidance to the market given the positive performance of our business. We saw ongoing demand-led growth for our specialty insurance products, achieving 10.0% Insurance Written Premium (IWP) growth* for 2024 (2023: 6.8%), even as the rating environment continued to stabilise.

Our comprehensive understanding of our underwriting landscape means we were able to give early information and reassurance to our investors about our exposure to the global IT outage and hurricanes Helene and Milton. These events, whilst causing significant market losses and devastating for those in the front line, remained within our risk appetite and are testimony to the strength of our underwriting capabilities and the quality of our risk selection. The January 2025 California Wildfires were another significant market event and one which further demonstrates the increasingly volatile, complex and changing risk environment we are operating in. Our initial estimate of exposure to this event is around 80m.

Product-led approach underpinned by platform strength
The robustness of our business model ensures we continue to achieve strong results as market conditions change. This is built on a strategic framework which champions underwriting agility through product, sector and geographic diversification to actively manage the cycle. We have a product suite designed to access pools of risk that are growing, driven by increasing demand from our clients and broker partners, particularly where the risks they face are complex, volatile or changing.

Our three platforms in North America and Europe, and global Wholesale are enabling us to be close to our clients and brokers, strengthening relationships and ensuring we are able to understand the risks they face. We are investing for the long term into these entities, expanding our teams, capabilities and local knowledge in each market. Our presence across the three platforms allows us to deliver our specialty proposition, where it is most valuable. In October, Bethany Greenwood, Group Head of Specialty Risks, took over as Chair of our Wholesale Committee. We have executive management oversight on all three of our platforms, with Fred Kleiterp heading up Europe and Lou Ann Layton overseeing our business in North America. Today the premium written on our three platforms is split: Wholesale (Lloyd's) 49%, North America 43% and Europe 8%.

In North America, our Excess & Surplus (E&S) lines carrier saw continued growth in its first full year in business, as brokers sought more expertise and help with increasingly complex risks that this specialist marketplace is ideally suited to deal with. This is further proof of our commitment to the North American marketplace, with our team of more than 1,000 colleagues, based in 15 offices across the continental US and Canada, writing IWP of more than 2bn.

Our European business made great strides forward in 2024 and we now have a team of 200 colleagues across fourcountry clusters, with country managers appointed in France, Germany, Spain and the UK. The continued investment we are making is driving growing awareness of our capabilities and subsequent demand for the specialist lines of business in which we concentrate, such as cyber and management liability.

The Wholesale platform remains a leader at Lloyd's. In this subscription market, where multiple insurers participate in risk sharing, we believe automatic-follow solutions, where a market leader's underwriting is automatically followed, bring welcome efficiency. Beazley was an early mover in the follow market for facilities and consortia via Smart Tracker syndicate 5623. During 2024, we took an additional step into the follow market in a new partnership with Ki, where we are learning more about follow-only algorithmic underwriting for open market business. Lloyd's is traditionally a subscription marketplace where risk is syndicated between lead and follow underwriters, providing capacity for complex and large risks. In recent years, we have seen the emergence of "Follow" underwriting models, providing automatic dedicated follow capacity for facilitised, digital or algorithmically traded portfolios.

Leadership and innovation
Developing an effective market for cyber catastrophe reinsurance is vital if we are to create a cyber insurance market capable of meeting demand from business. Having launched the market's first cyber catastrophe bond in 2023, we followed this with a further bond at the start of this year. With three tranches issued during the course of 2024, cyber catastrophe bonds now provide 510m of cover. In October 2024, we issued the market's largest and first cyber industry loss warranty (ILW), providing 290m of cover should industry losses exceed 9bn. Together with traditional reinsurance, we have 1bn of cyber catastrophe reinsurance in place, providing powerful protection for our business and demonstrating the innovation needed to drive this market forward.

In June, Beazley Security was launched, bringing together our in-house Cyber Services team and our wholly owned cyber security company Lodestone. Beazley Security is a key component in our Full Spectrum Cyber offering, which incorporates integrated risk management services and cyber insurance. Our experience shows that not only are our clients better able to pre-empt, respond and adapt to cyber threats, but by keeping them one step ahead we are also effectively managing our own underwriting outcome, as demonstrated by our Cyber Risks combined ratio of 64.4% (2023: 68.3%).

Talent and expertise

During 2024, we continued to strengthen our senior team, with the appointment of Liz Ashford as our Chief People and Sustainability Officer and Barbara Plucnar Jensen as our Group Chief Financial Officer.

I was also delighted that Paul Bantick stepped up to become Group Chief Underwriting Officer, following Bob Quane's retirement. Paul is an outstanding insurance leader, who has driven the growth of our Cyber Risks business and the ongoing development and maturation of the global cyber insurance market. Alessandro Lezzi succeeded Paul as Group Head of Cyber Risks from the start of 2025, and joins the Executive Committee. Alessandro has a strong track record at

Beazley, having built out our International Cyber business.

I am pleased to note that our in-house talent, together with our ability to attract outstanding new colleagues to Beazley, means we are able to appoint high-calibre people to positions throughout the business.

We work hard to retain and develop our people, and our incentive schemes, including profit-related pay for all of our underwriters and long-term incentive and Save-As-You-Earn schemes, allow everyone to share in the Company's success.

Expertise is at the heart of handling complex claims that arise from specialty underwriting, and this is demonstrated by our multi-award winning claims team, which in January 2025 was awarded the Outstanding Service Quality mark by Gracechurch for the 9th year in a row.

Sustainability

Our sustainability strategy reflects the range of work we are engaged in across the sustainability landscape. Our three point framework - responsibly managing our business, supporting our clients in the transition and delivering success by doing the right thing - ensures that sustainability is an integral part of what we do every day in a way that is right for our business and meets the needs of all stakeholders.

Whilst we are actively tracking our progress ourselves, it is pleasing to be recognised for the success of our efforts. This year, we were ranked the 5th best business globally, and the highest in the UK, for sustainable growth by TIME magazine, a measure which assesses growth compared with peers, profitability and commitment to sustainability.

Outlook

I am excited to once again deliver a record profit. This level of success, even as 2024 offered a challenging risk landscape and a moderating rating environment, is testament to the talent and hard work of the entire Beazley team as well as the support of our broker partners and the ongoing commitment of our investors. I am grateful to all of you and look forward to what we will achieve together in 2025.

There is significant long-term opportunity for our business in this era of accelerating risk, which means our clients need our expertise and strong underwriting capabilities. And, as we demonstrated again in 2024, Beazley is a market leader that can deliver against that opportunity as we move forward.

We do operate in a cyclical market and one where conditions can change quickly. The industry continues to navigate an active claims environment, including recent natural catastrophe activity which could result in the pricing outlook evolving. However our central expectation at this time is that prices will continue to soften this year, and we are forecasting mid-single digit growth for 2025. Accounting for the provision already made in respect of the January 2025 Wildfires, we expect to deliver a mid-80s undiscounted combined ratio.

*Beazley Staff Underwriting Limited's participation in syndicate 623 at Lloyd's, is now fully consolidated within the Group accounts on a line-by-line basis due to an increase in materiality. Excluding the impact of this consolidation of premium, growth for the year would have been 8.5% on a gross basis and 8.2% on a net basis.

Group Chief Underwriting Officer's report

Long-term outperformance

I am proud to have taken the role of Group Chief Underwriting Officer and to be leading such an outstanding underwriting team, which I have had the privilege of working with for the past two decades.

In 2024, the team once again delivered an excellent insurance service result of 1,236.0m (2023: 1,251.0m) and IWP growth of 10.0%. Against a backdrop of significant loss events and a moderating rating environment, the result speaks to the active cycle management and focus on risk selection that we have embedded at Beazley.

Our underwriting is focused on delivering long-term outperformance, which we achieve by actively managing the insurance market cycle, building diversification across a broad suite of products and geographies, and effective, careful risk selection. This is combined with a passion for innovation and a focus on commerciality that puts the needs of our broker partners and clients at its heart. Combined with our award winning claims team, we deliver what I believe is the best end to end underwriting and claims experience in the Specialty market.

I am delighted that this talented team has built a strong succession pipeline, which sees Alessandro Lezzi step up to succeed me as Group Head of Cyber Risks. We have worked together for nearly two decades at the forefront of developing and growing the global cyber insurance market and I am excited to see how Alessandro will take the team even further. James Wright has been appointed Head of Digital Underwriting and, under his experienced leadership, his team will be extending digital technology and distribution across our underwriting operations.

Insurance written premiums

	2024	2023
	m	m
Cyber Risks	1,275.9	1,184.3
Digital	246.6	227.5
MAP Risks	950.3	964.3
Property Risks	1,703.2	1,351.9
Specialty Risks	1,988.1	1,873.4
Total	**6,164.1**	**5,601.4**

Net insurance written premiums

	2024	2023
	m	m
Cyber Risks	860.5	912.9
Digital	207.0	202.4
MAP Risks	859.3	851.6

Property Risks	1,454.9	1,157.3
Specialty Risks	1,770.6	1,572.0
Total	**5,152.3**	**4,696.2**

Active cycle management

We continually assess the evolving geopolitical, environmental and technological landscape, and evaluate economic and insurance market conditions to determine opportunities and risks.

During 2024, this approach saw us continue to lean into the Property market, which saw strong growth of 26.0%. The teams' expertise and market insights have enabled the division to achieve these growth levels despite a reduction in rate increases to 1.3%, down from the very notable increase of 22.4% seen in 2023.

Our assessment of market conditions continued to make us cautious in classes impacted by social inflation, where we maintain our robust approach to managing the cycle.

Our ability to move with agility as market conditions evolve ensures we are able to remain relevant to our clients and brokers over the long-term whilst ensuring the profitability of our business.

Underwriting innovation

Product diversity is further enhanced by innovation, which sees us identify new and emerging categories of risk and create solutions for them. For example, our Safeguard product, which helps organisations protect their people from or mitigates the impacts of sexual abuse incidents, reached its 10-year milestone in 2024. It is designed to help organisations take preventative action and avoid incidents and, having identified the need more than a decade ago, we have pioneered and led this relatively new class of insurance which helps protect institutions and society from harm.

In addition to traditional insurance indemnification, clients increasingly want help in managing the full spectrum of risks they face to avoid any gaps in cover. At the same time, our broker partners are telling us they are seeking higher capacity limits for their clients as the risk landscape becomes increasingly complex. To meet these needs, we use our leading market position to lead consortium arrangements, and two notable examples in 2024 were Beazley FLEX and Beazley Quantum.

Beazley FLEX addresses the full range of crime, professional and cyber risks that financial institutions face and brings together our financial institutions and cyber experts to lead the consortium.

Beazley Quantum provides comprehensive cover for large corporates with up to a 100m limit, bringing much needed additional capacity to large businesses which are in the front line of the cyber threat.

In both instances, the consortium offers access to our market, leading Full Spectrum Cyber capabilities, which combine all of Beazley's cyber risk management and underwriting capabilities into the market's only end-to-end cyber solution that brings together cyber insurance and security.

During the year, we looked closely at the new business opportunities and efficiency gains that follow underwriting can deliver, through ongoing success with Smart Tracker syndicate 5623 and with the start of a new partnership with Ki algorithmic underwriting.

As we moved through the year, we began to see the real benefits that AI will bring to our underwriting and claims teams, and we also continued to look closely to identify new risks, including the threat of AI-washing or the risk that companies overstate the benefits the technology will bring to their operations. We expect to see improved understanding of the risks and the opportunities of AI continue to come through in 2025.

Despite a challenging and volatile claims environment, our success in 2024 is based on our fundamental values, focus on underwriting excellence and effective risk management of our business, which is driving real value for our brokers and clients.

Cyber Risks

Our strong COR of 64.4% in a year of moderating pricing demonstrates both our cyber expertise and that the rate environment remains adequate. We experienced competition in the international markets during the year as they entered the next phase of maturity. However, the three major IT outages experienced during 2024 provided a reminder of the scale of risk that cyber threats from malign or non-malicious sources pose to businesses. In the US, this experience resulted in a reduction in the intensity of competitive rating pressures.

Cyber Risks retained its leadership role in the global cyber insurance market in 2024, with the creation of new cyber reinsurance capacity, in the form of additional catastrophe bonds and the launch of the market's largest cyber ILW. These innovations, together with our probabilistic modelling approach for cyber, ensure that Beazley has strong protection across its cyber business.

The most significant achievement of the year was the creation of Full Spectrum Cyber and, as part of it, Beazley Security, our wholly owned cyber security firm. Together they deliver the market's first end-to-end cyber security and insurance protection solution, ensuring clients have effective cyber insurance coupled with pre-emptive and responsive cyber security intelligence.

Beazley also played its part in building a robust modelling framework for cyber catastrophes during 2024, following a year-long collaboration with Munich Re and Gallagher Re on the modelling of cyber accumulation risk from significant malware events. The published white paper is freely available to anyone interested in cyber modelling. Please see our website for further information.

Looking ahead, we anticipate continuing demand-led growth in our international segment. The mid to small end of the market in the US will see ongoing opportunity as businesses seek to protect themselves from the ever-changing cyber threat.

Digital

Digital trading is accelerating as we continue to invest, and our broker partners are also doing the same, to increase the use of technology across the underwriting and claims process. During 2024, this continued to drive an increase in submissions via our digital trading platforms in all geographies. At the same time, we also saw an increase in competition across all lines of our specialist insurance offering, which serves small businesses.

As digital trading of cyber risks continued to expand, we increased our line size available digitally, focusing on the US and Germany, and resulting in growing submissions.
We expect to see the continued roll out of technology across our three platforms and right through our underwriting divisions as digital solutions increasingly become business as usual for Beazley.

MAP Risks
MAP achieved a COR of 80.9%, based on a continued positive rating environment, of which ongoing geopolitical uncertainty is a key driver.

This has been particularly true of the political risk and political violence segment, where demand remains consistently strong and where we remain steadfast in our support of our clients, but always exercise caution given the level of unpredictability.

Ongoing volatility is resulting in businesses identifying gaps in cover and seeking comprehensive solutions. In particular, we are experiencing growing demand for our Deadly Weapons Protection product, which offers risk management and prevention expertise, alongside indemnity and recovery advice, to protect clients from the worst impacts of attacks involving deadly weapons.

During the year, the marine market has had to navigate a number of challenges, including the Baltimore Bridge disaster, the ongoing conflicts in Ukraine and the Middle East, and more specifically the targeting of vessels trading through the Red Sea. The Market's success over the preceding years has encouraged competition to enter, particularly in Hull & Cargo, where we are seeing rates falling away, while the experience of the bridge collapse is generating a somewhat more stable rating environment for marine liability.

Our renewables business took off in 2024, growing its relevance and presence with brokers. This is part of a long-term investment we are making into this growth energy business as part of our commitment to supporting clients in the transition, which includes investigating insurance solutions for the development of nuclear fusion.

During the last 12 months, we have also grown our position within the Lead/Follow underwriting arena in Lloyd's. As the market leader with Smart Tracker syndicate 5623, we act as a lead insurer on facilities and support over 30 consortia arrangements, with both mechanisms bringing much needed efficiencies and additional capacity to the market.

There is no indication that geopolitical uncertainty is receding and we have increased our reserves to reflect this. Looking ahead, we believe we will see ongoing demand for our products and services, which we will be building out into the European markets during the year ahead.

Property Risks
Property Risks saw strong momentum during the year, growing IWP by 26.0%. Rate increases persisted but, as anticipated, at a lower level than in the previous year, at 1.3% (2023: 22.4%). Demand for our expertise continued, particularly in North America, where we have worked over recent years to better understand the impact of a changing climate on property risks. As a result of our onshore E&S carrier we have increased proximity to our brokers and clients, leading to an enhanced new business pipeline.

2024 brought yet more experience of extreme weather, notably an active Atlantic hurricane season, reminding the market of the importance of a sustainable approach to underwriting which is focused on risk quality and rate adequacy.

Individual regional markets that saw significant impacts from natural catastrophe activity, such as the Southeastern US, Canada and Europe, are all now experiencing stronger rating increases.

As the climate continues to change we have seen an increase in the frequency and severity of catastrophic events and demand for specialist property insurance.

As we move into 2025, we see further opportunity for organic growth of our specialist products and services that support our clients and brokers to navigate this volatile risk landscape. We will continue our long-term investment in property underwriting including additional capabilities, notably in Europe and Asia.

Specialty Risks

Specialty Risks COR of 79.2% reflects strong underwriting skill and how our highly diversified book, spread over more than 25 lines of business in multiple geographies with varying insured sizes, continues to deliver success. As a result, we achieved 6.1% IWP growth, driven by the maturation of our niche lines of business, which are becoming meaningful contributors to our overall proposition.

Highly specialised lines of insurance, such as Environmental Liability, our Programmes business and Safeguard, contributed positively. In Directors & Officers (D&O), we are now seeing early signs that rates are stabilising and are narrowing to flat, although we maintain a laser-like focus on rate adequacy.

Effectively managing the cycle also means that we are constantly assessing where social inflation is undermining the long-term viability of insurance and, where needed we will take the difficult decision to reduce or pull back altogether.

We are actively watching capital markets activity with signs of a pickup in activity in 2025. More capital markets and mergers & acquisitions (M&A) activity creates demand for insurance products such as D&O and Environmental Liability during the course of transactions and we stand ready to support the market.

Our clients face complex problems that often involve litigation and our focus is on providing them with speciality products, risk management advice and stable capacity so that they can get on with the task of running a successful business and we are optimistic of the opportunities to deliver that in 2025.

Performance by Division
2024

	Cyber Risks	**Digital**	**MAP Risks**	**Property Risks**	**Specialty Risks**
Insurance written premiums (m)	1,275.9	246.6	950.3	1,703.2	1,988.1
Net insurance written premiums (m)	860.5	207.0	859.3	1,454.9	1,770.6
Segment result (m)	355.4	57.1	182.6	391.2	476.5
Claims ratio	39.4%	28.7%	44.2%	41.9%	47.5%
Expense ratio	25.0%	45.6%	36.7%	31.0%	31.7%
Combined ratio	64.4%	74.3%	80.9%	72.9%	79.2%
Undiscounted combined ratio	68.1%	77.3%	83.2%	74.6%	87.1%
Rate change	(5.5)%	(3.2)%	1.3%	1.3%	1.4%

Performance by Division
2023

	Cyber Risks	Digital	MAP Risks	Property Risks	Specialty Risks
Insurance written premiums (m)	1,184.3	227.5	964.3	1,351.9	1,873.4
Net insurance written premiums (m)	912.9	202.4	851.6	1,157.3	1,572.0
Segment result (m)	307.4	59.4	158.2	354.7	415.3
Claims ratio	42.2%	23.4%	40.6%	35.4%	41.9%
Expense ratio	26.1%	44.9%	37.9%	29.8%	30.8%
Combined ratio	68.3%	68.3%	78.5%	65.2%	72.7%
Undiscounted combined ratio	72.3%	69.7%	79.3%	66.7%	78.4%
Rate change	(5.1)%	0.5%	5.6%	22.4%	(0.9)%

Group Chief Financial Officer's statement

The value of a specialty insurer

I am very pleased to have joined Beazley as Group Chief Financial Officer in what has been an incredibly successful year for our Company, marked by such strong financial results.

Our record pre-tax profit of 1,423.5m (2023: 1,254.4m) was delivered, despite an active claims environment and experiencing moderating rates. However, given the significant rate increases across many areas of our book in recent years, we remain confident on pricing adequacy at an overall Group level. The delivery of an undiscounted combined ratio (COR) of 79.0% (2023: 74.0% undiscounted) is demonstrative of our ability to effectively manage the cyclical nature of our business whilst maintaining strong results. Our investments also made an important contribution to our overall performance, with an income of 574.4m (2023: 480.2m), which represents a return of 5.2% (2023: 4.9%).

Consistent financial performance through the cycle

The return on equity for the year was 26.6% (2023: 30.0%). As a specialty insurer, the risks we underwrite are volatile, complex and changing. However, we aim to deliver a consistent financial performance by exercising underwriting discipline to ensure rate adequacy as well as deploying capital across our diversified portfolio in areas which allow us to deliver a strong return.

Whilst the nature of our business is cyclical, predictability of our results is important to us and we target a cross-cycle return on equity (ROE) of 15%. Our average return on equity across the last 10 years is 15.5%, with a five-year average of 17.7%. This has been achieved despite COVID losses in 2020, an extraordinary year in terms of losses and the only year in the Company's history which did not generate a profit. This demonstrates the very strong underwriting discipline which ensures sustainability of our financial performance through the cycle.

Effective capital utilisation

When deciding on the appropriate level of capital, we consider several criteria: firstly, we aim to maintain a solvency ratio in excess of 170% of solvency capital requirement (SCR). We also seek to absorb volatility to ensure financial resilience should a 1-in-250 event occur as well as assessing the impact of interest rate movements. Finally, we consider the opportunities for growth, which encompass the business plan for the following year as well as the opportunities for growth in the medium term (subsequent 1-2 years) whilst ensuring we can swiftly take advantage of rising unforeseen opportunities.

In the past, our primary focus has been on organic growth, particularly in recent years given the extraordinary market conditions across many lines of our business. However,
we are open to opportunities for organic and/or acquisitive growth where it aligns with our strategy and competence.

The growth in our company in recent years combined with the current market conditions may foster more relevant prospects in this space, allowing us to explore suitable acquisition opportunities like those we have executed in the past, continuously demonstrating a desire to balance prudence and maximise returns for investors.

We deploy capital where we can generate most value, and are committed to return any surplus capital to our shareholders. We have grown significantly in recent years, and to reflect this growth and our confidence in the sustainability of our results, we have decided to rebase our ordinary dividend by 76% to 25.0p to be paid on 2 May 2025. We will also commence a share buyback of 500m.

Capital Structure

Our aim is to continue to deliver value to our shareholders while navigating the dynamic market landscape. Looking ahead, we remain committed to maintaining a strong capital discipline. We make decisions to support value creation. Whilst ensuring consistency and predictability in our results, we intend to continue to leverage our strong financial foundation to drive sustainable growth.

Given the global business and structure of Beazley, the Group and subsidiaries need to adhere to several regulatory requirements. Capital is required to support underwriting at Lloyd's, in the US and through our European branches, and is subject to prudential regulation by local regulators (the Prudential Regulation Authority, Lloyd's, the Central Bank of Ireland (CBI), and the US state level supervisors). Beazley is subject to the capital adequacy requirements of the European Union (EU) Solvency II regime.

The capitalisation ensures we achieve adequate ratings from A.M. Best and Fitch for Beazley Insurance Company, Inc. (BICI), Beazley America Insurance Company Inc. (BAIC), Beazley Excess and Surplus Insurance Company, Inc (BESI), and Beazley Insurance dac (BIDAC) in order to be able to conduct business freely with our preferred client base.

As of 31 December 2024, our Solvency II coverage is estimated at 264% (31 December 2023: 219%, net of announced share buybacks and dividends). The capital requirement (SCR) is established using our Solvency II approved internal model approved by the CBI and reflects the business we expect to write through to the end of 2025 as per our business plan, which is targeting gross growth of mid single digits.

The projected year-end Group Solvency II ratio of 264% takes into account the ordinary dividend of 25.0p and share buyback of 500m.

	2024 Estimate* m	2023 m
Eligible Tier 1 capital	4,291.3	3,980.9
Eligible Tier 2 capital	564.9	520.8
Total Solvency II eligible own funds	4,856.2	4,501.7
Capital requirement	1,837.1	2,058.2
Group Solvency II ratio	**264%**	**219%**

*The final 2024 ratio is subject to review and audit and will be published in Group 2024 Solvency and Financial Condition Report (SFCR).

Our funding comes from a mixture of Tier 1 basic own funds and 564.9m of Tier 2 own funds. This is predominantly 552.2m of Tier 2 subordinated debt (550.0m after capitalised borrowing costs and fair value adjustments).

Both Tier 2 subordinated debt issuances in 2016 and 2019 are issued by BIDAC, which maintains an Insurer Financial Strength (IFS) rating of "A+" by Fitch.

Scenario sensitivity analysis
The table below shows the impact on the Group's estimated Solvency II ratio as of 31 December 2024 in the event of the scenarios shown. The impact on the Group's Solvency II ratio could arise from movements in both the Group's SCR and own funds.

Both Tier 2 subordinated debt issuances in 2016 and 2019 are issued by BIDAC, which maintains an Insurer Financial Strength (IFS) rating of "A+" by Fitch.

Scenario	Impact on Solvency II ratio
Cyber 1-in-250 Cyber scenario*	(29)%
Nat Cat 1-in-250 Combined scenario	(31)%
50 bps decrease in interest rates**	(12)%

*Based on Cyber Probabilistic Model
**This considers the impact on the SCR in isolation to the impact on eligible own funds

Group Performance

Result

We are proud to have delivered an outstanding profit before tax of 1,423.5m (2023: 1,254.4m). This was achieved through a combination of strong performance on both the insurance and investment results. An insurance service result of 1,236.0m (2023: 1,251.0m), driven by an undiscounted combined ratio of 79.0% (2023: 74.0%), together with net investment income of 574.4m (2023: 480.2m), which represents an investment return of 5.2% (2023: 4.9%), delivering record profits for a second year in a row.

Premiums

Insurance written premiums increased by 10.0% in 2024 to 6,164.1m (2023: 5,601.4m). The Group participates in the underwriting of syndicate 623 on behalf of the staff underwriting incentive scheme, with the return generated from this participation previously recognised as "other income". From the 2024 year of account onwards, this participation has been fully consolidated into the Group accounts on a line by line basis given the increase in the relative materiality of the return generated. This recognition is effective from the year end 2024 onwards and contributes to the overall 10% growth achieved on insurance premium written in 2024. Excluding the impact of this, insurance written premiums grew by 8.5% in 2024. Rates on renewal business on average decreased by 0.5% across the portfolio (2023: increased by 4.3%); however, we remain confident in the level of rate adequacy we are seeing from an overall Group perspective, particularly against a backdrop of extraordinary rate increases within Property Risks and Cyber Risks in recent years.

Our net insurance written premiums increased by 9.7% in 2024 to 5,152.3m (2023: 4,696.2m). Excluding the impact of consolidating the internal Staff Underwriting Scheme, net insurance written premium grew by 8.2%. The alignment in gross and net growth follows an increase in reinsurance spend in the second half of the year, following an opportunity identified to further manage our cyber catastrophe exposure by placing additional cyber catastrophe bonds as well as an ILW. We are committed to actively encouraging the development of the alternative risk transfer market for cyber, which will support the structural growth expected in the cyber insurance market in the coming years.

Statement of profit or loss

	2024 m	**2023 m**
Insurance service result	**1,236.0**	**1,251.0**
Net investment income	574.4	480.2
Net insurance finance expense	(55.9)	(153.4)
Net insurance and financial result	**1,754.5**	**1,577.8**
Other income	106.0	78.5
Operating expenses	(388.6)	(365.8)
Foreign exchange (losses)/gains	(9.1)	4.5
Finance costs	(39.3)	(40.6)

Profit before tax	**1,423.5**	**1,254.4**
Income tax expense	(293.2)	(227.6)
Profit after tax	**1,130.3**	**1,026.8**
Claims ratio	43.1%	39.4%
Expense ratio	31.7%	31.6%
Combined ratio	74.8%	71.0%
Rate (decrease)/increase	(0.5)%	4.3%
Investment return	5.2%	4.9%

The Group achieved an insurance service result of 1,236.0m (2023: 1,251.0m). Insurance revenue of 5,678.1m (2023: 5,442.4m), a 4.3% increase, reflecting the continued growth of the business during 2024.

During the second half of 2024, a number of natural catastrophes occurred, including Hurricanes Helene and Milton, following a reasonably benign hurricane season in 2023. The claims environment remains elevated overall and in the second half of the year we saw more normalised claims experience compared with the better than expected experience in 2023. This resulted in a claims ratio of 43.1% (2023: 39.4%). The expense ratio remained consistent with prior year at 31.7% (2023: 31.6%) as we continued to focus on managing our expenses during the year, whilst continuing to invest with our technology modernisation programme.

The allocation of reinsurance premium decreased by 32.1% to 764.9m (2023: 1,127.3m) following a period of actively purchasing less proportional reinsurance within our Cyber Risks and Specialty Risks divisions year on year. Amounts recoverable from reinsurers for incurred claims decreased to 255.8m (2023: 528.5m). As prior year gross claims estimates have decreased, together with the reduction in reinsurance coverage purchased, the amounts recoverable from reinsurers has also reduced. Reinsurers' share of directly attributable expenses has increased to 4.4m (2023: 3.6m).

Combined ratio
The combined ratio of an insurance company is a measure of its performance from transacting (re)insurance contracts. Under IFRS 17, this represents the ratio of its insurance service expense less directly attributable expenses and amounts recoverable from reinsurers for incurred claims, to the total insurance revenue less allocation of reinsurance premium. This is all on a discounted basis and excludes operating expenses which are non-directly attributable and excluded from the insurance service result.

A combined ratio under 100% indicates a profit on the insurance service result. Beazley has continued to deliver underwriting profitability with a combined ratio of 74.8% in 2024 (2023: 71.0%). For further information, please see the APMs section.

Other income

Other income increased by 35% to 106.0m (2023: 78.5m), primarily driven by increased income received from third-party syndicates from a one-off adjustment to realign the recognition of the operation of an internal Staff Underwriting Scheme for the 2023 year of account and prior.

Reserve confidence level
Beazley has a consistent reserving philosophy, with initial reserves being set to include a risk adjustment that may be released over time as and when any uncertainty reduces.

We maintain a preferred confidence level of between 80th and 90th percentile. This percentile indicates the strength of reserves held across both the best estimate and risk adjustment for non-financial risk. IFRS 17 outlines the key principles in order to calculate the risk adjustment for non-financial risk. There are two principles that are particularly important, and thus worth highlighting. First, the level needs to be consistent with how Beazley considers the risk at the point of underwriting. The second principle states that the risk adjustment level should make the firm neutral to running off the obligations or selling them.

At the end of 2024, our confidence level was at the 84th percentile (2023: 85th percentile).

Past service development
Net past service development saw a net release of (144.5)m in 2024 (2023: net release of (109.8)m), which represented (2.9)% (2023: (2.5)%) of insurance revenue less allocation of reinsurance premiums. The largest releases were from:

- Property Risks 68.4m (2023: 78.0m); and
- Cyber Risks 63.0m (2023: strengthening 9.9m).

Property and Cyber Risks both experienced favourable attritional claims experience throughout the year, supplemented by the release of Cyber catastrophe loads and benign movements on existing Property catastrophes. Property has benefited from particularly benign attritional experience in the US market, and Cyber releases reflect ongoing positive experience on international risks.

Specialty Risks released 37.7m (2023: 8.1m), due to sustained favourable attritional claims experience on books where underwriter action has been taken in previous years. This is partially offset by strengthening on specific events on several older underwriting years together with deteriorations in US health and medical covers partially attributed to ongoing social inflation.

Digital released 31.1m (2023: 28.0m), driven by favourable attritional claims experience on the cyber business.

In MAP risks, reserves have been strengthened due to ongoing geopolitical uncertainty. Despite this, MAP has still delivered an undiscounted COR of 83.2% and remains a highly profitable part of our business.

Prior year claims adjustment

Net	2024 m	2023 m
Cyber Risks	(63.0)	9.9
Digital	(31.1)	(28.0)
MAP Risks	55.7	(5.6)
Property Risks	(68.4)	(78.0)
Specialty Risks	(37.7)	(8.1)
Total	**(144.5)**	**(109.8)**
Release as a percentage of insurance revenue less allocation of reinsurance premiums	(2.9)%	(2.5)%

Total expenditure
The expense ratio, which under IFRS 17 only includes expenses directly attributed to insurance activities, increased marginally to 31.7% for 2024 (2023: 31.6%). For 2024, non-directly attributable expenses of 388.6m (2023: 365.8m) fall outside the insurance result. Taking these items together, total expenses for 2024 totalled 1,946.7m (2023: 1,728.4m).

We continue to focus on our total expense base, allowing for additional expenses where aligned to underlying business growth or to enhancement to our business model. Together with the focus on our expense base, the reduction in the total expense ratio to 39.6% (2023: 40.1%) reflects the costs incurred in the prior year as a result of the modernisation of our underwriting and finance platforms as well as enhancing our digital trading capabilities.

Foreign exchange
The majority of Beazley's business is transacted in US dollars (80.9%), which is the currency we have reported in since 2010 and the currency in which we aim to hold the Company's net assets. Changes in the US dollar exchange rate with sterling, the Canadian dollar and the euro do have an impact as we receive premiums in those currencies and a material number of our staff receive their salary in sterling. Beazley's foreign exchange movement, taken through the statement of profit or loss in 2024, was a (9.1)m loss (2023: 4.5m gain).

Investment performance
Beazley's investment portfolio generated a return of 574.4m, or 5.2% in 2024 (2023: a return of 480.2m, or 4.9%). Our financial assets grew to 11.5bn as at 31 December 2024 (2023: 10.5bn). Returns were again driven by strong performance from our equity, credit and hedge fund exposures; and by the level of risk-free yield available in the market, where the interest rate risk on our assets closely matches our liabilities.

US GDP growth was surprisingly strong, shaking off high short- term interest rates to register approximately 3% for 2024, led by services and consumption. US Government bond yields were volatile, rising early in the year before falling through Q3, and rising again in Q4 as financial market participants began to digest a possible Republican presidential victory and the Federal Reserve indicated a slower than expected pace of future cuts. The shape of the yield curve changed, pivoting around the two-year mark where yields were little changed; yield on shorter maturities fell, whilst longer maturities rose. Despite this volatility, and with most of our exposures at the short end, the portfolio performed well.

Equity markets again delivered a strong return. Our equity portfolio, which continues to be focused on US markets, and selected to align with our responsible investment commitments, returned in excess of 23%. Performance was strong throughout the year, buoyed in Q4 by the US elections. Our corporate exposures performed strongly as well, with both high yield and investment grade spreads tightening. High-yield spreads came close to the historic low of 240bps, before finishing the year just below 300bps. Our hedge fund portfolio also delivered a solid return, with low volatility and correlation to other asset classes. We continue to build on our impact portfolio, where our commitments have increased to 60m in funds that have measurable social or environmental benefits. We expect to hit our target of 100m in committed capital in 2025.

We made an allocation to securitised credit for the first time in many years in 2024, selecting an external manager to invest in the highest quality tranches (AAA-AA) of collateralised loan obligations (CLOs). The portfolio was initiated in the second half of the year, and has been ramped to its target.

The yield of our fixed income portfolio at 31 December 2024 was 4.6%, with a duration of 1.6 years. This level of yield is a positive starting point for investment returns in 2025. However, there are plenty of risks: economic growth is diverging; remaining solid in the US, but slowing elsewhere. Geopolitical risks are elevated, and markets will likely have to weather a shift in US foreign and domestic policy under the new administration. Our investment portfolio remains diversified and well positioned for a range of market outcomes.

The table below details the breakdown of our portfolio by asset class:

	31 Dec 2024		31 Dec 2023	
	m	%	m	%
Cash and cash equivalents	882.1	7.7	812.3	7.8
Fixed and floating rate debt securities				
- Government issued	4,289.1	37.3	4,469.1	42.6
- Corporate bonds				
- Investment grade	3,862.3	33.6	3,578.3	34.1

- High yield	662.4	5.8	489.0	4.7
- Securitised				
- Collateralised loan obligations	480.0	4.2	-	-
Syndicate loans	29.5	0.3	34.1	0.3
Derivative financial assets	11.2	0.1	10.0	0.1
Core portfolio	**10,216.6**	**89.0**	**9,392.8**	**89.6**
Equity funds	348.7	3.0	282.7	2.7
Hedge funds	752.0	6.5	582.2	5.6
Illiquid credit assets	175.4	1.5	220.1	2.1
Total capital growth assets	**1,276.1**	**11.0**	**1,085.0**	**10.4**
Total	**11,492.7**	**100.0**	**10,477.8**	**100.0**

Comparison of return by major asset class:

	31 Dec 2024		**31 Dec 2023**	
	m	**%**	**m**	**%**
Core portfolio	457.9	4.7	392.7	4.5
Capital growth assets	116.5	9.9	87.5	8.8
Overall return	**574.4**	**5.2**	**480.2**	**4.9**

Tax
Beazley is liable to corporation tax in a number of jurisdictions, notably the UK, the US and Ireland. Beazley's effective tax rate is thus a composite tax rate mainly driven by the Irish, UK and US tax rates. The weighted average of 18.6% (2023: 17.6%) is higher than last year due to this year's composition of profit and losses across the Group, including the impact of the Pillar 2 minimum tax on profits arising in Ireland.

The effective tax rate has increased in 2024 to 20.6% (2023: 18.1%).

Balance sheet management

	2024	2023	Movement
	m	m	%
Intangible assets	198.0	165.3	20
Insurance contract assets	20.2	101.5	(80)
Reinsurance contract assets	2,666.6	2,426.7	10
Other assets	1,041.5	494.1	111
Financial assets at fair value and cash and cash equivalents	11,492.7	10,477.8	10
Total assets	**15,419.0**	**13,665.4**	**13**
Insurance contract liabilities	8,814.3	7,992.2	10
Reinsurance contract liabilities	297.1	333.5	(11)
Financial liabilities	576.0	554.6	4
Other liabilities	1,124.8	903.0	25
Total liabilities	10,812.2	9,783.3	11
Net assets	4,606.8	3,882.1	19
Net assets per share (cents)	731.4c	585.8c	25
Net tangible assets per share (cents)	699.9c	560.9c	25
Net assets per share (pence)	570.5p	468.6p	22
Net tangible assets per share (pence)	545.9p	448.7p	22
Number of shares[1]	629.9m	662.7m	(5)

1Excludes shares held in the employee share trust and treasury shares.

Intangible assets
Intangible assets consist of goodwill on acquisitions of 62.0m (2023: 62.0m), purchased syndicate capacity of 31.3m (2023: 31.3m), US admitted licences of 9.3m (2023: 9.3m) and capitalised expenditure on IT projects of 95.4m (2023: 62.7m).

Net reinsurance contract assets
Net reinsurance contract assets represent recoveries from reinsurers, and comprise of the asset for remaining coverage (ARC) and the asset for incurred claims (AIC). At 31 December 2024, the ARC was in a net asset position of 139.7m (2023: 321.9m net liability) as the future premium payable to the reinsurers was lower than the expected claim recoveries. The AIC was in a net asset position of 2,229.8m at 31 December 2024 (2023: 2,415.1m net asset).

The Group's exposure to reinsurers is managed through:

- minimising risk through selection of reinsurers who meet strict financial criteria e.g. minimum net assets, minimum 'A' rating by S&P (these criteria vary by type of business, eg short vs medium tail);
- timely calculation and issuance of reinsurance collection notes from our ceded reinsurance team; and
- regular monitoring of the outstanding debtor position by our Reinsurance Security Committee and Credit Control Committee.

Net insurance contract liabilities

Net insurance contract liabilities of 8,794.1m (2023: 7,890.7m) consist of two main elements, being the liability for remaining coverage (LRC) and the liability for incurred claims (LIC).

The LIC and LRC balance is made up of a reserve for expected claims and a risk adjustment. In addition, the LRC contains a contractual service margin, provision for onerous contracts and premium debtors. At 31 December 2024, the LRC balance was 1,194.4m (2023: 755.4m). Our LIC has increased by 6.5% to 7,599.7m (2023: 7,135.3m).

CSM Sustainability
The Contractual Service Margin (CSM) reflects the expected profit of contracts within the asset/liability for remaining coverage. We have calculated the CSM sustainability as the closing CSM divided by the opening CSM, and thus a value of 1 and above shows that the expected profit within the LRC/ARC is higher than the previous valuation. For more information on CSM Sustainability, including the calculation, please refer to the APM section.

As at 31 December 2024, the gross CSM sustainability score was 1.40 (2023: 1.01) while the net CSM sustainability score was 1.15 (2023: 1.17). This is a pleasing result and shows the strength of the expected profit contained on the balance sheet has increased on a gross basis, with a marginal decrease on a net basis following an increase in the purchase of cyber reinsurance during 2024. This puts us in good stead as we move in to 2025.

Discounting impacts
During 2024, the net finance expense was 55.9m (2023: 153.4m), which was broken down into a 292.1m (2023: 294.7m) unwind of discounting recognised on existing business, partially offset by 236.2m (2023: 141.3m) of income from changes in financial assumptions.

Financial liabilities
Financial liabilities comprise borrowings and derivative financial liabilities. The Group utilises two long-term debt facilities:
- In November 2016, Beazley Insurance dac issued 250.0m of 5.875% subordinated Tier 2 notes due in 2026.
- In September 2019, Beazley Insurance dac issued 300.0m of 5.5% subordinated Tier 2 notes due in 2029.

The Group has a syndicated short-term banking facility led by Lloyds Banking Group plc. This provides potential borrowings of up to 450.0m which may be advanced as cash. Of this, 225.0m has been drawn as letters of credit to support underwriting at Lloyd's at 31 December 2024 (2023: 225.0m). The cost of the facility is based on a commitment fee of 0.4725% per annum, and any amounts drawn are charged at a margin of 1.5% per annum above this fee.

The cash element of the facility will expire on 25 May 2026, whilst letters of credit issued under the facility can be used to provide support for the 2023, 2024 and 2025 underwriting years. In 2024, 225.0m has been placed as a letter of credit as Funds at Lloyd's (FAL).

Other assets
Other assets of 681.4m are analysed separately in the notes to the financial statements. The items included comprise:
- amounts due from syndicates 5623, 623 and 4321;
- prepayments and accrued income; and
- other receivables.

Consolidated statement of profit or loss for the year ended 31 December 2024

	2024 m	2023 m
Insurance revenue	5,678.1	5,442.4
Insurance service expenses	(3,933.0)	(3,592.6)
Allocation of reinsurance premium	(764.9)	(1,127.3)
Amounts recoverable from reinsurers for incurred claims	255.8	528.5
Insurance service result	**1,236.0**	**1,251.0**
Net investment income	574.4	480.2
Net finance expense from insurance contracts issued	(89.1)	(169.3)
Net finance income from reinsurance contracts held	33.2	15.9
Net insurance and financial result	**1,754.5**	**1,577.8**
Other income	106.0	78.5
Operating expenses	(388.6)	(365.8)
Foreign exchange (losses)/gains	(9.1)	4.5
Results from operating activities	**1,462.8**	**1,295.0**
Finance costs	(39.3)	(40.6)
Profit before tax	**1,423.5**	**1,254.4**
Tax expense	(293.2)	(227.6)
Profit after tax for the year	**1,130.3**	**1,026.8**
Earnings per share (cents per share):		
Basic	175.1	154.7
Diluted	170.4	151.4
Earnings per share (pence per share):		
Basic	137.0	124.8

Diluted	133.3	122.1

Consolidated statement of comprehensive income for the year ended 31 December 2024

	2024 m	2023 m
Profit after tax for the year	1,130.3	1,026.8
Items that will never be reclassified to profit or loss:		
Loss on remeasurement of retirement benefit obligations	(0.6)	(0.1)
Tax (expense)/credit on defined benefit obligation	(0.2)	0.7
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange translation gains	1.2	5.7
Total other comprehensive income	0.4	6.3
Total comprehensive income recognised	**1,130.7**	**1,033.1**

Consolidated statement of changes in equity for the year ended 31 December 2024

	Share capital m	Share premium m	Foreign currency translation reserve m	Other reserves m	Retained earnings m	Total m
Balance as at 01 January 2023	**46.6**	**9.7**	**(109.8)**	**(7.6)**	**3,015.1**	**2,954.0**
Total comprehensive income	-	-	5.7	-	1,027.4	1,033.1
Dividend paid	-	-	-	-	(107.7)	(107.7)
Issue of shares	0.1	0.9	-	-	-	1.0
Equity settled share-based payments	-	-	-	36.2	-	36.2
Acquisition of own shares held in trust	-	-	-	(33.6)	-	(33.6)
Tax on share option vestings	-	-	-	0.7	(1.6)	(0.9)
Transfer of shares to employees	-	-	-	(8.5)	8.5	-
Balance at 31 December 2023	**46.7**	**10.6**	**(104.1)**	**(12.8)**	**3,941.7**	**3,882.1**
Total comprehensive income	-	-	1.2	-	1,129.5	1,130.7
Dividend paid	-	-	-	-	(120.5)	(120.5)
Share buyback[1]	(2.4)	-	-	2.4	(330.0)	(330.0)
Issue of shares	0.3	7.3	-	-	-	7.6
Equity settled share-based payments	-	-	-	40.5	-	40.5
Acquisition of own shares held in trust	-	-	-	(14.0)	-	(14.0)
Tax on share option vestings[2]	-	-	-	7.1	3.3	10.4
Transfer of shares to employees	-	-	-	(11.4)	11.4	-
Balance at 31 December 2024	**44.6**	**17.9**	**(102.9)**	**11.8**	**4,635.4**	**4,606.8**

1 Refer to Note 14 for further details of the share buyback

2 The aggregate amount of tax recognised directly through equity is a credit of 10.4m (2023: expense of 0.9m), comprised of 7.1m of deferred tax credit (2023: 0.9m deferred tax expense) and 3.3m of current tax credit (2023: nil).

Consolidated statement of financial position as at 31 December 2024

	2024 m	2023 m
Intangible assets	198.0	165.3
Plant and equipment	28.9	15.9
Right-of-use assets	49.8	59.4
Deferred tax asset	191.8	46.9
Retirement benefit asset	4.0	4.5
Insurance contract assets	20.2	101.5
Reinsurance contract assets	2,666.6	2,426.7
Financial assets at fair value	10,610.6	9,665.5
Other assets	681.4	354.2
Current tax asset	85.6	13.2
Cash and cash equivalents	882.1	812.3

Total assets	**15,419.0**	**13,665.4**
Share capital	44.6	46.7
Share premium	17.9	10.6
Foreign currency translation reserve	(102.9)	(104.1)
Other reserves	11.8	(12.8)
Retained earnings	4,635.4	3,941.7
Total equity	**4,606.8**	**3,882.1**
Deferred tax liability	387.2	202.2
Financial liabilities	576.0	554.6
Lease liabilities	66.9	76.6
Insurance contract liabilities	8,814.3	7,992.2
Reinsurance contract liabilities	297.1	333.5
Current tax liability	27.9	13.7
Other liabilities	642.8	610.5
Total liabilities	**10,812.2**	**9,783.3**
Total equity and liabilities	**15,419.0**	**13,665.4**

Consolidated statement of cash flows for the year ended 31 December 2024

	2024 **m**	**2023** **m**
Cash flows from operating activities:		
Profit before tax	**1,423.5**	**1,254.4**
Adjustments for non-cash items:		
Interest and dividends receivable on financial assets	(313.2)	(215.3)
Finance costs payable	39.3	40.6
Net fair value gains on financial assets	(227.3)	(325.2)
Other non-cash items[1]	99.2	45.7
Changes in operational assets and liabilities:		
Increase in net insurance and reinsurance contract liabilities	627.1	545.9
Increase in other liabilities	32.3	86.5
Increase in other assets	(327.2)	(150.0)
Purchases of investments	(8,598.9)	(7,115.9)
Proceeds from sale of investments	7,870.0	6,129.8
Repayment of syndicate loans	7.7	-
Interest and dividends received on financial assets	303.6	207.4
Tax paid	(301.2)	(110.7)
Net cash inflows from operating activities	**634.9**	**393.2**
Cash flows from investing activities:		
Purchase of plant and equipment	(17.8)	(4.3)
Expenditure on software development and other intangible assets	(45.0)	(50.9)
Net cash outflows from investing activities	**(62.8)**	**(55.2)**
Cash flows from financing activities:		
Acquisition of own shares in trust	(14.0)	(33.6)
Principal paid on lease liabilities	(11.8)	(8.9)
Interest paid on lease liabilities	(2.9)	(3.1)
Share buyback	(330.0)	-
Other finance costs paid	(36.4)	(37.5)
Dividend paid	(120.5)	(107.7)
Net cash inflows from financing activities	**(515.6)**	**(190.8)**
Net increase in cash and cash equivalents	56.5	147.2
Opening cash and cash equivalents	812.3	652.5
Effect of exchange rate changes on cash and cash equivalents	13.3	12.6
Closing cash and cash equivalents	**882.1**	**812.3**

1 Other non-cash items includes amounts relating to depreciation, amortisation and foreign exchange differences.

1 General information

1a Nature of operations
Beazley plc (registered number 09763575) is a public company incorporated in England and Wales. The Company's registered address is 22 Bishopsgate, London, EC2N 4BQ, United Kingdom. The principal activity of the Company and its subsidiaries ("the Group") is to participate as a specialist insurer which transacts primarily in commercial lines of business through its subsidiaries and Lloyd's syndicates. The Group's consolidated financial statements for the year ended 31 December 2024 comprise the parent company, its subsidiaries and the Group's interest in associates.

1b Basis of preparation
The financial information set out within this release does not constitute statutory accounts for the years ended 31 December 2024 or 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the registrar of companies, and those for 2024 will be delivered in due course. The Group's external auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The Group's consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards (IAS) and the requirements of Companies Act 2006. These are prepared on the historical cost basis, with the exception of financial assets and derivative financial instruments which are stated at their fair value, and the defined benefit pension asset which is measured at the fair value of plan assets less the present value of the defined benefit pension obligation. All amounts are presented in US dollars and millions unless stated otherwise.

1c Amendments to existing standards
In the current year, the Group has applied several amendments to International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the UK Endorsement Board (UKEB) that are mandatorily effective for accounting periods beginning on or after 01 January 2024. None of these amendments have had a material impact on the Group on adoption:

- Amendment to IAS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback.
- Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements.

The IASB has issued the following new standards which are not yet effective at the reporting date. Once endorsed by the UKEB, these will be applied from their effective date of 01 January 2027:

- IFRS 18 - Presentation and Disclosure in Financial Statements. The Group is currently working to assess the impact of the new standard; however, this is expected to be material to the presentation of the financial statements and notes.
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19. No impact is therefore expected.

In addition, the following minor amendments to existing standards have been issued but are not yet effective at the reporting date. None of these are expected to materially impact the Group on their adoption:

- Amendment to IAS 21 - Lack of Exchangeability (endorsed, effective date 01 January 2025).
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (not yet endorsed, effective date 01 January 2026).
- Annual Improvements to IFRS Accounting Standards - Volume 11 (not yet endorsed, effective date 01 January 2026).
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (not yet endorsed, effective date postponed indefinitely).

1d Going concern
The consolidated financial statements of Beazley plc have been prepared on a going concern basis. In adopting the going concern basis, the Board has reviewed the Group's current and forecast solvency and liquidity positions for the 12 months from the date that the financial statements are authorised for issue. The Group's business activities, together with the factors likely to affect its future development, performance, and position, are set out in the strategic report contained in this Annual Report & Accounts. In addition, the risk report and financial review includes the Group's risk management objectives and the Group's objectives, policies and processes for managing its capital.

In assessing the Group's going concern position as at 31 December 2024, the Directors have considered a number of factors, including:
- the current statement of financial position and in particular the adequacy of the estimate of the liability for incurred claims;
- the Group's strategic and financial plan, taking account of possible changes in trading performance and funding retention;
- the Group's capital forecast, which takes into account the capital requirements of major subsidiaries and their current external credit rating and outlook;
- the Group's liquidity at both a Group and material Subsidiary level;
- stress testing and scenario analysis assessing the impact of natural and cyber catastrophe events on the Group's capital and liquidity positions and reverse stress test scenarios designed to render the business model unviable; and
- other qualitative factors, such as the market environment, the Group's ability to raise additional capital and/or liquidity, and climate change.

As a result of the assessment, no material uncertainty in relation to going concern has been identified. As at its most recent regulatory submission, the Group's capital ratios and its total capital resources are comfortably in excess of regulatory solvency requirements, and internal stress testing indicates that the Group can withstand severe economic and competitive stresses.

Based on the going concern assessment performed, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence over a period of 12 months from the date of this report being authorised for issue, and therefore believe that the Group is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

1e Key estimates

Measurement of insurance contract liabilities - Future cash flows
The Group has estimated the amount, timing and probability of future cash flows. Estimates are formed by applying assumptions about past events, current conditions and forecasts of future conditions. These have been outlined below:
- Future expected premium cash flows are based on data entered into underwriting systems. These have a level of estimate embedded for certain contracts, with payment/settlement patterns used to determine timing.
- Gross and reinsured claims payments are determined using an approach whereby cash flows are set at a year of account and reserving class level based on the latest quarterly reserving exercise.
- Expenses are deemed to be within the contract boundary, and therefore included in the cash flows, when these are directly attributable to fulfilling insurance contracts.
- Lapses/cancellations are projected by applying assumptions determined through statistical measures based on the Group's experience. These vary by product type, policy duration and sales trends.

For carrying values of insurance contracts by measurement component (including future cash flows), refer to Note 17.

Measurement of insurance contract liabilities - Discount rates
The discount rates applied to expected future cash flows in measuring insurance contract liabilities have been determined using the bottom-up approach. This method takes the risk-free rates and adjusts for an illiquidity premium.

- Risk-free rates are derived using government yield curves denominated in the same currency as the product being measured, which are sourced from Moody's. These are based on quarter-start and quarter-end rates.
- The Group's illiquidity premium is also sourced from Moody's and adjusted to reflect the Group's own asset portfolio. This represents the differences in the liquidity characteristics between the financial assets used to derive the risk-free yield and the insurance contract liability characteristics. The illiquidity premium applied by management is a flat percentage which varies by currency. For the USD discount rate, which is the dominant currency of the Group, as at 31 December 2024 this was 0.3% (2023: 0.4%).

31 December 2024	1 year	3 year	5 year
USD	4.5%	4.6%	4.7%
CAD	3.4%	3.3%	3.4%
GBP	4.6%	4.6%	4.6%
EUR	2.4%	2.3%	2.5%

31 December 2023	1 year	3 year	5 year
USD	5.1%	4.5%	4.3%
CAD	5.3%	4.4%	4.1%
GBP	4.9%	4.0%	3.8%
EUR	3.5%	2.7%	2.6%

Measurement of insurance contract liabilities - Risk adjustment
Estimation of the risk adjustment for non-financial risk is based on various inputs and assumptions, particularly relating to non-financial risk components of the SCR from the Solvency II internal model which captures all material exposure elements for the Group. IFRS 17 does not prescribe a specific methodology for the calculation of the risk adjustment for non-financial risk and the Group has elected to use a CoC approach. This is determined by comparing the required return by each class of business within the internal model. Our overall cross cycle return on capital target is 15%. Projected capital amounts are derived from the annual business plan, with adjustments made to factor in emerging risks and uncertainties. The risk adjustment therefore differs between portfolios depending on the inherent risk associated with each. Diversification is considered between business types (to allow for negative/positive correlation between risks) and between years (to allow for the different kind of risk written across years).

The risk adjustment calculations as defined above are performed on a net basis, and the resulting risk adjustment percentage is then applied separately to insurance contracts issued and reinsurance contracts held.

The reserve confidence level determined by the actuarial department is considered as part of a quarterly reserve review exercise. These meetings are attended by senior management, senior underwriters, and representatives from actuarial, claims and finance. The reserve confidence level was deemed to be at the 84th percentile for the 2024 year end as per output from the latest governed reserve review (2023: 85th percentile) at the balance sheet date. This is in line with the preference that the Group maintains a reserve confidence level in the 80th to 90th percentile range. The carrying values of insurance contracts by measurement component (including risk adjustment) are disclosed in Note 17(a).

Valuation of level 3 financial assets
The Group holds syndicate loans, illiquid assets and a share of its collateralised loan obligations at level 3 within the fair value hierarchy. This means that fair values are estimated using model valuations which incorporate both observable and unobservable market inputs and assumptions. For further details on the methodologies, inputs and assumptions used by the Group, in addition to carrying values of level 3 financial assets, refer to Note 13.

2 Segmental reporting

2a Reporting segments
Segmental information is presented based on the Group's management and internal reporting structures which represent the level at which financial information is reported, performance is analysed and resources are allocated by the Group's Executive Committee, being the chief operating decision-maker as defined by IFRS 8.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Foreign exchange gains/losses, other operating expenses and other income are allocated to each segment in proportion to their respective percentage of total insurance revenue. The reporting segments do not cross-sell business to each other.

Finance costs and taxation have not been allocated to operating segments as these items are determined at a consolidated level and do not relate to operating performance.

An overview of the Group's segments is set out below.

Cyber Risks
This segment underwrites cyber and technology risks.

Digital
This segment underwrites a variety of marine, contingency and SME liability risks through digital channels such as e-trading platforms and broker portals.

MAP Risks
This segment underwrites marine, portfolio underwriting and political and contingency business.

Property Risks
This segment underwrites first-party property risks and reinsurance business.

Specialty Risks
This segment underwrites a wide range of liability classes, including employment practices risks and directors and officers, as well as healthcare, lawyers and international financial institutions.

2b Segmental information

2024	Cyber Risks m	Digital m	MAP Risks m	Property Risks m	Specialty Risks m	Total m
	Year ended 31 December 2024					
Insurance revenue	1,156.7	234.7	917.4	1,518.1	1,851.2	5,678.1
Insurance service expenses	(784.8)	(160.0)	(716.8)	(919.6)	(1,351.8)	(3,933.0)
Current year claims	*(641.8)*	*(104.0)*	*(383.9)*	*(678.4)*	*(977.5)*	*(2,785.6)*
Adjustments to prior year claims	*85.0*	*37.7*	*(29.7)*	*158.4*	*149.8*	*401.2*
Reversal of/(loss on) onerous contracts	*2.6*	*0.3*	*2.9*	*0.2*	*(0.9)*	*5.1*
Insurance acquisition cash flows amortisation and other directly attributable expenses	*(230.6)*	*(94.0)*	*(306.1)*	*(399.8)*	*(523.2)*	*(1,553.7)*
Allocation of reinsurance premium	(231.1)	(28.5)	(81.1)	(225.4)	(198.8)	(764.9)
Amounts recoverable from reinsurers for incurred claims	189.1	6.8	40.0	(22.4)	42.3	255.8
Current year claims	*212.0*	*13.5*	*67.2*	*68.5*	*155.7*	*516.9*
Adjustments to prior year claims	*(22.0)*	*(6.6)*	*(26.0)*	*(90.0)*	*(112.1)*	*(256.7)*
Share of expenses and other amounts	*(0.9)*	*(0.1)*	*(1.2)*	*(0.9)*	*(1.3)*	*(4.4)*
Insurance service result	**329.9**	**53.0**	**159.5**	**350.7**	**342.9**	**1,236.0**
Net investment income	108.2	17.7	72.3	112.8	263.4	574.4
Net finance expense from insurance contracts issued	(29.6)	(1.5)	(5.8)	(4.5)	(47.7)	(89.1)
Net finance income from reinsurance contracts held	6.3	-	3.8	10.2	12.9	33.2
Net insurance and financial result	**414.8**	**69.2**	**229.8**	**469.2**	**571.5**	**1,754.5**
Other income	21.6	4.4	17.1	28.3	34.6	106.0
Other operating expenses	(79.2)	(16.1)	(62.8)	(103.9)	(126.6)	(388.6)
Foreign exchange losses	(1.8)	(0.4)	(1.5)	(2.4)	(3.0)	(9.1)
Segment result	**355.4**	**57.1**	**182.6**	**391.2**	**476.5**	**1,462.8**
Finance costs						(39.3)
Profit before tax						**1,423.5**
Tax expense						(293.2)
Profit after tax						**1,130.3**
Claims ratio	39.4%	28.7%	44.2%	41.9%	47.5%	43.1%
Expense ratio	25.0%	45.6%	36.7%	31.0%	31.7%	31.7%
Combined ratio	64.4%	74.3%	80.9%	72.9%	79.2%	74.8%

The calculation bases for the claims, expense and combined ratios are disclosed within the APMs section.

2023	Cyber Risks m	Digital m	MAP Risks m	Property Risks m	Specialty Risks m	Total m
	Year ended 31 December 2023					
Insurance revenue	1,174.9	224.7	1,015.4	1,145.2	1,882.2	5,442.4
Insurance service expenses	(802.1)	(144.0)	(635.5)	(643.9)	(1,367.1)	(3,592.6)
Current year claims	*(565.2)*	*(90.5)*	*(430.8)*	*(470.1)*	*(940.1)*	*(2,496.7)*
Adjustments to prior year claims	*(8.9)*	*33.7*	*88.6*	*108.1*	*39.8*	*261.3*
(Loss on)/reversal of onerous contracts	*(2.6)*	*2.6*	*1.4*	*(0.1)*	*0.5*	*1.8*
Insurance acquisition cash flows amortisation and other directly attributable expenses	*(225.4)*	*(89.8)*	*(294.7)*	*(281.8)*	*(467.3)*	*(1,359.0)*
Allocation of reinsurance premium	(308.5)	(24.3)	(236.1)	(198.5)	(359.9)	(1,127.3)
Amounts recoverable from reinsurers for incurred claims	210.1	7.1	23.9	26.4	261.0	528.5
Current year claims	*211.8*	*13.0*	*107.6*	*57.0*	*294.2*	*683.6*
Adjustments to prior year claims	*(1.0)*	*(5.7)*	*(83.0)*	*(30.1)*	*(31.7)*	*(151.5)*
Share of expenses and other amounts	*(0.7)*	*(0.2)*	*(0.7)*	*(0.5)*	*(1.5)*	*(3.6)*
Insurance service result	**274.4**	**63.5**	**167.7**	**329.2**	**416.2**	**1,251.0**
Net investment income	86.6	14.8	53.5	75.2	250.1	480.2
Net finance expense from insurance contracts issued	(17.5)	(2.9)	(12.6)	(10.9)	(125.4)	(169.3)
Net finance (expense)/income from reinsurance contracts held	(1.3)	0.5	2.1	(13.7)	28.3	15.9
Net insurance and financial result	**342.2**	**75.9**	**210.7**	**379.8**	**569.2**	**1,577.8**
Other income	16.9	3.2	14.8	16.5	27.1	78.5
Other operating expenses	(52.7)	(19.9)	(68.1)	(42.5)	(182.6)	(365.8)
Foreign exchange gains	1.0	0.2	0.8	0.9	1.6	4.5
Segment result	**307.4**	**59.4**	**158.2**	**354.7**	**415.3**	**1,295.0**
Finance costs						(40.6)
Profit before tax						**1,254.4**
Tax expense						(227.6)
Profit after tax						**1,026.8**
Claims ratio	42.2%	23.4%	40.6%	35.4%	41.9%	39.4%
Expense ratio	26.1%	44.9%	37.9%	29.8%	30.8%	31.6%
Combined ratio	68.3%	68.3%	78.5%	65.2%	72.7%	71.0%

3 Insurance revenue

Insurance revenue represents the total changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration. This includes the difference between the claims and other expenses expected at the beginning of the year versus those actually incurred (per Note 4), after the loss component allocation.

	2024	2023
	m	m
Amounts relating to changes in the liability for remaining coverage:		
Expected incurred claims and other expenses after loss component allocation	3,223.6	3,015.7
Change in risk adjustment for non-financial risk for the risk expired after loss component allocation	271.5	316.8
CSM recognised in profit or loss for services provided	807.3	691.4
Other amounts including experience adjustments	366.5	503.7
Insurance acquisition cash flows recovery	1,009.2	914.8
Total insurance revenue	**5,678.1**	**5,442.4**

4 Insurance service expenses

The table below shows the insurance service expenses recognised on groups of insurance contracts issued by the Group. These are recognised in the consolidated statement of profit or loss as they are incurred.

	2024	2023
	m	m
Incurred claims and other directly attributable expenses	3,330.1	2,911.6
Changes that relate to past service - adjustments to the LIC	(401.2)	(232.0)
Losses on onerous contracts and reversal of those losses	(5.1)	(1.8)
Insurance acquisition cash flows amortisation	1,009.2	914.8
Total insurance service expense	**3,933.0**	**3,592.6**

5 Net expenses from reinsurance contracts held

The table below shows the net expenses from reinsurance contracts held, comprising the allocation of reinsurance premium and amounts recoverable from reinsurers for incurred claims.

	2024	2023
	m	m
Amounts relating to changes in the remaining coverage:		
- Expected claims and other expenses recovery	(494.5)	(740.5)
- Changes in the risk adjustment recognised for the risk expired	(54.0)	(105.2)
- CSM recognised for the services received	(173.1)	(290.8)
- Other amounts including experience adjustments	(43.3)	9.2
Allocation of reinsurance premium	**(764.9)**	**(1,127.3)**
Effect of changes in the risk of reinsurers non-performance	(1.8)	4.2
Claims recovered	516.9	680.1
Other incurred directly attributable expenses	(4.4)	(3.6)
Changes that relate to past service - adjustments to incurred claims recovery	(254.9)	(152.2)
Amounts recoverable from reinsurers for incurred claims	**255.8**	**528.5**
Total net expenses from reinsurance contracts held	**(509.1)**	**(598.8)**

6 Net financial result

Finance income/expense from insurance contracts issued and reinsurance contracts held represents the interest accreted and the effect of changes in discount rates and other financial assumptions. The net financial result comprises the Group's net investment income and its net insurance finance expense.

	2024	2023
	m	m
Interest and dividends on financial assets at fair value	313.2	215.3
Interest on cash and cash equivalents at amortised cost	43.5	16.8
Net realised fair value gains/(losses) on financial assets at FVTPL	131.8	(69.2)
Net unrealised fair value gains on financial assets at FVTPL	95.5	325.2
Investment income from financial assets	584.0	488.1
Investment management expenses	(9.6)	(7.9)
Net investment income	**574.4**	**480.2**
Interest accreted	(372.5)	(379.1)
Effect of changes in financial assumptions	283.4	209.8
Net finance expense from insurance contracts issued	(89.1)	(169.3)
Interest accreted	80.4	84.4
Effect of changes in financial assumptions	(47.2)	(68.5)
Net finance income from reinsurance contracts held	33.2	15.9

Net finance income from reinsurance contracts held	33.2	15.9
Net insurance finance expense	**(55.9)**	**(153.4)**
Net financial result	**518.5**	**326.8**

Investment income by category of financial asset
The tables below show the Group's investment income, split by category of financial asset. "Other financial assets" includes cash and cash equivalents and derivative financial instruments.

2024	Debt securities and syndicate loans m	Capital growth assets m	Other financial assets m	Total m
Interest and dividends received	308.8	4.4	43.5	356.7
Net realised gains	39.6	87.6	4.6	131.8
Net unrealised fair value gains/(losses)	84.2	28.4	(17.1)	95.5
Total investment income from financial assets	**432.6**	**120.4**	**31.0**	**584.0**

2023	Debt securities and syndicate loans m	Capital growth assets m	Other financial assets m	Total m
Interest and dividends received	208.4	3.7	20.0	232.1
Net realised (losses)/gains	(117.8)	52.6	(4.0)	(69.2)
Net unrealised fair value gains	291.2	34.0	-	325.2
Total investment income from financial assets	**381.8**	**90.3**	**16.0**	**488.1**

7 Other income

	2024 m	2023 m
Commissions received by Beazley service companies	17.0	42.8
Profit commissions and other income received from syndicates	68.3	29.9
Managing agent fees from third-party syndicates	11.3	3.6
Other income	9.4	2.2
Total other income	**106.0**	**78.5**

Commissions received by Beazley service companies
Commissions are received from non-Group syndicates by Group service companies writing business on their behalf. These are recognised as the services are provided, and therefore the performance obligations of the contracts are met. Commission is payable to the Group by syndicate 623 due to Group service companies writing business on behalf of the syndicate. While the commercial purpose of the contract is to pass business to syndicate 623, the remuneration is triggered by incurring expenses, irrespective of volume of business gained. Fees are recognised as the services are provided, and therefore the performance obligations of the contracts are met. In addition, the Group charges syndicates 5623 and 4321 for a portion of the profit-related remuneration paid to its underwriting staff. Payment is therefore triggered by the underlying profitability of the syndicate.

Profit commissions and other income received from syndicates
This primarily relates to profit commissions received from syndicates in the year. The underlying agreements are in place between the third-party capital syndicates managed by the Group and their managing agent, Beazley Furlonge Limited. Under these agreements, the transaction price represents a fixed percentage on profit by year of account. As such, the profitability of the syndicates is a performance criterion. No other variable consideration (for example: discounts, rebates, refunds, incentives) is attached. The value of each transaction price is derived at the reporting date from the actual profits made by the syndicates, and therefore represents the most likely amount of consideration at the reporting date.

8 Operating expenses

	2024 m	2023 m
Staff costs	656.8	527.6
Other administrative expenses	504.4	401.2
Total administrative expenses	**1,161.2**	**928.8**
Recharged to third party syndicates	(129.9)	(115.5)
Expenses reclassified within the insurance service result	(642.7)	(447.5)
Total operating expenses	**388.6**	**365.8**

Included within other administrative expenses is depreciation of 16.5m (2023: 17.1m) and amortisation of 11.1m (2023: 16.2m)

Net staff costs

	2024 m	2023 m
Wages and salaries	302.2	259.8
Short-term incentive payments	235.3	167.5

Social security	53.8	45.3
Share-based remuneration	40.1	33.8
Costs relating to defined contribution pension schemes	25.4	21.2
Staff costs	**656.8**	**527.6**
Recharged to third-party syndicates	(98.8)	(78.2)
Net staff costs	**558.0**	**449.4**

Average number of employees
A breakdown by category of employee is disclosed below.

	2024	2023
Directors	11	11
Senior managers	157	145
Other employees	2,324	1,988
Total average number of employees	**2,492**	**2,144**

9 Finance costs

	2024 m	2023 m
Interest expense on financial liabilities	31.6	31.6
Interest expense on lease liabilities	2.9	3.1
Interest and charges related to letters of credit	4.8	5.9
Total finance costs	**39.3**	**40.6**

10 Tax expense

	2024 m	2023 m
Current tax expense		
Current tax expense	219.3	121.8
Prior year adjustment	14.2	1.5
Pillar Two tax expense*	13.1	-
	246.6	**123.3**
Deferred tax expense		
Origination and reversal of temporary differences	50.8	97.3
Difference between current and deferred tax rates	-	6.8
Prior year adjustments	(4.2)	0.2
	46.6	**104.3**
Tax expense	**293.2**	**227.6**

* Pillar Two tax expense relates to Qualified Domestic Minimum Top-Up Tax in Ireland.

Reconciliation of tax expense
The Group makes the majority of its profit in Ireland, the UK and the US. The weighted average of statutory tax rates based on the profits earned in each country in which the Group operates is 18.6% (2023: 17.6%), whereas the tax charged for the year ended 31 December 2024 as a percentage of profit before tax is 20.6% (2023: 18.1%). The reasons for the difference are explained below:

	2024 m	2024 %	2023 m	2023 %
Profit before tax	**1,423.5**		**1,254.4**	
Tax calculated at the weighted average of statutory tax rate	264.6	18.6	221.4	17.6
Effects of:				
- non-deductible/(non-taxable) expenses	1.9	0.1	(2.0)	(0.2)
- losses not previously recognised	-	-	(1.2)	(0.1)
- tax charge/(relief) on remuneration	1.4	0.1	0.9	0.1
- under/(over) provided in prior years	10.1	0.7	1.7	0.1
- difference between current and deferred tax rates	-	-	6.8	0.6
- effect of tax rates in foreign jurisdictions	2.1	0.2	-	-
- Pillar Two tax expense	13.1	0.9	-	-
Tax expense for the year	**293.2**	**20.6**	**227.6**	**18.1**

Global minimum tax rate
The Organisation for Economic Co-Operation and Development Pillar Two framework seeks to ensure that large multi-national enterprises pay a minimum corporate income tax rate of 15% on the income arising in each jurisdiction where they operate. In 2023, the UK enacted legislation to implement these new rules in respect of accounting periods beginning on or after 31 December 2023.

The Group mainly operates in jurisdictions with a statutory tax rate above 15%. The main impact for the Group is in Ireland
where the tax rate is 12.5%. This is due to Beazley Insurance dac, a wholly owned subsidiary acting as an internal group reinsurer and writing business directly in Europe, being based in Ireland. In December 2023, Ireland enacted a Qualified

reinsurer and writing business directly in Europe, being based in Ireland. In December 2023, Ireland enacted a Qualified Domestic Minimum Top-Up Tax such that in-scope businesses pay at least a 15% effective tax rate on their profits. The impact of the top-up tax on the current tax charge is set out in the above disclosure.

11 Earnings per share

	2024	2023
Profit after tax (m)	1,130.3	1,026.8
Weighted average number of shares in issue (m)[1]	645.5	663.8
Adjusted weighted average number of shares in issue (m)	663.3	678.3
Basic (cents)	175.1c	154.7c
Diluted (cents)	170.4c	151.4c
Basic (pence)	137.0p	124.8p
Diluted (pence)	133.3p	122.1p

[1]Decreased in the year due to the share buyback programme. Refer to Note 14 for further details.

Basic earnings per share (EPS) is calculated by dividing profit after tax of 1,130.3m (2023: 1,026.8m) by the weighted average number of shares in issue during the year of 645.5m (2023: 663.8m).

Diluted earnings per share is calculated by dividing profit after tax of 1,130.3m (2023: 1,026.8m) by the adjusted weighted average number of shares of 663.3m (2023: 678.3m) in issue. This assumes conversion of dilutive potential ordinary shares, being shares from equity settled employee compensation schemes. Share options with performance conditions attaching to them have been excluded from the weighted average number of shares to the extent that these conditions have not been met at the reporting date.

Note that both calculations exclude the shares held in the Employee Share Options Plan of 9.1m (31 December 2023: 9.8m) until such time as they vest unconditionally with the employees.

12 Dividends per share

On 3 March 2025 the Board approved the payment of an interim dividend of 25.0p per share covering the whole of 2024 (2023: 14.2p per share) which will be paid on 2 May 2025 to Beazley plc shareholders registered on 21 March 2025. The Group expects the total amount to be paid in respect of the interim dividend to be approximately £157.5m (2023: £94.2m). These financial statements do not provide for the interim dividend as a liability.

13 Financial assets and liabilities

13a Carrying values of financial assets and liabilities

Financial assets - carrying values

Set out below are the carrying values of the Group's 'financial assets at fair value' per the statement of financial position. These amounts exclude the following financial assets which are carried at amortised cost and presented separately:

- Cash and cash equivalents; and
- Amounts due from managed syndicates and other receivables.

	2024 m	2023 m
Debt securities:		
- Government issued	4,289.1	4,469.1
- Corporate bonds		
- Investment grade	3,862.3	3,578.3
- High-yield	662.4	489.0
- Securitised		
- Collateralised loan obligations	480.0	0.0
Syndicate loans	29.5	34.1
Total debt securities and syndicate loans	9,323.3	8,570.5
Equity funds	348.7	282.7
Hedge funds	752.0	582.2
Illiquid assets	175.4	220.1
Total capital growth assets	1,276.1	1,085.0
Total financial investments at fair value through statement of profit or loss	**10,599.4**	**9,655.5**
Derivative financial assets	11.2	10.0
Total financial assets at fair value	**10,610.6**	**9,665.5**

Investment grade corporate bonds are rated BBB-/Baa3 or higher by at least one major rating agency, high-yield corporate bonds have lower credit ratings, while collateralised loan obligations have a wider credit spread. Our collateralised loan obligation holdings are in the highest rated AAA/AA tranches. Equity funds are investment vehicles which invest in equity securities and provide diversified exposure to global equity markets. Hedge funds are investment vehicles pursuing alternative investment strategies, structured to have minimal correlation to traditional asset classes. Illiquid assets are investment vehicles that predominantly target private lending opportunities, often with longer investment horizons. The fair value of these assets at 31 December 2024 excludes an unfunded commitment of 33.6m (2023: 32.0m).

Financial liabilities - carrying values

Set out below are the carrying values of the Group's 'financial liabilities' per the statement of financial position. These amounts exclude lease liabilities and other payables which are carried at amortised cost.

	2024 m	2023 m
Tier 2 subordinated debt (2026)	249.7	249.5

Tier 2 subordinated debt (2029)	299.0	298.8
Derivative financial liabilities	27.3	6.3
Total financial liabilities	**576.0**	**554.6**

The Group has given a fixed and floating charge over certain of its investments and other assets to secure obligations to Lloyd's in respect of its corporate member subsidiary.

13b Valuation hierarchy
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows. If the inputs used to measure the fair value of an asset or a liability could be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair value is a market-based measure and in the absence of observable market prices in an active market, it is measured using the assumptions that market participants would use when pricing the asset or liability.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When the transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in profit or loss depending on the individual facts and circumstances of the transaction but before the valuation is supported wholly by observable market data or the transaction is closed out.

Level 1 - Valuations based on quoted prices in active markets for identical instruments. An active market is a market in which transactions for the instrument occur with sufficient frequency and volume on an ongoing basis such that quoted prices reflect prices at which an orderly transaction would take place between market participants at the measurement date.

Level 2 - Valuations based on quoted prices in markets that are not active, or based on pricing models for which significant inputs can be corroborated by observable market data, directly or indirectly (e.g. interest rates and exchange rates). Level 2 inputs include:
- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets and liabilities 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 little information is released publicly;
- Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads); and
- Market corroborated inputs.

Included within level 2 are government bonds and treasury bills, equity funds and corporate bonds which are not actively traded, hedge funds, collateralised loan obligations and senior secured loans.

Level 3 - Valuations based on inputs that are unobservable or for which there is limited market activity against which to measure fair value. The availability of financial data can vary for different financial assets and is affected by a wide variety of factors, including the type of financial instrument, whether it is new and not yet established in the marketplace, and other characteristics specific to each transaction. To the extent that valuation is based on models or inputs that are unobservable in the market, the determination of fair value requires more judgement. Accordingly, the degree of judgement exercised by management in determining fair value is greatest for instruments classified in level 3. The Group uses prices and inputs that are current as of the measurement date for valuation of these instruments.

Valuation approach - level 2 instruments
a) For the Group's level 2 debt securities and securitised instruments, our fund administrator obtains the prices used in the valuation from independent pricing vendors. The independent pricing vendors derive an evaluated price from observable market inputs. These inputs are verified in their pricing assumptions such as weighted average life, discount margins, default rates, and recovery and prepayments assumptions for mortgage securities.

b) For our hedge funds, the pricing and valuation of each fund is undertaken by administrators in accordance with each underlying fund's valuation policy. Individual fund prices are communicated by the administrators to all investors via the monthly investor statements. The fair value of the hedge fund portfolios are calculated by reference to the underlying net asset values of each of the individual funds. Our hedge funds are managed by Falcon Money Management Holdings Limited, an associate of the Group.

c) Subordinated debt fair value is based on quoted market prices.

Valuation approach - level 3 instruments
a) Our illiquid fund investments are generally closed ended limited partnerships or open ended funds. The Group relies on a third-party fund manager to manage these investments and provide valuations. Note that while the funds report with full transparency on their underlying investments, the investments themselves are predominantly in private and unquoted instruments. The valuation techniques used by the fund managers to establish the fair values therefore require a degree of estimation. For example, these may incorporate discounted cash flow models or a more market-based approach, whilst the main inputs might include discount rates, fundamental pricing multiples, recent transaction prices, or comparable market information to create a benchmark multiple.

b) Syndicate loans are non-tradeable instruments provided by our Group syndicates to the Central Fund at Lloyd's in respect of the 2019 (repaid by Lloyd's during the year) and 2020 underwriting years. These are valued internally using discounted cash flow models provided by Lloyd's to the market, designed to appropriately reflect the credit and illiquidity risk of the instruments. Valuation outputs are then validated using a control model, with the following inputs and assumptions. Note that these internally valued instruments are deemed by management to be inherently more subjective than external valuations.
- Cash flows comprise the notional cost of the loans, annual interest income, and the final repayment of the loans at the end of the five-year term. The weighted average interest rate applicable across all syndicate loans is 3.8% (2023: 3.8%).
- A discount rate of 8.3% (2023: 7.0%) is applied. This is calculated using a combination of the long-term treasury bond risk-free rate, the industry/geographic average regression beta, and a selected risk premium.

c) Certain collateralised loan obligation securities have been classified within level 3. These represent instruments which were issued late in 2024 and have been priced at par, predominantly as these had not settled at the balance sheet date. As this is deemed to be an unobservable input these have been classified within level 3. We expect these instruments to move into level 2 in the near term as these begin to be priced by our pricing vendors using models with observable market inputs.

There were no changes in the valuation techniques during the year compared with those described in the Group's 2023 Annual Report and Accounts.

13c Fair values of financial assets and liabilities
The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The fair value of the Group's subordinated debt excludes any accrued interest to allow comparability with the carrying value in the Group's financial statements. The Group's cash and cash equivalents, other receivables, lease liabilities, and other payables have been excluded from these tables. These instruments are measured at amortised cost and their carrying values are deemed to be reasonable approximations of fair values at the reporting date.

2024	Level 1 m	Level 2 m	Level 3 m	Total m
Financial assets carried at fair value				
Fixed and floating rate debt securities				
- Government issued	3,235.9	1,053.2	-	4,289.1
- Corporate bonds				
- Investment grade	1,819.5	2,042.8	-	3,862.3
- High-yield	662.4	-	-	662.4
- Securitised				
- Collateralised loan obligations	-	395.4	84.6	480.0
Syndicate loans	-	-	29.5	29.5
Equity funds	348.7	-	-	348.7
Hedge funds	-	752.0	-	752.0
Illiquid assets	-	-	175.4	175.4
Derivative financial assets	11.2	-	-	11.2
Total financial assets carried at fair value	**6,077.7**	**4,243.4**	**289.5**	**10,610.6**
Financial liabilities carried at fair value				
Derivative financial liabilities	27.3	-	-	27.3
Total financial liabilities carried at fair value	**27.3**	**-**	**-**	**27.3**
Fair value of financial liabilities carried at amortised cost				
Tier 2 subordinated debt (2026)	-	250.6	-	250.6
Tier 2 subordinated debt (2029)	-	294.0	-	294.0
Total fair value of financial liabilities carried at amortised cost	**-**	**544.6**	**-**	**544.6**

2023	Level 1 m	Level 2 m	Level 3 m	Total m
Financial assets carried at fair value				
Fixed and floating rate debt securities				
- Government issued	3,291.9	1,177.2	-	4,469.1
- Corporate bonds				
- Investment grade	1,596.7	1,981.6	-	3,578.3
- High-yield	488.1	0.9	-	489.0
Syndicate loans	-	-	34.1	34.1
Equity funds	282.7	-	-	282.7
Hedge funds	-	582.2	-	582.2
Illiquid assets	-	-	220.1	220.1
Derivative financial assets	10.0	-	-	10.0
Total financial assets carried at fair value	**5,669.4**	**3,741.9**	**254.2**	**9,665.5**
Financial liabilities carried at fair value				
Derivative financial liabilities	6.3	-	-	6.3
Total financial liabilities carried at fair value	**6.3**	**-**	**-**	**6.3**
Fair value of financial liabilities carried at amortised cost				
Tier 2 subordinated debt (2026)	-	241.7	-	241.7
Tier 2 subordinated debt (2029)	-	271.9	-	271.9
Total fair value of financial liabilities carried at amortised cost	**-**	**513.6**	**-**	**513.6**

13d Transfers
The Group determines whether transfers have occurred between levels in the fair value hierarchy by assessing categorisation at the end of the reporting period. The following transfers between levels 1 & 2 for the period ended 31 December 2024 reflect the level of trading activities including frequency and volume derived from market data obtained from an independent external valuation tool. There were no transfers into or out of level 3 in the year to 31 December 2024 (2023: no transfers).

31 December 2024 vs 31 December 2023 transfer from level 2 to level 1	Level 1 m	Level 2 m
- Corporate Bonds - Investment grade	666.3	(666.3)

31 December 2024 vs 31 December 2023 transfer from level 1 to level 2	Level 1 m	Level 2 m
- Corporate Bonds - Investment grade	(624.9)	624.9

The values shown in the transfer tables above are translated using spot foreign exchange rates as at 31 December 2024.

13e Level 3 investment reconciliations
The table below shows a reconciliation from the opening balances to the closing balances of level 3 fair values. All realised and unrealised gains/(losses) are recognised through net investment income in the statement of profit or loss (refer to Note 6).

Note 6).

	2024	2023
	m	m
Opening position as at 01 January	254.2	255.4
Purchases	118.7	21.8
Sales	(69.2)	(37.4)
Repayment of syndicate loans	(7.7)	-
Realised gain	18.6	20.2
Unrealised loss	(25.6)	(6.6)
Foreign exchange gain	0.5	0.8
Closing position as at 31 December	**289.5**	**254.2**

13f Unconsolidated structured entities
A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements.

As part of its standard investment activities the Group holds fixed interest investments in high yield bond funds and collateralised loan obligation instruments, as well as capital growth investments in equity funds, hedge funds and illiquid assets which in accordance with IFRS 12 are classified as unconsolidated structured entities. The Group does not sponsor any of the unconsolidated structured entities. The assets classified as unconsolidated structured entities are held at fair value on the statement of financial position. As at 31 December the investments comprising the Group's unconsolidated structured entities are as follows:

	2024	2023
	m	m
Collateralised loan obligations	480.0	-
High-yield bond funds	662.4	489.0
Equity funds	348.7	282.7
Hedge funds	752.0	582.2
Illiquid assets	175.4	220.1
Investments through unconsolidated structured entities	**2,418.5**	**1,574.0**

Most of our unconsolidated structured entity exposures fall within our capital growth assets. The capital growth assets are held in investee funds managed by asset managers who apply various investment strategies to accomplish their respective investment objectives. The Group's investments in investee funds are subject to the terms and conditions of the respective investee fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those investee funds. Investment decisions are made after extensive due diligence on the underlying fund, its strategy and the overall quality of the underlying fund's manager and assets.

The right to sell or request redemption of investments in high-yield bond funds, collateralised loan obligations, equity funds and hedge funds ranges in frequency from daily to semi-annually. The Group did not sponsor any of the respective structured entities. The Group's maximum exposure to loss from its interests in investee funds is equal to the total fair value of its investments in investee funds and unfunded commitments.

13g Currency exposures
The currency exposures of our financial assets held are detailed below:

	UK £	CAD	EUR €	Other[1]	Sub total	US	Total
2024	m	m	m	m	m	m	m
Financial assets at FVTPL:							
- Fixed and floating rate debt securities	653.8	428.0	-	-	1,081.8	8,212.0	9,293.8
- Syndicate loans	29.5	-	-	-	29.5	-	29.5
- Equity linked funds	-	-	-	-	-	348.7	348.7
- Hedge funds	-	-	-	-	-	752.0	752.0
- Illiquid assets	13.5	-	36.0	-	49.5	125.9	175.4
- Derivative financial assets	-	-	-	-	-	11.2	11.2
Cash and cash equivalents	110.6	41.6	80.9	16.3	249.4	632.7	882.1
Amounts due from managed syndicates and other receivables	216.7	12.8	69.9	-	299.4	298.8	598.2
Total	**1,024.1**	**482.4**	**186.8**	**16.3**	**1,709.6**	**10,381.3**	**12,090.9**

1 Primarily comprises Swiss franc.

	UK £	CAD	EUR €	Other[1]	Sub total	US	Total
2023	m	m	m	m	m	m	m
Financial assets at FVTPL:							
- Fixed and floating rate debt securities	789.6	432.5	-	-	1,222.1	7,314.3	8,536.4
- Syndicate loans	34.1	-	-	-	34.1	-	34.1
- Equity linked funds	-	-	-	-	-	282.7	282.7
- Hedge funds	-	-	-	-	-	582.2	582.2
- Illiquid assets	6.4	-	45.9	-	52.3	167.8	220.1
- Derivative financial assets	-	-	-	-	-	10.0	10.0
Cash and cash equivalents	125.8	51.5	93.5	12.3	283.1	529.2	812.3
Amounts due from managed syndicates and other receivables	27.6	9.4	51.4	-	88.4	209.1	297.5
Total	**983.5**	**493.4**	**190.8**	**12.3**	**1,679.9**	**9,095.3**	**10,775.3**

1 Primarily comprises Swiss franc.

14 Share capital

	2024 No. of shares (m)	2024 m	2023 No. of shares (m)	2023 m
Ordinary shares of 5p each				
Issued and fully paid	639.0	44.6	672.5	46.7
Balance at 01 January	**672.5**	**46.7**	**671.2**	**46.6**
Issue of shares to satisfy employee share schemes	3.8	0.3	1.3	0.1
Share buyback	(37.3)	(2.4)	-	-
Balance at 31 December	**639.0**	**44.6**	**672.5**	**46.7**

There are no limits to the authorised share capital of the Company.

On 07 March 2024, Beazley plc announced to the market its intention to return surplus capital to its shareholders through a share repurchase programme ("the buyback"). The buyback completed on 30 September 2024, with 37.3m ordinary shares repurchased for a total consideration of 327.8m. At 31 December 2024, there were 639.0m ordinary shares in issue.

The purchase price of shares and directly attributable transaction costs of 2.2m (such as stamp duty, commissions, legal costs and registrar fees) are recognised through retained earnings. On their cancellation, the nominal value of the ordinary shares is deducted from share capital and the equivalent amount is recognised within the capital redemption reserve.

15 Deferred tax

	2024 m	2023 m
Deferred tax asset	191.8	46.9
Deferred tax liability	(387.2)	(202.2)
Net deferred tax liability	**(195.4)**	**(155.3)**

An overview of the nature of the deferred tax assets/(liabilities) is set out below.

	Balance 01 Jan 24 m	Recognised in total comprehensive income m	Recognised in equity m	FX translation differences m	Balance 31 Dec 24 m
Plant and equipment	(1.1)	(1.8)	-	-	(2.9)
Intangible assets	(1.3)	(6.3)	-	-	(7.6)
Underwriting profits	(94.2)	(11.8)	-	-	(106.0)
Deferred acquisition costs	-	-	-	-	-
Tax losses carried forward	9.7	(9.7)	-	-	-
Share-based payments	9.0	0.4	7.1	-	16.5
Unrealised gains/(losses) on investments	(1.2)	11.3	-	-	10.1
IFRS 17 adjustments	(87.1)	(44.2)	-	-	(131.3)
Other	10.9	15.3	-	(0.4)	25.8
Net deferred tax (liability)/asset	**(155.3)**	**(46.8)**	**7.1**	**(0.4)**	**(195.4)**

	Balance 01 Jan 23 m	Recognised in total comprehensive income m	Recognised in equity m	FX translation differences m	Balance 31 Dec 23 m
Plant and equipment	(0.8)	(0.3)	-	-	(1.1)
Intangible assets	(1.8)	0.5	-	-	(1.3)
Underwriting profits	7.4	(101.6)	-	-	(94.2)
Deferred acquisition costs	1.7	(1.7)	-	-	-
Tax losses carried forward	4.0	5.7	-	-	9.7
Share-based payments	8.4	1.5	(0.9)	-	9.0
Unrealised gains/(losses) on investments	9.9	(11.1)	-	-	(1.2)
IFRS 17 adjustments	(83.7)	(3.4)	-	-	(87.1)
Other	6.5	6.8	-	(2.4)	10.9
Net deferred tax liability	**(48.4)**	**(103.6)**	**(0.9)**	**(2.4)**	**(155.3)**

Geographical analysis
Deferred tax assets and deferred tax liabilities relating to the same tax authority are presented net in the Group's balance sheet. A geographical analysis has been included below.

	2024 m	2023 m
UK	(245.1)	(152.8)
US	191.8	46.7
Ireland	(98.5)	(38.7)
Other[1]	(43.6)	(10.5)
Net deferred tax (liability)	**(195.4)**	**(155.3)**

[1] Includes Canada, France, Germany, Spain and Switzerland.

Under IFRS 17, the timing of the recognition of the Group's profits differs significantly from the basis on which corporate taxes are levied in the tax jurisdictions where the Group operates. None of the Group's material profit-making entities pay corporate taxes based on IFRS 17 profits and therefore significant temporary differences arise. In some jurisdictions, such as the UK and Ireland, profits are recognised earlier under IFRS 17 and thus a deferred tax liability is recognised. The Group expects this to unwind over time as profits are recognised (offset by new profits on an IFRS 17 basis). In the US, profits are recognised more slowly on an IFRS 17 basis than under the US Stat basis on which tax is determined, with the Group recognising a deferred tax asset of 148.2m (2023: 23.2m). The Group is of the view that sufficient future profits will arise on an IFRS 17 basis to realise this deferred tax asset.

The Group has no deferred tax assets relating to trading losses (2023: 9.7m). The Group also has no unrecognised trading losses as at 31 December 2024 (2023: nil) and has unrecognised capital losses of 2.5m (2023: 4.0m).

The Group has applied the temporary mandatory exemption from accounting for deferred taxes under the Pillar Two rules. Therefore, no deferred taxes have been recognised in relation to these rules as at 31 December 2024.

16 Subordinated liabilities
In November 2016, the Group issued 250m of subordinated Tier 2 notes due in 2026. Annual interest, at a fixed rate of 5.875%, is payable in May and November each year. In September 2019, the Group issued 300m of subordinated Tier 2 notes due in 2029. Annual interest, at a fixed rate of 5.5% is payable in March and September each year.

The subordinated liabilities are subject to a covenant that requires the Group to notify the lender of any default (late payment of principal by 7 days or late payment of interest by 14 days) on an annual basis or where otherwise requested. Compliance with the covenant is tested annually until the maturity of the subordinated liabilities. The Group has no indication that it will have difficulty complying with this covenant.

The carrying amounts of the subordinated liabilities are as follows. The total fair value of the Group's subordinated liabilities is 544.6m (2023: 513.6m).

	Tier 2 subordinated debt (2029)	Tier 2 subordinated debt (2026)	Total
	m	m	m
Opening balance at 01 January 2023	298.6	249.4	548.0
Amortisation of capitalised borrowing costs	0.2	0.1	0.3
Closing balance at 31 December 2023	**298.8**	**249.5**	**548.3**
Amortisation of capitalised borrowing costs	0.2	0.2	0.4
Closing balance at 31 December 2024	**299.0**	**249.7**	**548.7**

The annual interest expense on the Group's subordinated liabilities is included in Note 9.

17 Insurance and reinsurance contracts

17a Reconciliations by measurement component
This section shows how the net carrying amounts of insurance contracts issued and reinsurance contracts held by the Group have changed during the year, as a result of changes in cash flows and amounts recognised in profit or loss.

i) Insurance contracts issued
The tables below set out the estimated present value of future cash flows, the risk adjustment for non-financial risk and the CSM for insurance contracts issued.

	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
31 December 2024	m	m	m	m
Opening insurance contract assets	103.8	(1.2)	(1.1)	101.5
Opening insurance contract liabilities	(6,874.5)	(774.8)	(342.9)	(7,992.2)
Net insurance contract liabilities at 01 January 2024	**(6,770.7)**	**(776.0)**	**(344.0)**	**(7,890.7)**
CSM recognised in profit or loss for services provided	-	-	807.3	807.3
Changes in the risk adjustment for non-financial risk for risk expired	-	271.5	-	271.5
Experience adjustments	494.2	(234.2)	-	260.0
Total changes relating to current service	494.2	37.3	807.3	1,338.8
Changes in estimates that adjust the CSM	163.8	5.1	(168.9)	-
Changes in estimates that result in onerous contract losses or reversal of such losses	0.8	(0.1)	9.7	10.4
Contracts initially recognised in the period	1,079.8	(268.7)	(816.4)	(5.3)
Total changes relating to future service	1,244.4	(263.7)	(975.6)	5.1
Total changes relating to past service - adjustments to the LIC	205.0	196.2	-	401.2
Recognised in insurance service result	**1,943.6**	**(30.2)**	**(168.3)**	**1,745.1**
Finance (expenses)/income from insurance contracts issued	(112.1)	(7.8)	30.8	(89.1)
Foreign exchange gains	27.9	1.2	1.0	30.1
Other amounts recognised in total comprehensive income	**(84.2)**	**(6.6)**	**31.8**	**(59.0)**
Premiums received net of insurance acquisition cash flows	(5,148.1)	-	-	(5,148.1)
Claims and other directly attributable expenses paid	2,558.6	-	-	2,558.6
Total cash flows	**(2,589.5)**	**-**	**-**	**(2,589.5)**
Closing insurance contract assets	24.5	(3.9)	(0.4)	20.2
Closing insurance contract liabilities	(7,525.3)	(808.9)	(480.1)	(8,814.3)
Net insurance contract liabilities at 31 December 2024	**(7,500.8)**	**(812.8)**	**(480.5)**	**(8,794.1)**

	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total

31 December 2023	m	m	m	m
Opening insurance contract assets	123.5	(12.9)	(26.5)	84.1
Opening insurance contract liabilities	(6,324.0)	(711.3)	(314.5)	(7,349.8)
Net insurance contract liabilities at 01 January 2023	**(6,200.5)**	**(724.2)**	**(341.0)**	**(7,265.7)**
CSM recognised in profit or loss for services provided	-	-	691.4	691.4
Changes in the risk adjustment for non-financial risk for risk expired	-	316.8	-	316.8
Experience adjustments	893.3	(285.5)	-	607.8
Total changes relating to current service	893.3	31.3	691.4	1,616.0
Changes in estimates that adjust the CSM	135.0	(19.1)	(115.9)	-
Changes in estimates that result in onerous contract losses or reversal of such losses	6.0	(1.1)	7.5	12.4
Contracts initially recognised in the period	870.2	(264.2)	(616.6)	(10.6)
Total changes relating to future service	1,011.2	(284.4)	(725.0)	1.8
Total changes relating to past service - adjustments to the LIC	16.2	215.8	-	232.0
Recognised in insurance service result	**1,920.7**	**(37.3)**	**(33.6)**	**1,849.8**
Finance income/(expenses) from insurance contracts issued	(190.2)	(13.9)	34.8	(169.3)
Foreign exchange gains/(losses)	1.9	(0.6)	(4.2)	(2.9)
Other amounts recognised in total comprehensive income	**(188.3)**	**(14.5)**	**30.6**	**(172.2)**
Premiums received net of insurance acquisition cash flows	(4,526.4)	-	-	(4,526.4)
Claims and other directly attributable expenses paid	2,223.8	-	-	2,223.8
Total cash flows	**(2,302.6)**	**-**	**-**	**(2,302.6)**
Closing insurance contract assets	103.8	(1.2)	(1.1)	101.5
Closing insurance contract liabilities	(6,874.5)	(774.8)	(342.9)	(7,992.2)
Net insurance contract liabilities at 31 December 2023	**(6,770.7)**	**(776.0)**	**(344.0)**	**(7,890.7)**

ii) Reinsurance contracts held

The tables below set out the estimates of the present value of future cash flows, risk adjustment for non-financial risk and CSM for reinsurance contracts held.

	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
31 December 2024	m	m	m	m
Opening reinsurance contract assets	2,143.4	166.2	117.1	2,426.7
Opening reinsurance contract liabilities	(404.4)	58.4	12.5	(333.5)
Net reinsurance contract assets at 01 January 2024	**1,739.0**	**224.6**	**129.6**	**2,093.2**
CSM recognised in profit or loss for the services provided	-	-	(173.1)	(173.1)
Changes in the risk adjustment for non-financial risk for the risk expired	-	(54.0)	-	(54.0)
Experience adjustments	(71.3)	46.0	-	(25.3)
Total changes relating to current service	(71.3)	(8.0)	(173.1)	(252.4)
Changes in estimates that adjust the CSM	159.0	(42.0)	(117.0)	-
Contracts initially recognised in the period	(498.9)	96.6	402.3	-
Total changes relating to future service	(339.9)	54.6	285.3	-
Adjustments to incurred claims recovery	(157.8)	(97.1)	-	(254.9)
Effect of changes in the risk of reinsurers' non-performance	(1.8)	-	-	(1.8)
Total changes relating to past service	(159.6)	(97.1)	-	(256.7)
Recognised in insurance service result	**(570.8)**	**(50.5)**	**112.2**	**(509.1)**
Finance income/(expenses) from reinsurance contracts held	38.6	1.7	(7.1)	33.2
Foreign exchange losses	(2.8)	(0.4)	(0.1)	(3.3)
Other amounts recognised in total comprehensive income	**35.8**	**1.3**	**(7.2)**	**29.9**
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,254.7	-	-	1,254.7
Recoveries from reinsurance	(499.2)	-	-	(499.2)
Total cash flows	**755.5**	**-**	**-**	**755.5**
Closing reinsurance contract assets	2,309.7	160.4	196.5	2,666.6
Closing reinsurance contract liabilities	(350.2)	15.0	38.1	(297.1)
Net reinsurance contract assets at 31 December 2024	**1,959.5**	**175.4**	**234.6**	**2,369.5**

	Present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
31 December 2023	m	m	m	m
Opening reinsurance contract assets	1,853.3	184.6	137.4	2,175.3
Opening reinsurance contract liabilities	(193.8)	12.7	19.9	(161.2)
Net reinsurance contract assets at 01 January 2023	**1,659.5**	**197.3**	**157.3**	**2,014.1**
CSM recognised in profit or loss for the services provided			(200.8)	(200.8)

CSM recognised in profit or loss for the services provided	-	-	(290.8)	(290.8)
Changes in the risk adjustment for non-financial risk for the risk expired	-	(105.2)	-	(105.2)
Experience adjustments	(139.0)	84.2	-	(54.8)
Total changes relating to current service	(139.0)	(21.0)	(290.8)	(450.8)
Changes in estimates that adjust the CSM	91.6	(16.1)	(75.5)	-
Contracts initially recognised in the period	(436.3)	84.2	352.1	-
Total changes relating to future service	(344.7)	68.1	276.6	-
Adjustments to incurred claims recovery	(110.9)	(41.3)	-	(152.2)
Effect of changes in the risk of reinsurers' non-performance	4.2	-	-	4.2
Total changes relating to past service	(106.7)	(41.3)	-	(148.0)
Recognised in insurance service result	**(590.4)**	**5.8**	**(14.2)**	**(598.8)**
Finance income/(expense) from reinsurance contracts held	24.0	5.7	(13.8)	15.9
Foreign exchange (losses)/gains	(20.6)	15.8	0.3	(4.5)
Other amounts recognised in total comprehensive income	**3.4**	**21.5**	**(13.5)**	**11.4**
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,080.4	-	-	1,080.4
Recoveries from reinsurance	(413.9)	-	-	(413.9)
Total cash flows	**666.5**	**-**	**-**	**666.5**
Closing reinsurance contract assets	2,143.4	166.2	117.1	2,426.7
Closing reinsurance contract liabilities	(404.4)	58.4	12.5	(333.5)
Net reinsurance contract assets at 31 December 2023	**1,739.0**	**224.6**	**129.6**	**2,093.2**

17b Analysis of the liability for remaining coverage and the liability for incurred claims

i) Insurance contracts issued

The tables below analyse insurance contract assets and liabilities between the LRC and the LIC for insurance contracts issued.

	LRC			
	Excluding loss component	Loss component	LIC	Total
31 December 2024	m	m	m	m
Opening insurance contract assets	101.7	-	(0.2)	101.5
Opening insurance contract liabilities	(848.8)	(8.3)	(7,135.1)	(7,992.2)
Net insurance contract liabilities at 01 January 2024	**(747.1)**	**(8.3)**	**(7,135.3)**	**(7,890.7)**
Insurance revenue	5,678.1	-	-	5,678.1
Insurance service expenses:				
- Incurred claims and other directly attributable expenses	(80.8)	-	(3,249.3)	(3,330.1)
- Changes that relate to past service - adjustments to the LIC	-	-	401.2	401.2
- Losses on onerous contracts and reversal of those losses	-	5.1	-	5.1
- Insurance acquisition cash flows amortisation	(1,009.2)	-	-	(1,009.2)
Recognised in insurance service result	**4,588.1**	**5.1**	**(2,848.1)**	**1,745.1**
Finance income/(expenses) from insurance contracts issued	96.7	-	(185.8)	(89.1)
Foreign exchange gains	19.2	-	10.9	30.1
Other amounts recognised in total comprehensive income	**115.9**	**-**	**(174.9)**	**(59.0)**
Premiums received net of insurance acquisition cash flows	(5,148.1)	-	-	(5,148.1)
Claims and other directly attributable expenses paid	-	-	2,558.6	2,558.6
Total cash flows	**(5,148.1)**	**-**	**2,558.6**	**(2,589.5)**
Closing insurance contract assets	52.4	-	(32.2)	20.2
Closing insurance contract liabilities	(1,243.6)	(3.2)	(7,567.5)	(8,814.3)
Net insurance contract liabilities at 31 December 2024	**(1,191.2)**	**(3.2)**	**(7,599.7)**	**(8,794.1)**

	LRC			
	Excluding loss component	Loss component	LIC	Total
31 December 2023	m	m	m	m
Opening insurance contract assets	87.2	-	(3.1)	84.1
Opening insurance contract liabilities	(824.7)	(10.1)	(6,515.0)	(7,349.8)
Net insurance contract liabilities at 01 January 2023	**(737.5)**	**(10.1)**	**(6,518.1)**	**(7,265.7)**
Insurance revenue	5,442.4	-	-	5,442.4
Insurance service expenses:				
- Incurred claims and other directly attributable expenses	(86.3)	-	(2,825.3)	(2,911.6)
- Changes that relate to past service - adjustments to the LIC	-	-	232.0	232.0
- Losses on onerous contracts and reversal of those losses	-	1.8	-	1.8
- Insurance acquisition cash flows amortisation	(914.8)	-	-	(914.8)
Recognised in insurance service result	**4,441.3**	**1.8**	**(2,593.3)**	**1,849.8**
Finance income from insurance contracts issued	70.8	-	(240.1)	(169.3)
Foreign exchange gains/(losses)	4.7	-	(7.6)	(2.9)
Other amounts recognised in total comprehensive income	**75.5**	**-**	**(247.7)**	**(172.2)**
Premiums received net of insurance acquisition cash flows	(4,526.4)	-	-	(4,526.4)
Claims and other directly attributable expenses paid	-	-	2,223.8	2,223.8

Total cash flows	**(4,526.4)**	**-**	**2,223.8**	**(2,302.6)**
Closing insurance contract assets	101.7	-	(0.2)	101.5
Closing insurance contract liabilities	(848.8)	(8.3)	(7,135.1)	(7,992.2)
Net insurance contract liabilities at 31 December 2023	**(747.1)**	**(8.3)**	**(7,135.3)**	**(7,890.7)**

ii) Reinsurance contracts held
The tables below analyse reinsurance contract assets and liabilities between the asset for remaining coverage (ARC) and asset for incurred claims (AIC) for reinsurance contracts held.

31 December 2024	ARC[1] m	AIC m	Total m
Opening reinsurance contract assets	758.4	1,668.3	2,426.7
Opening reinsurance contract liabilities	(1,080.3)	746.8	(333.5)
Net reinsurance contract assets/(liabilities) at 01 January 2024	**(321.9)**	**2,415.1**	**2,093.2**
Allocation of reinsurance premium	(764.9)	-	(764.9)
Amounts recoverable from reinsurers for incurred claims:			
- Effect of changes in the risk of reinsurers' non-performance	-	(1.8)	(1.8)
- Claims recovered	-	516.9	516.9
- Other incurred directly attributable expenses	-	(4.4)	(4.4)
- Changes that relate to past service - adjustments to incurred claims recovery	-	(254.9)	(254.9)
Net expenses from reinsurance contracts held	**(764.9)**	**255.8**	**(509.1)**
Finance (expenses)/income from reinsurance contracts held	(27.3)	60.5	33.2
Foreign exchange losses	(0.9)	(2.4)	(3.3)
Other amounts recognised in total comprehensive income	**(28.2)**	**58.1**	**29.9**
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,254.7	-	1,254.7
Recoveries from reinsurance	-	(499.2)	(499.2)
Total cash flows	**1,254.7**	**(499.2)**	**755.5**
Closing reinsurance contract assets	573.8	2,092.8	2,666.6
Closing reinsurance contract liabilities	(434.1)	137.0	(297.1)
Net reinsurance contract assets at 31 December 2024	**139.7**	**2,229.8**	**2,369.5**

1 Includes loss recovery component of 0.9m at 01 January 2024 and 0.2m at 31 December 2024.

31 December 2023[1]	ARC[2] m	AIC m	Total m
Opening reinsurance contract assets	24.9	2,150.4	2,175.3
Opening reinsurance contract liabilities	(254.7)	93.5	(161.2)
Net reinsurance contract assets/(liabilities) at 01 January 2023	**(229.8)**	**2,243.9**	**2,014.1**
Allocation of reinsurance premium	(1,127.3)	-	(1,127.3)
Amounts recoverable from reinsurers for incurred claims:			
- Effect of changes in the risk of reinsurers' non-performance	-	4.2	4.2
- Claims recovered	-	680.1	680.1
- Other incurred directly attributable expenses	-	(3.6)	(3.6)
- Changes that relate to past service - adjustments to incurred claims recovery	-	(152.2)	(152.2)
Net expenses from reinsurance contracts held	**(1,127.3)**	**528.5**	**(598.8)**
Finance (expenses)/income from reinsurance contracts held	(40.9)	56.8	15.9
Foreign exchange losses	(4.3)	(0.2)	(4.5)
Other amounts recognised in total comprehensive income	**(45.2)**	**56.6**	**11.4**
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,080.4	-	1,080.4
Recoveries from reinsurance	-	(413.9)	(413.9)
Total cash flows	**1,080.4**	**(413.9)**	**666.5**
Closing reinsurance contract assets	758.4	1,668.3	2,426.7
Closing reinsurance contract liabilities	(1,080.3)	746.8	(333.5)
Net reinsurance contract assets/(liabilities) at 31 December 2023	**(321.9)**	**2,415.1**	**2,093.2**

1 A presentational error was identified in the version of this disclosure included in the 2023 Annual Report and Accounts. The disclosure above has been restated to correct these errors. There was no impact to the carrying value of any item in the statement of financial position, amounts recognised through the income statement or the opening and closing balances in this disclosure. Certain amounts had been incorrectly classified between the asset for incurred claims and the asset for remaining coverage. Specifically: an allocation of reinsurance premium of 763.5m had been classified as a movement in the AIC when it should have been included in the ARC; movement in the ARC of 1.3m for the effect of changes in the risk of reinsurers non-performance, 767.1m for claims recovered and 0.5m for other directly attributable expenses should have been included as movements relating to amounts recoverable from reinsurers in the AIC; and 1.8m relating to foreign exchange is consequently required to be recognised as a movement in AIC, not the ARC.

2 Includes loss recovery component of 3.8m at 01 January 2023 and 0.9m at 31 December 2023.

17c New business
i) Impact of insurance contracts issued in the year

The following tables show the impact of new insurance contracts issued in the period. These are broken down by contracts which were/were not deemed to be onerous on initial recognition.

	Non-onerous contracts originated	Onerous contracts originated	Total

Year ended 31 December 2024	m	m	m
Estimated present value of future cash outflows:			
- Insurance acquisition cash flows	(949.7)	(20.7)	(970.4)
- Claims and other directly attributable expenses	(2,864.4)	(61.5)	(2,925.9)
Estimated present value of future cash inflows	4,890.2	85.9	4,976.1
Risk adjustment for non-financial risk	(259.7)	(9.0)	(268.7)
Contractual service margin	(816.4)	-	(816.4)
Net increase in insurance contract liabilities	**-**	**(5.3)**	**(5.3)**

	Non-onerous contracts originated	Onerous contracts originated	Total
Year ended 31 December 2023	m	m	m
Estimated present value of future cash outflows:			
- Insurance acquisition cash flows	(759.3)	(68.1)	(827.4)
- Claims and other directly attributable expenses	(2,489.8)	(176.7)	(2,666.5)
Estimated present value of future cash inflows	4,115.0	249.1	4,364.1
Risk adjustment for non-financial risk	(249.3)	(14.9)	(264.2)
Contractual service margin	(616.6)	-	(616.6)
Net increase in insurance contract liabilities	**-**	**(10.6)**	**(10.6)**

ii) Impact of reinsurance contracts held in the year
The following table shows the impact of new reinsurance contracts initially recognised in the period which were not deemed to originate with a loss recovery component. Contracts originating with a loss recovery component were 0.3m (2023: 0.3m).

	2024	2023
	m	m
Estimated present value of future cash outflows	(1,035.3)	(1,253.5)
Estimated present value of future cash inflows	536.4	817.2
Risk adjustment for non-financial risk	96.6	84.2
Contractual service margin	402.3	352.1
Net increase in reinsurance contract assets	**-**	**-**

17d Future CSM release
The tables below show when the Group expects to release the closing CSM to the profit or loss in appropriate future time bands. It is presented for both insurance contracts issued and reinsurance contracts held.

	2024	2023
Insurance contracts issued	m	m
Number of years until expected to be recognised		
1	421.7	299.0
2	20.1	14.7
3	13.6	10.5
4	8.7	7.6
5	5.5	5.1
6-10	10.9	7.1
Total	**480.5**	**344.0**

	2024	2023
Reinsurance contracts held	m	m
Number of years until expected to be recognised		
1	151.7	118.7
2	49.7	3.7
3	26.2	2.6
4	2.5	1.8
5	1.4	1.2
6-10	3.1	1.6
Total	**234.6**	**129.6**

17e Claims development
The following tables show the estimates of cumulative ultimate claims for each successive underwriting year from six years prior to the reporting date, reconciled back to LIC. This information has been provided on a gross of reinsurance basis and separately for reinsurance contracts held. Claims development information has only been disclosed from the 2019 underwriting year onward (being five years before the end of the annual reporting period in which IFRS 17 was first applied by the Group). In the below tables, historic periods have been revalued using current exchange rates. The cumulative estimate of claims and recoveries comprise expected claims, reinsurance recovery cash flows and directly attributable expenses. It does not include the risk adjustment, premiums or acquisition costs.

				Underwriting year			
Insurance contracts issued	2019	2020	2021	2022	2023	2024	Total
2024	m	m	m	m	m	m	m
At end of underwriting year	1,711.5	2,309.2	2,696.2	3,122.6	3,110.9	3,403.8	
1 year later	2,207.2	2,696.9	2,968.1	3,036.1	3,215.1		
2 years later	2,240.9	2,804.3	2,787.7	2,912.8			
3 years later	2,237.1	2,652.0	2,620.0				
4 years later	2,228.1	2,582.6					
5 years later	2,258.2						
Cumulative gross estimate of claims	2,258.2	2,582.6	2,620.0	2,912.8	3,215.1	3,403.8	16,992.5
Cumulative payments to date	(1,871.3)	(1,982.9)	(1,615.0)	(1,405.8)	(1,105.7)	(254.1)	(8,234.8)
Carrying amount relating to 2018 and prior underwriting years							752.1
Less liability for remaining coverage							

Less liability for remaining coverage claims only	(1,923.7)
Impact of discounting (LIC)	(666.6)
LIC risk adjustment for non-financial risk	680.2
Gross discounted LIC	**7,599.7**

				Underwriting year			
Reinsurance contracts held	2019	2020	2021	2022	2023	2024	Total
2024	m	m	m	m	m	m	m
At end of underwriting year	(290.6)	(455.6)	(699.3)	(932.5)	(519.8)	(472.9)	
1 year later	(412.4)	(635.6)	(708.1)	(882.8)	(553.1)		
2 years later	(377.0)	(701.1)	(707.8)	(841.2)			
3 years later	(396.1)	(578.1)	(647.6)				
4 years later	(424.9)	(586.9)					
5 years later	(468.0)						
Cumulative gross estimate of claims recoveries	(468.0)	(586.9)	(647.6)	(841.2)	(553.1)	(472.9)	(3,569.7)
Cumulative payments to date	315.3	411.6	253.8	159.3	55.2	9.5	1,204.7
Carrying amount relating to 2018 and prior underwriting years							(305.2)
Less asset for remaining coverage claims only							394.3
Impact of discounting (AIC)							186.9
AIC risk adjustment for non-financial risk							(140.8)
Reinsurance discounted AIC							**(2,229.8)**

18 Subsequent events

The Group is exposed to the California Wildfires which occurred in January 2025. Our initial estimates expect a net claims impact of around 80m (unaudited).

On 3 March 2025, the Board of Beazley plc approved a share buyback of its ordinary shares for up to a maximum aggregate consideration of 500m which is expected to commence on 5 March 2024. The buyback will reduce the Group's net asset value by approximately 500m.

For details of dividends declared after the end of the reporting period please refer to Note 12.

Alternative performance measures (APMs)

Beazley plc uses APMs to help explain its financial performance and position. These measures are not defined under IFRS. The Group is of the view that the use of these measures enhances the usefulness of our financial reporting and allows for improved comparison with industry peers.

Information on APMs used by the Group is set out below. Unless otherwise stated, amounts are disclosed in millions of dollars (m).

Insurance written premiums & net insurance written premiums
Insurance written premiums (m) is calculated by deducting the reinstatement premiums and profit commissions from the gross premiums written. Net insurance written premiums (m) is calculated by adding insurance ceded premiums to this result. These APMs represent management's view of premiums written in each period. The primary difference between insurance written premiums and insurance revenue relates to the deferral and earning of income over the period in which coverage is provided.

	2024	2023
	m	m
Insurance written premiums[1]	6,164.1	5,601.4
Earnings adjustment	(486.0)	(159.0)
Insurance revenue	**5,678.1**	**5,442.4**

	2024	2023
	m	m
Insurance ceded premiums[1]	(1,011.8)	(905.2)
Earnings adjustment	246.9	(222.1)
Allocation of reinsurance premiums	**(764.9)**	**(1,127.3)**

	2024	2023
	m	m
Insurance written premiums[1]	6,164.1	5,601.4
Add insurance ceded premiums	(1,011.8)	(905.2)
Net insurance written premiums	**5,152.3**	**4,696.2**

[1]Beazley Staff Underwriting Limited's participation in syndicate 623 at Lloyd's, is now fully consolidated within the Group accounts on a line by line basis due to an increase in materiality. Excluding the impact of this consolidation of premium, growth for the year would have been 8.5% on a gross basis and 8.2% on a net basis.

Contractual Service Margin (CSM) sustainability index

The CSM reflects the expected profit of contracts within the liability for remaining coverage. The sustainability index ratio is calculated by dividing the closing CSM at 31 December by the opening CSM at 1 January. A ratio of 1 and above shows that the expected profit within the LRC is higher than the previous valuation.

	Gross 2024	Net 2024	Gross 2023	Net 2023
Closing CSM	480.5	245.9	344.0	214.4
Divided by opening CSM	344.0	214.4	341.0	183.7
CSM sustainability index	**1.40**	**1.15**	**1.01**	**1.17**

Claims, expense & combined ratios
Claims ratio (%) is calculated as insurance service expenses less directly attributable expenses, net of reinsurance recoveries, divided by insurance revenue net of reinsurance ceded revenue. Expense ratio (%) is calculated as the sum of insurance acquisition cash flows amortisation and other directly attributable expenses, divided by insurance revenue net of reinsurance ceded revenue. Combined ratio (%) is calculated as insurance service expenses net of reinsurance recoveries, divided by the insurance revenue net of reinsurance ceded revenue. This is also the sum of the claims and expense ratios. The combined ratio below is shown both before and after the impact of discounting.

	2024	2023
Insurance service expenses (m)	3,933.0	3,592.6
Less directly attributable expenses (m)[1]	(1,558.1)	(1,362.6)
Amounts recoverable from reinsurers for incurred claims (m)	(255.8)	(528.5)
Net claims (m)	2,119.1	1,701.5
Insurance revenue (m)	5,678.1	5,442.4
Allocation of reinsurance premium (m)	(764.9)	(1,127.3)
Divided by net insurance revenue (m)	4,913.2	4,315.1
Claims ratio	**43.1%**	**39.4%**
Directly attributable expenses (m)[1]	1,558.1	1,362.6
Divided by net insurance revenue (m)	4,913.2	4,315.1
Expense ratio	**31.7%**	**31.6%**
Combined ratio	**74.8%**	**71.0%**
Removal of impact of discounting	4.2%	3.0%
Combined ratio (undiscounted)	**79.0%**	**74.0%**

1 Directly attributable expenses are comprised of insurance acquisition cash flows amortisation, other directly attributable expenses, and reinsurers' share of expenses and other amounts per Note 2.

Net assets per share & net tangible assets per share
Net assets per share ("NAVps") is the ratio (in pence and cents) calculated by dividing the net assets or total equity of the Group by the number of shares in issue at the end of the period, excluding those held by the employee benefits trust. Net tangible assets per share excludes intangible assets from net assets in the above calculation.

	2024	2023
Net assets (m)	4,606.8	3,882.1
Less intangible assets (m)	(198.0)	(165.3)
Net tangible assets (m)	4,408.8	3,716.8
Divided by the shares in issue at the period end (millions)[1]:	629.9	662.7
Net assets per share (cents)	**731.4**	**585.8**
Net tangible assets per share (cents)	**699.9**	**560.9**
Converted at spot rate:	0.78	0.80
Net assets per share (pence)	**570.5**	**468.6**
Net tangible assets per share (pence)	**545.9**	**448.7**

1 Shares in issue at the period end exclude those held by the employee benefits trust of 9.1m (2023: 9.8m).

Net assets per share growth
Net assets per share growth (%) is calculated as the NAVps at the end of the reporting period ("closing"), less the NAVps five years prior to the start of the reporting period ("opening"), divided by the NAVps at opening. The NAVps has been calculated on an IFRS 17 basis for the 2022 and subsequent periods, and on an IFRS 4 basis for the 2021 and prior periods.

	2024	2023
Net assets per share (cents) at opening	309.6	280.4
Net assets per share (cents) at closing	731.4	585.8
Movement	**421.8**	**305.4**
Net assets per share growth (%)	**136%**	**109%**

Return on equity ("ROE")
Return on equity (%) is calculated by dividing the consolidated profit after tax by the average equity for the period (using an average of the opening and closing equity positions).

	2024	2023
Profit after tax (m)	1,130.3	1,026.8
Divided by average total equity (m)	4,244.5	3,418.6
Return on equity	**26.6%**	**30.0%**

Average return on equity
Average return on equity (%) is calculated as the straight average of the ROE over a period of five and ten years years from the end of the reporting period. The ROE has been calculated on an IFRS 17 basis for the 2022 and subsequent periods, and on an IFRS 4 basis for the 2021 and prior periods.

	2024	2023
31 December 2014	-%	17.0%
31 December 2015	19.0%	19.0%
31 December 2016	18.0%	18.0%
31 December 2017	9.0%	9.0%
31 December 2018	5.0%	5.0%
31 December 2019	15.0%	15.0%
31 December 2020	(3.0)%	(3.0)%
31 December 2021	16.0%	16.0%
31 December 2022	19.0%	19.0%
31 December 2023	30.0%	30.0%
31 December 2024	26.6%	-%
Average ROE over 5 years	**17.7%**	**15.4%**
Average ROE over 10 years	**15.5%**	**14.5%**

Investment return
Investment return (%) is calculated by dividing the net investment income by the average financial assets at fair value and cash and cash equivalents held by the Group over the period.

	2024	2023
Net investment income (m)	574.4	480.2
Opening invested assets:		
Financial assets at fair value (m)	9,665.5	8,345.6
Cash and cash equivalents (m)	812.3	652.5
Invested assets at the beginning of the period (m)	**10,477.8**	**8,998.1**
Closing invested assets:		
Financial assets at fair value (m)	10,610.6	9,665.5
Cash and cash equivalents (m)	882.1	812.3
Invested assets at the end of the period: (m)	**11,492.7**	**10,477.8**
Divided by average invested assets (m)	**10,985.3**	**9,738.0**
Investment return	**5.2%**	**4.9%**

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