

# Financial Condition Report

## 2025 Year End

International General Insurance Co. Ltd.



## Table of Contents

<b>Summary</b> .....	<b>3</b>
<b>Forward-Looking Statements</b> .....	<b>5</b>
<b>A. Business and Performance</b> .....	<b>6</b>
A.1. The Insurer .....	6
A.2. Supervisor .....	6
A.3. Approved Auditors.....	6
A.4. Ownership Structure .....	7
A.5. Group Structure.....	9
A.6. Underwriting Performance .....	9
A.7. Investment Performance .....	11
A.8. Any Other Material Information .....	13
<b>B. Governance Structure</b> .....	<b>14</b>
B.1. Board and Senior Executives.....	15
B.2. Fitness and Proprietary Requirements .....	20
B.3. Risk Management and Solvency Self-Assessment .....	25
B.4. Internal Controls .....	29
B.5. Internal Audit .....	30
B.6. Actuarial Function .....	31
B.7. Organization Structure .....	31
B.8. Outsourcing .....	31
B.9. Other Material Information .....	32
<b>C. Risk Profile</b> .....	<b>33</b>
C.1. Material Risks the Insurer is exposed to in the Period.....	33
C.2. Risk Mitigation in the Organization.....	33
C.3. Material Risk Concentrations .....	37
C.4. Investment in Assets in Accordance with the Prudent Person Principles.....	37
C.5. Stress Testing and Sensitivity Analysis to Assess Material Risks .....	38
<b>D. Solvency Valuation</b> .....	<b>39</b>
D.1. Valuation Bases, Assumptions and Methods to Derive the Value of Each Asset Class .....	39
D.2. Valuation Bases, Assumptions and Methods to Derive the Value of Technical Provisions.....	41
D.3. Description of Recoverables from Reinsurance Contracts .....	45
D.4. Valuation Bases, Assumptions and Methods to Derive the Value of Other Liabilities.....	46
D.5. The amounts held under U.S. GAAP measurement principles are deemed to be approximations to fair value. Any Other Material Information .....	46
<b>E. Capital Management</b> .....	<b>47</b>
E.1. Eligible capital .....	47
E.2. Regulatory Capital Requirements .....	49
E.3. Approved Internal Capital Model.....	49
<b>F. Declaration</b> .....	<b>50</b>

## Summary

The purpose of this Financial Condition Report ('FCR') is to provide stakeholders with information to enable an informed assessment on how International General Insurance Co. Ltd. ('the Company' or 'IGI Bermuda'), which is a Bermuda Monetary Authority ('BMA') licensed business, is run in a prudent manner. This FCR is prepared in accordance with the requirements of the Bermuda Insurance (Public Disclosure) Rules 2015, as may be amended from time to time.

This report relates to IGI Bermuda for the year ended 31 December 2025.

The FCR contains qualitative and quantitative information in relation to the business and performance of the Company, its governance structure, risk profile, solvency valuation and capital management, and subsequent events post year ended 31 December 2025. The FCR is required by law to be published on the website of the submitting entity.

### Business and Performance

The Company delivered Gross Written Premium ('GWP') of US\$666.7m (2024: US\$700.1m). Net loss and loss adjustment expenses for 2025 were almost flat at US\$215.8m and underwriting income of US\$123.9m was 16.6% lower than 2024.

The change in GWP was primarily driven by 18.2% and 3.1% decrease in the Specialty Long-tail and Short-tail segments, respectively, partially offset by a 20.1% increase in the Reinsurance segment. The year-over-year decrease in GWP was predominantly related to the non-renewal of a large professional indemnity binder in our Long-tail portfolio.

The net investment return for 2025 was 4.8% versus 4.5% for 2024. Income from the fixed income portfolio increased during 2025 primarily due to an increase in total assets and relatively stable interest rates. Return on the equity portfolio was higher in 2025 compared to 2024 and was primarily due to a higher level of realised gains recorded in 2025 compared to 2024.

### Governance Structure

The Company maintains an efficient and sound organisational structure commensurate with the nature, scale and complexity of its business and its operational requirements. The governance structure is based on well-defined lines of responsibility ('three lines of defence') spanning front line business functions, risk, compliance and internal audit functions with oversight exercises by the IGI Bermuda Board to provide independent guidance, oversight and effective challenge.

The IGI Bermuda officers and senior management consists of experienced insurance industry professionals with extensive international market experience and long histories of success in their respective specialist areas.

### Risk Profile

The Company's risk universe encompasses those intrinsic risks that are fundamental to the Company, operational risks (that may crystallise either independently of, or be correlated with the intrinsic 'core' and 'non-core' risks as defined below) and those more subjective yet nevertheless important sources of risk such as Strategic, Group, Reputational, Environmental, Social and Governance ('ESG') and Emerging risks.

Intrinsic risk includes those 'core' risks that the Company actively pursues in order to optimise risk adjusted return including Underwriting and Investment risks, and 'non-core' risks that are a necessary consequence of our

business but have little or no potential to generate a return, such as Currency risk, Reserving risk, Liquidity risk and Credit risk.

Operational risk differs from the core and non-core categories in that its subject matter is not limited to the intrinsic riskiness and 'random' uncertainty surrounding our core business, but rather the specific risk of losses arising from inadequate or failed internal processes, people, systems, or external events. As a result, its impact can crystallise both as a specific loss event in its own right (e.g. the imposition of a fine) or by exacerbating the level of risk crystallising primarily through one of the other risk categories (e.g. a catastrophe loss exceeding the level expected and not contained within our reinsurances due to inaccurate coding of risk data).

Strategic, Group, Reputational, ESG and Emerging risks may not have the potential to impact current period volatility and / or loss capital that drives our quantitative modelling, but are nonetheless important in terms of IGI Group's ability to generate and sustain shareholder value, and therefore are considered through the Risk and Capital Management Framework ('RCMF') and Commercial Insurer Solvency Self-Assessment ('CISSA') process. Therefore, the Company's risk management approach focuses on understanding and assessing these risks, and enabling an evaluation of possible impacts that in turn guides the formulation of preparedness and response plans.

#### Solvency Valuation

Section D provides details of the valuation bases, assumptions, and methods to derive the value of each asset class. The section also provides a reconciliation of amounts reported in total assets and liabilities under the Statutory Financial Statements against the U.S. Generally Accepted Accounting Principles ("U.S. GAAP") financial statements.

Section D.2 also provides the valuation bases, assumptions, and methods to derive the value of Technical Provisions. The risk margin has been considered to ensure that the value of the Technical Provisions is equivalent to the amount that would be expected to be paid to a third-party insurance company in order to take over and meet the insurance obligations.

#### Capital Management

The Company uses the standard Bermuda Solvency Capital Requirement ('BSCR') model to assess the Enhanced Capital Requirement ('ECR'). IGI Bermuda (Consolidated) Statutory Economic Capital and Surplus of US\$685.0m provided US\$404.9m of headroom over its BSCR (a Solvency II equivalent measure), resulting in a 245% solvency ratio at 2025 year-end.

## Forward-Looking Statements

This financial condition report contains “forward-looking statements” within the meaning of the “safe harbour” provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the business of IGI may differ from its actual results and, consequently, you should not rely on forward-looking statements as predictions of future events. Words such as “ability,” “aim,” “impact,” “seek,” “strategy,” “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predict,” “potential,” “continue,” “commitment,” “able,” “success” and similar expressions are intended to identify such forward-looking statements. Forward-looking statements contained in this financial condition report may include, but are not limited to, our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, the outcome of our strategic initiatives, our expectations regarding other market conditions, and our growth prospects.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of the control of IGI and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) changes in demand for IGI’s services together with the possibility that IGI may be adversely affected by other economic, business, and/or competitive factors globally and in the regions in which it operates; (2) competition, the ability of IGI to grow and manage growth profitably, and IGI’s ability to retain its key employees; (3) changes in applicable laws or regulations; (4) the outcome of any legal proceedings that may be instituted against the Company; (5) the effects of the hostilities between Russia and Ukraine and the sanctions imposed on Russia by the United States, European Union, United Kingdom (“UK”) and others, and the effects of military conflicts in the Middle East, including the hostilities among Iran, Israel and the United States; (6) the inability to maintain the listing of the Company’s common shares on the Nasdaq Capital Market (“Nasdaq”); and (7) other risks and uncertainties indicated in IGI’s filings. The foregoing list of factors is not exclusive.

In addition, forward-looking statements are inherently based on various estimates and assumptions that are subject to the judgment of those preparing them and are also subject to significant economic, competitive, industry and other uncertainties and contingencies, all of which are difficult or impossible to predict and many of which are beyond the control of IGI. There can be no assurance that IGI’s financial condition or results of operations will be consistent with those set forth in such forward-looking statements. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. IGI does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based except to the extent that it is required by law.

## A. Business and Performance

### A.1. The Insurer

This report relates to International General Insurance Co. Ltd. ('the Company' or 'IGI Bermuda').

The Company is a limited liability company registered and incorporated in Bermuda under the Companies Act of 1981 and licensed as a Class 3B insurer by the BMA to write a range of specialty classes of general insurance and reinsurance business.

### A.2. Supervisor

The Company is supervised by the BMA as detailed below. Subsidiaries of the Company are subject to local supervision in their respective jurisdictions as detailed in Section A.5 below.

#### **Bermuda Monetary Authority**

BMA House  
43 Victoria Street  
Hamilton HM 12  
Bermuda

### A.3. Approved Auditors

#### **BMA Supervisory Reporting**

Ernst & Young Ltd  
3 Bermudiana Road  
Hamilton HM 08  
Bermuda

#### **US GAAP Accounts**

Ernst & Young LLP  
25 Churchill Place,  
Canary Wharf,  
London, E14 5RE,  
United Kingdom

#### A.4. Ownership Structure

The International General Insurance Holdings Ltd. ('IGI Group') commenced operations in March 2002 and has prudently grown its business with a focus on underwriting profitability and risk-adjusted shareholder returns. The Group's business is broadly diversified by line of business. We have exposure in over 200 countries and territories in both mature and high-growth markets with attractive growth rates. Through our global platform with presence in various geographic locations, we have differentiated access to profitable niche businesses in our core markets, including the UK, continental Europe, Central and South America, the Middle East and Africa. In addition, effective 1 January 2025, the BMA confirmed its appointment as the Group Supervisor for IGI Group and designated IGI Bermuda as the Designated Insurer.

The Group and its regulated subsidiaries currently hold an "A" (Excellent) rating with a stable outlook from A.M. Best Inc. ('A.M. Best'), and in 2025 S&P Global Ratings ('S&P') upgraded their financial strength rating to "A" from "A-", also with a stable outlook.

IGI Group founded in 2019, is a non-regulated holding company registered and domiciled in Bermuda. IGI Group serves the principal holding company of the group and is listed on the Nasdaq stock exchange in New York.

International General Insurance Holdings Limited ('IGIH') is a non-regulated holding company registered and domiciled in the Dubai International Financial Centre ('DIFC') which was founded in 2006. IGIH acted as a holding company of the group until 2020 when it became a subsidiary of IGI Group.

IGI Bermuda is a Class 3B insurer regulated by the BMA and acts as the principal underwriting entity for IGI Group.

IGI Underwriting / Jordan 'Exempted' ('IGIU') is subject to the regulation of the Insurance Supervision Department of Central Bank of Jordan. It provides management, underwriting and operational support for all the subsidiaries of the IGI Group. It is a wholly owned subsidiary of IGIH.

International General Insurance Company (UK) Limited ('IGI UK') is a non-life insurance undertaking, based in London, and authorised by the Prudential Regulation Authority ('PRA') and regulated by the PRA and Financial Conduct Authority ('FCA'). IGI UK serves as an important point of contact for brokers based in London. It is a wholly owned subsidiary of IGI Bermuda.

North Star Underwriting Limited ('NSUL') is a specialty underwriting agency for writing marine liability and trade, war and special risks policies and which is based alongside IGI UK in its London office. North Star is currently not transacting any business; however, it retains FCA authorization.

International General Insurance Company (Europe) Ltd. ('IGI Europe') is a non-life insurance company incorporated in Malta and authorised by the Malta Financial Services Authority ('MFSA') to carry on the business of insurance and reinsurance in accordance with the Insurance Business Act (Cap 403 of the Laws of Malta). It is a wholly owned subsidiary of IGI Bermuda.

International General Insurance Co. Ltd. - Labuan Branch ('IGI Labuan'), is registered as a foreign offshore company of IGI Bermuda in Labuan in accordance with the Offshore Companies Act 1990. IGI Labuan is classified as a second-tier reinsurer and regulated by the Labuan Financial Services Authority ('LFSA'). It acts as an offshore capitalised branch of IGI Bermuda. It is also licensed to issue Islamic law-compliant re-takaful policies. IGI Labuan is supported by a marketing office in Kuala Lumpur.

International General Insurance Company (Dubai) Ltd ('IGI Dubai') is regulated by the Dubai Financial Services Authority ('DFSA') as Insurance Intermediation and Insurance Management. IGI Dubai acts as an

intermediary and agent of IGI Bermuda, underwriting a number of classes as an underwriting agent of IGI Bermuda.

International General Insurance Co. Ltd. – Representative Office ('IGI Casablanca') acts as the representative office of IGI Bermuda in Casablanca, which is regulated by Casablanca Finance City. Our Casablanca operations constitute our Africa hub and provide access to Northern, Central and West African markets.

IGI Nordic AS ('IGI Nordic') is a Norway-based managing general agency writing a portfolio of energy in Norway on behalf of IGI Bermuda. IGI Nordic also has a binding authority agreement with IGI Europe that allows it to underwrite business on behalf of IGI Europe. IGI Nordic is a subsidiary of IGI Bermuda.

IGI Services Ltd. was established in the Cayman Islands in October 2016 and is engaged in the business of owning and chartering of aircraft. IGI Services Ltd is a wholly owned subsidiary of IGI Bermuda.

Specialty Malls Investments Co. is a limited liability company registered and incorporated on August 2004 under the Jordanian Companies Law No. (22) of 1997. Its office is located in Jordan and the main business objectives of the company are developing and leasing of real estate properties. The Company is a wholly owned subsidiary of IGI Bermuda.

#### *Ownership and Shareholdings*

The following shareholdings of more than 10% in IGI Group are provided in the table below:

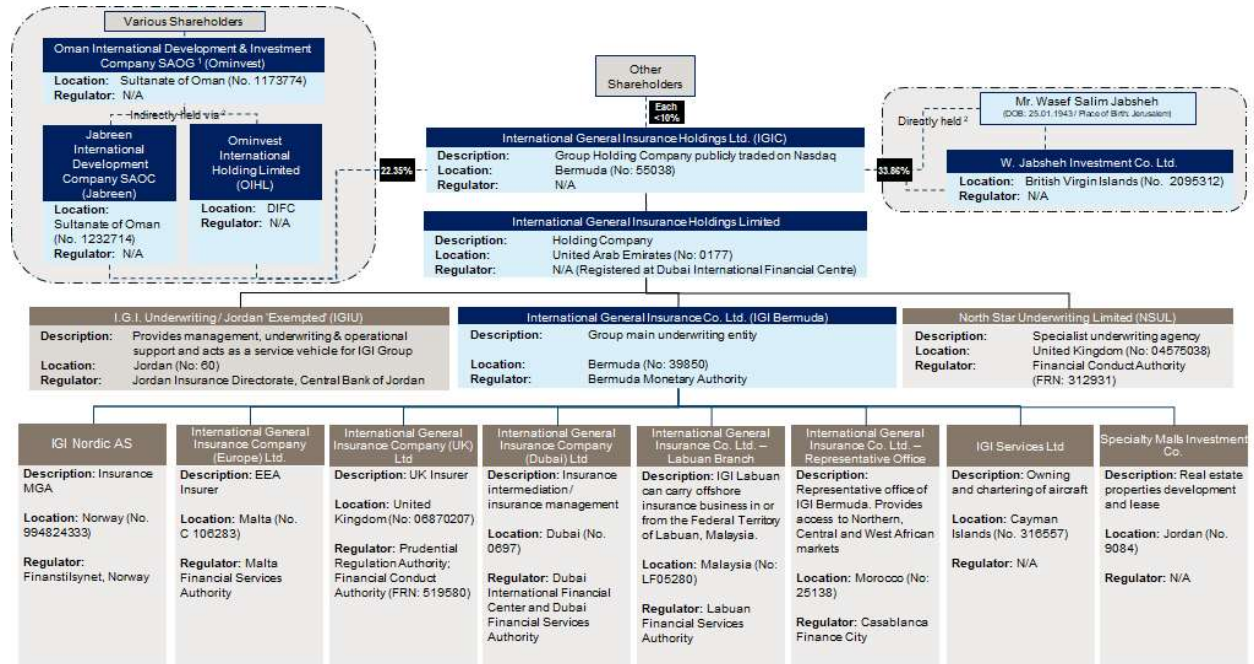
Shareholder	% Holding (Note 1)
Wasef Salim Jabsheh <sup>(Note 2)</sup>	33.9
Oman International Development and Investment Company SAOG (through its subsidiaries Jabreen Capital and Omnivest International Holding Limited)	22.3

Note 1 - The % Holding consists of common shares only.

Note 2 - As of December 31, 2025, Wasef Salim Jabsheh's beneficial ownership of 14,508,631 common shares included 148,780 restricted shares for which he has the right to vote, of which 88,410 vest on January 2, 2026, 45,141 vest on January 2, 2027, and 15,230 vest on January 2, 2028.

### A.5. Group Structure

The following 2025 year-end chart shows the Group Structure including the fully owned subsidiaries of the Company and their respective local regulators:



### A.6. Underwriting Performance

The IGI Group has adopted a strategy focused on careful and disciplined underwriting philosophy since inception, which it continues to develop and enhance with continuous emphasis on specialty lines.

The IGI Group focuses on the profitability of the policies that it underwrites rather than on volume of business, relying on a team of experienced underwriters with strong, long-standing relationships with brokers and reinsurers.

The underwriting performance of IGI Bermuda by line of business and financial reporting segment, and geographical region for the years ended on 31 December 2025 and 2024 is provided below:

*Underwriting Performance by Business Segment*

<i>US\$'000</i>	Gross written premiums 2025	Concentration Percentage %	Gross written premiums 2024	Concentration Percentage %
<b>Specialty Short-tail:</b>	<b>399,441</b>	<b>60</b>	<b>412,335</b>	<b>59</b>
Energy	137,973	21	144,681	21
Property	97,495	15	102,185	15
Ports & Terminals	32,550	5	35,967	5
Construction & Engineering	51,574	8	55,162	8
Aviation	10,186	1	14,002	2
Political Violence	14,419	2	16,380	2
Marine Cargo	21,338	3	18,325	2
Contingency	33,906	5	25,633	4
<b>Specialty Long-tail:</b>	<b>167,097</b>	<b>25</b>	<b>204,428</b>	<b>29</b>
Casualty	139,994	21	181,278	26
Financial Institutions	16,306	2	18,401	2
Marine Liability	9,889	2	5,749	1
Inherent Defects Insurance	908	-	(1,000)	-
<b>Reinsurance</b>	<b>100,171</b>	<b>15</b>	<b>83,383</b>	<b>12</b>
<b>Total</b>	<b>666,709</b>	<b>100</b>	<b>700,146</b>	<b>100</b>

*Underwriting Performance by Geographical Region*

<i>US\$'000</i>	Gross written premiums 2025	Concentration Percentage %	Gross written premiums 2024	Concentration Percentage %
Africa	27,056	4	31,555	4
Asia	81,216	12	78,373	11
Australasia	21,879	3	19,304	3
Caribbean Islands	23,070	3	27,610	4
Central America	23,449	4	24,900	4
Europe	94,038	14	86,737	12
Middle East	55,699	9	69,861	10
North America	116,040	17	118,145	17
South America	24,500	4	19,389	3
United Kingdom	131,552	20	170,878	24
Worldwide	68,210	10	53,394	8
<b>Total</b>	<b>666,709</b>	<b>100</b>	<b>700,146</b>	<b>100</b>

### Underwriting Results

GWP decreased to US\$666.7m in 2025 from US\$700.1m in 2024, representing decline of 4.8% from previous year. The net written premiums for 2025 of US\$457.6m were 6.5% lower than 2024 whilst net earned premiums also decreased by 6.1%. Net acquisition costs as a percentage of net earned premium were 25.1% for 2025 compared to 24.5% for 2024. Net loss and loss adjustment expenses for 2025 were almost flat with 2024 at US\$215.8m and underwriting income of US\$123.9m was 16.6% lower than 2024.

US\$'000	2025 Year End	2024 Year End	Variance
Gross Written Premiums	666,709	700,146	4.8%
Net Written Premiums	457,603	489,549	(6.5%)
Net Earned Premiums	453,806	483,130	(6.1%)
Net Acquisition Cost	114,092	118,424	(3.4%)
Net Loss and Loss Adjustment expenses	215,782	216,112	0.2%
Underwriting Income	123,932	148,594	(16.6%)
Net Policy Acquisition Expense Ratio	25.1%	24.5%	
Net Loss Ratio	47.6%	44.7%	

- The change in GWP was primarily driven by 18.2% and 3.1% decrease in the Specialty Long-tail and Short-tail segments, respectively, partially offset by a 20.1% increase in the Reinsurance segment. The year-over-year decrease in GWP was predominantly related to the non-renewal of a large professional indemnity binder in our Long-tail portfolio.
- Net Earned Premiums decreased by 6.1% to US\$453.8m in 2025 from US\$483.1m in 2024.
- The Net Policy Acquisition Expense ratio was 25.1% for 2025 year-end versus 24.5% in 2024.
- On a comparative basis, the Net Loss Ratio was 47.6% in 2025 compared to 44.7% in 2024. This was primarily driven by lower net earned premiums on comparative basis.

### A.7. Investment Performance

#### Investment Portfolio Composition

The Company maintains a highly liquid portfolio comprised primarily of fixed income securities and bank deposits (including time, call and demand deposits), which represented over 97% of total invested assets as at 31 December 2025. A summary of the investment portfolio by asset class as at 31 December 2025 is below:

#### Investment Portfolio by Asset Class

US\$'000	IGI Bermuda Consolidated Carrying Values	Composition %	IGI Group Carrying Values	Composition %
Fixed Income Securities	1,066,261	80.86	1,066,261	80.74
Bank Deposits	215,417	16.34	217,354	16.46
Equities	34,646	2.63	34,646	2.62
Real Estate	2,408	0.18	2,408	0.18
<b>Total</b>	<b>1,318,732</b>	<b>100.00</b>	<b>1,320,669</b>	<b>100.00</b>

IGI Bermuda has a conservative investment philosophy, and asset allocation is set by IGI Group's Investment Committee.

The Company tends not to change its investment mix in response to short-term factors. During 2025, the Company maintained a diversified portfolio of high-quality fixed income securities, bank deposits and a modest allocation to equities and alternative investments (real estate).

IGI Group uses a panel of high-quality, third-party investment bankers acting as custodians, brokers, traders and at times advisors who assist in implementing the investment strategy. IGI Group's Vice President – Investments is responsible for implementing the investment strategy and routinely monitors the portfolio to ensure that these parameters are being met and the portfolio is performing appropriately with further independent oversight provided by the Investment Committee and the Risk Management function.

#### *Investment Portfolio Performance*

The following table shows the composition of the net investment income by asset class achieved in 2025 and 2024:

<b>Investment by Asset Class</b>	<b>2025 Year End Net Investment Income</b>	<b>2024 Year End Net Investment Income</b>
Fixed Income Securities	46,136	38,137
Bank deposits	8,144	12,676
Equity Securities	5,560	4,645
Alternative Assets	453	(1,567)
<b>Total US\$'000</b>	<b>60,353</b>	<b>53,891</b>

The net investment return (excluding unrealized gains and losses on available for sale fixed income securities) was 4.8% in 2025, compared to 4.5% in 2024. Returns on bank deposits decreased in 2025 due to lower interest rates and less assets held in these instruments. The return on the fixed income securities increased marginally during 2025. Returns on alternative assets which includes only real estate, increased from 2024 due to an ease of political and economic uncertainties in the Lebanese real estate market. Equity portfolio returns in 2025 were modestly higher than in 2024, primarily due to a greater level of net realised gains in 2025.

#### *Other material Income & Expenses*

The main sources of income and expense outside of underwriting results are general & administrative expenses and other expenses, change in allowance for expected credit losses on receivables, investment income and foreign exchange gains and losses as summarised below:

<b>US\$'000</b>	<b>2025</b>	<b>2024</b>
General & Administrative Expenses	(56,015)	(53,984)
Net Other Income/(Expenses)	284	(3,023)
Change in Allowance for Expected Credit Losses on Receivables	(856)	(1,482)
Total Investment Income	60,353	53,891
Forex (Loss) Gain	8,123	(8,138)
<b>Net Income before tax</b>	<b>135,843</b>	<b>135,858</b>

- An increase in general & administrative expenses from last year was primarily due to an increase in human resource and IT/software costs.
- Net Other Income/(Expenses) include items such as corporate expenses and sundry interest income.
- The decrease in the allowance for expected credit losses ('ECL') on receivables from \$1.5m in 2024 to US\$0.9m in 2025 was primarily due to the decrease in over 365 days due receivables which carry 100% of ECL allowance.
- Net foreign exchange gain for the 2025 year-end was US\$8.1m compared to a loss of US\$8.1m in 2024 mainly on account of volatility in the major transacted currencies such as Pound Sterling and the Euro, against the U.S. Dollar.

## A.8. Any Other Material Information

### *Geopolitical Tensions*

In February 2026, geopolitical tensions between the United States, Israel, and Iran intensified and evolved into military action. Subsequent regional military and cyber retaliation, continue to reshape the global risk environment. Resulting disruptions to key energy and shipping routes, particularly the Strait of Hormuz, have increased commodity-price volatility, supply-chain instability, and macro-financial uncertainty.

The conflict involving the US, Israel, and Iran is still evolving and information on losses in the Middle East is limited. The Company would expect some losses to emerge but having reviewed our exposures the Company anticipates that these would fall within expectations and for the current business plan to remain valid. As further information emerges, and/or if the conflict continues for an extended period, we will reassess our position and potentially revisit business planning assumptions.

IGI Group continues to monitor potential spillover effects from the conflict into neighbouring regions where IGI operates. The Company is evaluating any potential impact and does not currently expect a material adverse effect on its financial condition, results of operations, or liquidity.

The Company remains mindful of the potential direct and indirect effects of such developments, including financial market volatility, supply-chain pressures, and operational dependencies. It continues to monitor geopolitical developments closely and assess any emerging implications for its underwriting, claims, investments and operational resilience.

### *Interest Rate Movements*

Interest rates declined across major markets during 2025. The U.S. Federal Reserve reduced target range from 4.25% - 4.50% at the beginning of 2025 to 3.50% - 3.75% by the 2025 year-end, following three 25 basis points ('bps') cuts. The Bank of England lowered its policy rate from 4.75% to 3.75% over the same period, implementing four 25bps reductions during 2025. Similarly, the European Central Bank reduced its deposit facility rate from 2.75% at the start of 2025 to 2.00% by year-end and the main refinancing operations rate from 2.90% at the start of 2025 to 2.15% by year-end, through three 25 bps cuts each.

IGI Group's investment portfolio is predominantly comprised of global fixed income securities, which are typically held to maturity. This portfolio is well-diversified, and at December 31, 2025, had an average credit quality of 'A' and an average duration of 3.6 years. The overall investment portfolio remains robust and adequately liquid. IGI Group aims to invest in high-grade bonds at decent coupons to lock in rates for the medium-term with a view to minimizing interest rate risk, while managing spread risk as per the Investment Guidelines.

## B. Governance Structure

This section provides information regarding the system of governance, fit and proper requirements and assessment, remuneration policy and practices, risk management and solvency self-assessment framework, internal controls, key functions, and outsourcing.

### *System of Governance*

IGI Bermuda has implemented an effective system of corporate governance that is commensurate with the nature, scale and complexity of the Company's business activities. The Board of Directors is responsible for setting the business strategy of the Company that is aligned with the IGI Group strategy and ensuring that it is in line with its regulatory obligations and risk appetite.

The Company has adopted a 'Corporate Code of Business Conduct and Ethics' applicable to all directors, officers, and employees. The Corporate Code of Business Conduct and Ethics covers, among other things, conflicts of interest, company books and records, use of company property, payment and gifts, corporate opportunities, compliance, confidential and employee relations.

The Company has also adopted the IGI Group 'Financial Code of Ethics' applicable to the IGI Group Executive Chairman, Group President and Chief Executive Officer, Chief Financial Officer, Senior Vice President - Finance, Controller or certain other officers performing similar functions. The Financial Code of Ethics provides that each officer must act ethically with honesty and integrity (including ethical handling of conflicts of interest), provide full and accurate disclosures, comply with applicable laws and regulations, act in good faith, responsibly, with due care, competence and diligence, promote honest and ethical behaviour by others, respect the confidentiality of information acquired in the course of employment, responsibly use and maintain all assets and resources employed or entrusted to the officer, and promptly internally report violations of this Financial Code to the designated Compliance Officer and in the case of the Executive Chairman, President and CEO, and CFO, to the IGI Group Board of Directors and/or Audit and Risk Committee ('ARC') of the Board of Directors.

The IGI Bermuda Board of Directors is supported by its Audit, Risk and Compliance Committee ('ARCC').

The following IGI Group Management Committees support both the IGI Group and subsidiary Boards (including IGI Bermuda) and management:

- Enterprise Risk Management Committee ('ERMC');
- Delegated Underwriting Authority Committee ('DUAC');
- Delegated Authority Claims Committee ('DACC');
- Reinsurance Committee;
- Reserving Committee;
- Investment Committee;
- Operational Resilience Committee;
- IT Steering Committee;
- Conduct Oversight Group;
- Disclosure Committee; and
- Environmental Social Governance ('ESG') Committee.

IGI Group maintains an effective and sound organizational structure commensurate with its operational requirement and with a view to governing and managing its business efficiently and effectively.

## Structure

IGI Bermuda maintains an efficient and sound organisational structure commensurate with the nature, scale and complexity of its business and its operational requirements.

The governance structure is based on well-defined lines of responsibility ('three lines of defence') spanning front line business functions, Risk, Compliance, and Internal Audit functions with oversight exercised by the IGI Group and subsidiary Boards in order to provide independent challenge and oversight.

The IGI Bermuda officers and senior management consist of experienced insurance industry professionals with extensive international market experience and long histories of success in their respective specialist areas.

### B.1. Board and Senior Executives

The following table shows the IGI Bermuda Board and Senior Executives as at 2025 year-end:

#### Board Members:

Name	Board Position
Walid Jabsheh	Executive Director
Pervez Rizvi	Executive Director
Maria Fahy	Executive Director
Andreas Loucaides	Non-Executive Director
David D. Anthony <sup>1</sup>	Independent Non-Executive Director
Richard Hartley	Independent Non-Executive Director
David Ezekiel <sup>2</sup>	Independent Non-Executive Director

#### Officers & Senior Executives:

Name	Position
Walid Jabsheh	President and Chief Executive Officer
Pervez Rizvi	Chief Financial Officer
Hatem Jabsheh	Chief Operating Officer
Chris Jarvis	Chief Underwriting Officer
Tim Deardon	Chief Claims Officer
Stav Tsielepis	Chief Actuary
Ingrid Schembri	Head of Risk
Rawan Alsulaiman	Chief Legal and Compliance Officer
Simon Levy	Senior Vice President - Reinsurance
Subir Kumar <sup>3</sup>	Chief Technology and Information Officer
Tandy Harris	Chief Human Resources Officer
Maria Fahy	Head of Bermuda Operations & Class Underwriter Reinsurance

<sup>1</sup> David D. Anthony resigned from his position as Independent Non-Executive Director effective 01 January 2026. Paul Martin was appointed to the Board as his successor, effective on the same date.

<sup>2</sup> David Ezekiel serves as the Chair of the IGI Bermuda Audit, Risk and Compliance Committee.

<sup>3</sup> Following the resignation of Ruwan Perera on 11 March 2025, Subir Kumar was appointed as Chief Technology and Information Officer and Chief Information Security Officer effective 1 September 2025. During the transition period, the IT function was overseen by the Group Chief Operating Officer, Hatem Jabsheh.

### *Board Responsibilities*

The primary responsibility of the Board of Directors is to provide effective governance over the Company's operations, risks and opportunities, for the benefit of its Shareholders and to balance the interests of its diverse stakeholders, including customers, employees, international suppliers and local communities.

The Board of Directors is responsible for providing leadership, integrity and judgement in directing the activities of the Company and for setting the goals and strategies necessary to operate and to provide oversight for the implementation of those strategies carried out by senior management. Potential conflicts of interest are discussed and disclosed at the start of every Board meeting.

The Board fulfils its duties and obligations through its committee.

### *Board Committees*

#### **Audit, Risk and Compliance Committee (IGI Bermuda Committee)**

The IGI Bermuda Board delegates oversight of the management of audit, risk and compliance to the ARCC. The ARCC meets at least quarterly and at such other times as deemed necessary by the Committee.

The Committee is comprised solely of Independent Non-Executive Directors ('INEDs') and is chaired by an INED who has significant experience in accounting and insurance, with the other two members also bringing extensive experience in the areas of insurance, risk, finance and investments.

The Committee's objective is to assist the Board in fulfilling its financial and statutory reporting, risk management and compliance responsibilities to achieve the Company's goals while protecting shareholder interest. These oversight responsibilities span key functions including risk management, actuarial, compliance including financial crime and whistleblowing, internal audit and operational resilience.

The Committee is authorised to investigate any matter within its remit, seek any information from the Directors and/or employees which is necessary to satisfactorily discharge its duties and make recommendations to the Board where action or improvement is needed.

#### **Compensation Committee (IGI Group Committee)**

IGI Group's Board of Directors formed a Compensation Committee consisting of a majority of independent directors. Up to March 18, 2026, the members of the Compensation Committee were Walid Jabsheh, David Anthony, Andrew Poole, and David Anthony, who was the chair of the Compensation Committee. Effective March 19, 2026, Thomas A. Collett was appointed to the Compensation Committee upon the retirement of David Anthony, and Andrew Poole became the chair of the compensation committee.

The Group has adopted a Compensation Committee Charter which sets forth the requirements for Committee members and the responsibilities of the Committee.

The purpose of the Compensation Committee is to review, evaluate and approve compensation paid to IGI's Executive officers and directors and to administer IGI's incentive compensation plans. The Compensation Committee reviews and makes recommendations to the Board of Directors with respect to incentive-compensation plans and equity-based plans on an annual basis. The Compensation Committee makes recommendations to the IGI Group Board with respect to the compensation of the Group's Executive Chairman and Group President and Chief Executive Officer and, in consultation with the Group President and Chief Executive Officer, other executive officers, as well as directors. The Committee meets at least twice per year and

as frequently as circumstances dictate. The Committee reviews the Compensation Committee Charter at least once annually.

### **Nominating/Governance Committee (IGI Group Committee)**

IGI Group's Board of Directors has a Nominating/Governance Committee with a majority of independent directors. The members of the Nominating/Governance Committee are IGI Group President & CEO Walid Jabsheh, Michael Gray and David King. David King is the chair of the Nominating/Governance Committee. The Nominating/Governance Committee is responsible for overseeing the selection of candidates to be nominated to serve on IGI Group's Board of Directors. It also advises the IGI Group Board and makes recommendations regarding appropriate corporate governance practices and assists the Board in implementing those practices.

IGI Group has adopted a Nominating/Governance Committee Charter which sets out the requirements for the Committee members and the responsibilities of the Committee.

The Committee meets when called by the Chair, two or more members of the Committee or the Chair of the IGI Group Board.

The Committee meets as frequently as circumstances dictate.

### *Management Committees*

Given that the Company is a wholly owned subsidiary of the Group, there are various Management Committees which support both the IGI Group and IGI Bermuda in the achievement of their objectives.

#### **Enterprise Risk Management Committee**

The ERMC is a management committee that meets quarterly and is responsible for supporting all entity Boards in the day-to-day maintenance of the RCMF and its underlying components, including the Risk Appetite Framework, risk and capital modelling, risk and capital assessments and recovery planning.

#### **Delegated Underwriting Authority Committee**

The DUAC is responsible for governance and oversight of all delegated underwriting arrangements within IGI including approving new coverholders, monitoring the performance and compliance of existing coverholders such as due diligence and audit reports. The purpose of the DUAC is to ensure that robust controls and due diligence are applied to such arrangements so that they align with IGI Group's governance standards and risk appetite.

#### **Delegated Authority Claims Committee**

The DACC oversees third-party claims handling arrangements where IGI has delegated claims settlement authority to external parties. The purpose of the DACC is approving and monitoring any delegation of claims authority through third-party administrators ('TPAs') and ensuring that outsourced claims handling does not pose undue risk to IGI Bermuda or its customers.

#### **Reinsurance Committee**

The Reinsurance Committee is a management committee that meets on a quarterly basis to oversee and provide governance around IGI Group and its subsidiaries' treaty and facultative reinsurance arrangements. The Committee is responsible for monitoring, reviewing, developing, approving and reporting on the overall treaty and facultative reinsurance purchasing, including the security of all reinsurers used by IGI Group.

#### **Reserving Committee**

The Reserving Committee meets quarterly and focuses on the adequacy of IGI Group's and its subsidiaries' insurance reserves and the governance of the reserving process. The purpose of the committee is to oversee

the reserving process of IGI Group and its subsidiaries, ensuring consistency and accuracy in how the Group measures its insurance obligations. The Committee shall also govern the reserving process, including IBNR allocation by balance sheet for recommendation to the appropriate Boards. Taking its lead from the Board, where the IGI Group's strategic aims, values and standards are set.

#### Investment Committee

The Investment Committee is the management committee charged with oversight of IGI Group and its subsidiaries' investment strategy and portfolios. The purpose of the committee is to ensure that IGI Group and its subsidiaries' invested assets are managed in accordance with the IGI Group and entity investment guidelines and risk appetite, that investment decisions are subject to appropriate review and control and monitoring performance of the investment portfolio.

#### Operational Resilience Committee

The Operational Resilience Committee is a management committee that coordinates IGI Group and its subsidiaries' strategy and efforts to withstand and recover from operational disruptions. The purpose of the committee is to oversee how IGI Group and its subsidiaries prepare for, respond to, and learn from events that could impair its critical business services, which if disrupted, would significantly harm its customers or the Group's reputation and financial soundness and breach its impact tolerances.

#### IT Steering Committee

The IT Steering Committee is a management committee that governs IGI Group's information technology strategy and projects. The committee is responsible for reviewing and guiding the overall IT strategy to make sure it supports IGI Group's business strategy. The IT Steering Committee is also responsible to oversee the portfolio of major IT projects and monitor their progress, budget, and timelines.

#### Conduct Oversight Group

The Conduct Oversight Group Committee is focused on customer outcomes, product governance, and conduct risk across IGI Group's insurance business in line with the applicable conduct-related regulatory requirements. The purpose of the committee is to ensure that IGI Group's insurance products are designed, marketed, and managed in a way that delivers fair value to customers and complies with conduct regulatory requirements and expectations.

#### Disclosure Committee

The Disclosure Committee is an integral part of IGI Group's financial reporting and corporate governance framework, tasked with overseeing the accuracy and timeliness of the company's public disclosures. The committee reviews drafts of key disclosure documents, such as the annual report (20-F), quarterly financial results announcements, earnings releases, investor presentations, and the Financial Condition Report for regulators. It ensures that these documents accurately reflect IGI's financial condition, results of operations, and other material developments, and that no required information is omitted. The Committee reports to the IGI Group ARC.

#### ESG Committee

The ESG Committee meets quarterly and is responsible to assist the Group Board and subsidiary Boards in overseeing CSR initiatives, Diversity and Inclusion efforts, employee wellbeing, human rights and fair labour practices, ethical business conduct and integrity, ESG-related risks and any other ESG matters as may be deemed relevant from time to time.

*Changes During the Period*

Following the resignation of Ruwan Perera on 11 March 2025, Subir Kumar was appointed as Chief Technology and Information Officer and Chief Information Security Officer effective 1 September 2025. During the transition period, the IT function was overseen by the Group Chief Operating Officer, Hatem Jabsheh.

*Remuneration Policy*

The Remuneration Policy and practices in respect of executives, officers and employees are designed to compensate employees equitably based on their performance, consistent with the Company's business needs and financial strength, and in a way that does not discriminate against anyone in accordance with the terms of the IGI Group Diversity and Inclusion Policy.

The Company pays an employee a basic salary that is considered appropriate given the market rate for the role being performed. IGI Group's compensation philosophy is focused on attracting the required talent globally and conducts an analysis of country and local relevant benchmarking data to ensure the accuracy of both variable and fixed remuneration.

Executive directors are remunerated in accordance with their contracts issued and executed in their relevant entity country.

In addition to fixed salary entitlement, IGI Group rewards employees with discretionary Short-Term Incentives ('STI') in the form of annual cash bonuses. The STI bonus awards are at the Company's discretion and do not constitute a contractual right. The STI bonus is based principally on the employee's individual performance and the profitability of the Group. The STI remuneration provides incentives for prudent risk taking in the short term, long term, and for sound risk management.

Discretionary Long-Term Incentives (LTI) may also be rewarded to Executive and Senior Management in the form of Restricted Share Units in IGI Group in accordance with the IGI Holdings Ltd. 2020 Omnibus Incentive Plan and are subject to IGI Group Board of Directors approval.

During August 2024, the Group Board of Directors approved the Group's Global Employee Share Purchase Plans (collectively "ESPP"). The ESPPs are non-qualified plans that provide eligible employees of the Company and its designated affiliates with an opportunity to purchase common shares at a discount through payroll deductions. Under the terms of the plans, for every share purchased by eligible employees, IGI Group will award the employee with a matching share (subject to vesting periods) on the date of purchase of the shares. This, in effect, allows eligible employees to purchase ordinary shares in IGI Group at a 50% discount.

Non-executive Board members are compensated via the terms of their respective service agreements or terms of appointment.

*Pension or Early Retirement Schemes for Members, Board and Senior Employees*

There are no defined benefit pension or early retirement schemes for Directors. For senior executives and employees, pension contributions are in line with the local labour laws where IGI entities are domiciled.

*Shareholder Controllers, Persons who Exercise Significant Influence, the Board or Senior Executive Material Transactions*

None.

## B.2. Fitness and Proprietary Requirements

### *Fit and Proper Process in assessing the Board and Senior Executive*

The Company maintains a Fit and Proper Policy designed to ensure that Directors, persons appointed to carry out a senior management role or key function are 'fit and proper' to perform the role. This includes demonstrating prior to appointment and on an ongoing basis that the individual:

- Possesses the level of competence, knowledge, experience, qualifications, and has undertaken the required training;
- Acts with integrity, due skill, care, diligence, honesty, and has sound judgment to properly perform their duties;
- Past conduct and performance reflect high standards;
- Is not disqualified from acting in their position or performing their duties in terms of any legislation; and
- Complies with conduct standards/rules.

The assessment includes an extensive range of background checks which include but are not limited to:

- The fit and proper declaration form to be completed by the applicant;
- The undertaking of credit checks to determine the status of the person's credit record;
- The verification of qualifications and work experience;
- The undertaking of background checks for violation of any regulations; and
- Undertaking of checks via the internet or any other means for any other adverse information relating to the person.

The fitness and properness of the respective persons are reviewed on an annual basis.

### *Board and Senior Executives Professional Qualifications, Skills and Expertise*

Directors should have experience in positions with a high degree of responsibility, be leaders in the companies or institutions with which they are affiliated and be selected based upon the contributions they can make to the Board.

The Board currently consists of members from various backgrounds and qualifications that serve IGI Bermuda's business.

Biographies of IGI Bermuda Board of Directors are set out below:

<b>Walid Jabsheh</b>
President and Chief Executive Officer, and Executive Director
<p>Walid Jabsheh has served as our Chief Executive Officer since 1 July 2023 and as the President and Director since 17 March 2020. Mr. Jabsheh joined IGI in 2002 and, prior to his current role in the Company, served as the President of IGI Dubai where he played a pivotal role in the growth and development of IGI Dubai. Mr. Jabsheh began his career at Manulife Reinsurance in Toronto, Canada and later joined LDG Reinsurance Corporation, a subsidiary of Houston Casualty Co, in 1998 where he served as Senior Underwriter managing a US\$30 million book of treaty and facultative business.</p>
<b>Pervez Rizvi</b>
Chief Financial Officer and Executive Director
<p>Pervez has served as the IGI Group Chief Financial Officer since 17 March 2020. Mr. Rizvi has served as the Group Financial Officer of IGI Dubai since 2015. He has over 39 years of experience out of which 36 years are in the insurance and banking sectors. He obtained a Bachelor of Commerce in Accounts and Management followed by a CA (India) and a CPA (USA). Mr. Rizvi is a member of the Institute of Chartered Accountants of India. Mr. Rizvi began his insurance career with the Life Insurance Corporation of India in 1989 and later worked with a number of financial institutions and insurance companies in the Middle East and Far East including HSBC Bank in the UAE and Malaysia and Zurich Financial Services at DIFC, Dubai.</p>
<b>Maria Fahy</b>
Head of Bermuda Operations and Executive Director
<p>Maria has over 37 years' experience in the insurance industry. She has held various underwriting positions at both Lloyd's syndicates and London market re/insurers. She started her career as a graduate trainee in the Casualty Treaty team at Excess Insurance, later Hartford Re, transferring to their Property Treaty team. She also worked as a Property Treaty underwriter at Limit, Syndicate 566 and the London subsidiary of Endurance Bermuda.</p> <p>She joined IGI in 2015 from Chaucer Syndicate at Lloyd's where she was a Class Underwriter, writing an International ex USA/Canada Inwards Treaty book of business, on both a Proportional and Non-Proportional basis. Maria recently transferred to Bermuda, where she is Head of IGI's Bermuda Operations and Class Underwriter, writing both an International and US Inwards Treaty book.</p>
<b>Andreas Loucaides</b>
Non-executive Director
<p>Andreas has served as the Chief Executive Officer of IGI UK since 2015. He began his career in the insurance industry in 1971, joining syndicate 702 at Lloyd's which was sold to Markel in 2000. He later founded a start-up insurance Company, PRI Group Plc (an FSA licensed "A-" rated AIM listed Company with a market cap of £120m) in 2002 as Chief Executive Officer. Following the profitable sale of PRI Group plc to Brit Holdings, Mr. Loucaides joined Catlin UK in 2004 as the Chief Executive Officer. In 2008, he joined Jubilee Group at Lloyd's as the Chief Executive Officer, overseeing the sale to Ryan Specialty Group in 2011. In 2012, Mr. Loucaides joined Lloyd's Syndicate 2526, assisting with its sale to AmTrust and supporting AmTrust in its purchase of Sagicor at Lloyd's.</p>

**David Ezekiel**

## Non-executive Director

David was educated at Sherwood College, Nainital, India and undertook his articles of clerkship in London commencing in 1965. He was admitted as a Member of the Institute of Chartered Accountants in England and Wales in 1971 and was admitted to Fellowship in 1978.

In 1972/73 he attended the Graduate Business Centre of the City University, London and received his Master of Business Administration, majoring in Investment Analysis.

Before establishing International Advisory Services Ltd ('IAS') in April 1981, David was a Partner with one of the leading accounting practices in Bermuda - KPMG Peat Marwick. While at KPMG he was responsible, along with one other Partner, for the firm's rapidly expanding insurance auditing department and was responsible for much of the staff training in this area. IAS grew to be the largest independent Captive Management Company in the Bermuda insurance sector, and in September of 2009 IAS was acquired by Marsh McLennan at which time IAS had some 160 clients and 95 staff. David assumed the position of Chairman and Managing Director of the combined entity, Marsh IAS until his retirement from Marsh at the end of 2015.

David has also served as Chairman of ABIC (Association of Bermuda International Companies) for a period of 13 years and played a key role in the development of the International Business sector in Bermuda over that period. In 2005 David was named as 'Insurance Person of the Year' by the Bermuda Insurance Institute (BII) and 5 years later was presented with the BII's 'Lifetime Achievement Award'.

**David D. Anthony<sup>4</sup>**

## Non-executive Director

David has served as an independent non-executive Director since 17 March 2020. He is also a non-executive Director of International General Insurance Co. Ltd and a member of its Audit, Risk and Compliance Committee. Mr. Anthony previously served as a non-executive Director on the Board of IGI Holdings Dubai Limited from July 2018 through March 2020. From March 1994 to June 2018, Mr. Anthony was a Director and Senior Analyst with S&P Global Ratings (formerly Standard & Poor's), where he was a lead rating analyst and a Chair of its Insurance Rating Committee. Before joining S&P Global Ratings, Mr. Anthony was Senior Relationship Manager and Vice President, European Insurance Banking Group, at Citibank N.A. London from June 1987 to April 1992, and senior insurance analyst at Moody's Investors Service, New York, from April 1992 to March 1994. Mr. Anthony has more than 35 years of experience analyzing the insurance and reinsurance industries. During his career he has worked extensively in Europe, the Middle East, North Africa and the United States. Mr. Anthony holds a Master of Science degree in Economic History from the University of London.

**Richard Hartley**

## Non-executive Director

Richard is a UK qualified accountant who founded the Acumen Group in Bermuda with a vision when founding Acumen to develop a business, valued by every single client, delivering personal local service to each of Acumen's clients.

The Group has grown organically from a single employee in 2006 to over 250 today and operates in over 10 jurisdictions without raising any debt or investment. Prior to founding Acumen Richard worked for Deloitte and an SEC registered reinsurer in Bermuda. Richard serves as a Director on a number of Bermuda registered entities in the insurance, shipping, investment and real estate sectors.

<sup>4</sup> David D. Anthony has resigned as a Non-executive Director effective 01.01.2026. Paul Martin was appointed as a replacement effective the same date.

Biographies of IGI Bermuda Officers and Senior Management are set out below:

<b>Hatem Jabsheh</b>
Chief Operating Officer
<p>Hatem has served as the IGI Group Chief Operating Officer since 17 March 2020. Mr. Jabsheh has also served as IGI's Chief Investment Officer since 2010. Mr. Jabsheh began his career in 2001 with Spear, Leads, and Kellogg, a subsidiary of Goldman Sachs. He worked in several pits at the CBOE (Chicago Board Options Exchange) and CME (Chicago Mercantile Exchange) as a primary market maker. He then moved to Amman, Jordan in 2004 to set up Indemaj Financial, an asset management and brokerage company, which he successfully sold in 2009. In 2006, Mr. Jabsheh set up Indemaj Technology, an open-source web development company, which was also later sold in 2012. His 22-year professional career spans executive roles in the asset management sector and reinsurance, all underscored by an aim to promote innovation and transformation. He is actively involved in the tech community. Mr. Jabsheh currently serves on the Boards of the Swiss Jordanian Business Club and the United Cable Industries Company. Hatem Jabsheh is a graduate of Marquette University with a dual major in International Business and Finance and a minor in History.</p>
<b>Chris Jarvis</b>
Chief Underwriting Officer
<p>Chris has served as our Chief Underwriting Officer since 3 October 2022. Mr. Jarvis has over 30 years of industry experience. Before joining IGI, he held various underwriting positions at Lloyd's syndicates and London market re/insurers, including AmTrust Syndicates Ltd., ANV Managing Agency, Flagstone Marlborough, BMS Group, and SVB (Novae) UW Limited. He joined Canopus Managing Agency, where he was Joint Active Underwriter, Syndicate 4444 and 1861, and held joint responsibility for all aspects of the Lloyd's underwriting platform, including regional underwriting operations in the U.S. and across the Asia Pacific region.</p>
<b>Tim Deardon</b>
Chief Claims Officer
<p>Tim has over 40 years of experience in international insurance markets and claims management. He previously served as head international claims consultant for the energy business of Marsh Ltd and was also the international Head of Claims for its political risk business. Prior to that, Tim worked as a marine and energy claims manager at a major Lloyd's syndicate.</p> <p>He has first-hand knowledge of the requirements of IGI's customers and business partners and has built up a network of professional service providers that understand the high servicing standards required by IGI's claims team and who support the strategy of IGI's pro-active and transparent approach to claims management.</p>
<b>Stav Tsielepis</b>
Chief Actuary
<p>Stav has over 20 years of industry experience, including actuarial and risk management roles. He joined IGI in January 2022 as Chief Risk Officer, before being appointed Chief Actuary in 2023. Prior to joining IGI, he served as Chief Risk Officer at Arch Capital Group's London-based subsidiary, Arch Insurance International, where he was also a Board member of Arch Underwriting at Lloyd's Australia. Before his time at Arch, Mr. Tsielepis was an Actuarial Consultant for Towers Watson Ltd.</p> <p>Stav qualified as a Fellow of the Institute and Faculty of Actuaries in 2008 and holds a UK Practising Certificate. Stav obtained an MA in Mathematics at the University of Oxford.</p>

**Ingrid Schembri**

## Head of Risk

Ingrid has over 10 years' experience in insurance and risk management. She joined IGI in 2021 as a Risk Manager for International General Insurance Company (Europe) Ltd, IGI's European subsidiary, and was promoted to Group Head of Risk in January 2025.

Prior to joining IGI, Ingrid worked as Risk Manager for Elmo Insurance Limited, a domestic general insurance company based in Malta, where she was responsible for carrying out Elmo's risk management function. Prior to that she worked in the Insurance and Pensions Supervision Unit at the Malta Financial Services Authority ('MFSA'). Earlier in her career, Ingrid worked at the National Statistics Office in Malta.

Ingrid holds a Master of Arts in Economics from the University of Malta and a Postgraduate Diploma in Risk Management from the Glasgow Caledonian University.

**Rawan Alsulaiman**

## Chief Legal and Compliance Officer

Rawan has over 20 years of experience in the insurance industry. She joined IGI in December 2007 as head of its Legal Department and was promoted in 2014 to Chief Legal Officer, and in 2018 to Chief Legal and Compliance Officer. She also holds the position for IGI Holdings DIFC, IGI UK and IGI Dubai of Company Secretary of the Board of Directors.

Rawan started her career in 2005 with Abu Ghazaleh Intellectual Property (AGIP) where she established the Special Customers Department to handle key customers and oversaw their intellectual property rights, anti-counterfeiting, infringement and IP enforcement actions across the MENA region.

Rawan obtained her Master's degree in International and Comparative Public Law from the University of Exeter in the UK.

**Simon Levy**

## Senior Vice President – Reinsurance

Simon has over 40 years of experience in the (re)insurance industry, he worked within the reinsurance industry since 1985 with DG Durham and subsequently for EW Payne (London). In 1996, Simon left the UK and worked for Alliance Re (latterly Flagstone Re) as an Underwriter concentrating on a WWX USA/Canada Proportional and Non-Proportional inwards treaty portfolio.

Simon joined IGI in 2010 and is responsible for underwriting and managing the inwards treaty reinsurance portfolio of IGI, whilst also being a main member of the management team responsible for all group outwards reinsurance purchases.

**Subir Kumar**

## Chief Technology / Information Officer

Subir has over 27 years of experience in the financial services industry. He obtained his master's degree in computer management and started his career in 1998.

Subir is a dedicated strategic leader who has worked in several senior positions with multiple financial institutes & consulting like Zurich Insurance, RBS Insurance, Direct Line Group, Bank of America, HSBC, Barclays, Capgemini and Deloitte. He has extensive global IT management experience and is focused on driving technology development to foster innovation.

Subir joined IGI in 2023. He is result oriented and an innovative leader leveraging the latest technological trends to meet the needs of IGI whilst constantly evaluating opportunities and risk.

**Tandy Harris**

## Chief Human Resources Officer

Tandy has over 26 years of experience in leading human resources innovation and implementing HR strategy in high-growth companies. Tandy has a proven track record of establishing fast-paced, team-oriented, and results-driven cultures that enable strong corporate performance. Prior to joining IGI, Tandy held senior HR positions in various companies including Atypical Digital, CGI, Infosys, Open English, Sara Lee Corporation, and PWC. Tandy joined IGI in 2023 as Chief Human Resources Officer leading all IGI corporate human resources functions with a strong focus on talent management, company culture, and scalable processes.

**B.3. Risk Management and Solvency Self-Assessment***Risk Management System*

IGI Group and IGI Bermuda closely monitor and manage risk exposures and the aggregate risk profile through a dedicated Risk Management function operating processes designed to minimize volatility, ensure adequate policyholder protection at all times, and optimise the Group's risk / return profile through effective capital allocation.

Risk management oversight is the responsibility of the relevant IGI Group Board of Directors, with delegation of risk-related decisions as appropriate to the IGI Group ARC and relevant entity ARCCs.

The Group Head of Risk reports directly to the Group ARC and the IGI Bermuda ARCC. The governance structure includes clearly defined lines of accountability for individuals, Committees and Boards, as outlined in the IGI Group's RCMF. As with other business functions, the Risk Management function is subject to independent review by Internal Audit.

IGI Group has a comprehensive RCMF that reflects a clear understanding of the nature and sources of risks to which the business is exposed, consistent with recognized best practice and regulatory expectations.

The key objectives of the Framework include:

- delivering an acceptable balance of risk / return volatility;
- ensuring the ability of the business to withstand severe but plausible stresses;
- maintaining sufficient liquidity at all times to service policyholder obligations; and
- minimising exposure to non-core risks with no potential for value creation.

The Risk Management function provides detailed Risk and Capital reporting to the ARCC at least quarterly encompassing the full scope of the risk universe and performance against the Board's approved Risk Appetite Framework.

Where an actual, projected, or proposed material change in the risk profile is identified, the Risk Management function performs a detailed analysis to assess the potential implications from both a risk and capital perspective. The results of this analysis are escalated to the ARCC and form an integral component of the management and strategic decision-making process.

In addition to this ongoing monitoring and reporting, the function is responsible for the preparation of key regulatory submissions produced on an annual basis. These include the Group Solvency Self-Assessment ('GSSA'), IGI Bermuda CISSA, IGI Europe and IGI UK Own Risk and Solvency Assessments ('ORSA'), the IGI Group and IGI Bermuda FCRs, the IGI Europe and IGI UK Solvency and Financial Condition Reports ('SFCR') and the IGI Europe Regular Supervisory Report ('RSR'), which are submitted to the respective regulatory authorities.

## Risk Identification

On a quarterly basis, Risk and Control Owners are required to formally reassess and reaffirm the full scope of risks, emerging risks and associated mitigating controls, for which they are responsible through discussion with the Risk Management function. Any changes to existing items, including the addition of new risks or controls are considered during this discussion to ensure that all significant operational risks faced by the Company are fully understood, effectively mitigated and monitored on a regular basis.

## Risk Assessment

A Group-wide Risk and Control Self-Assessment ('RCSA') Framework is embedded across the organization, whereby a qualitative assessment of all key risks and controls is conducted on a quarterly basis. These assessments are performed through discussions with Risk and Control Owners and are subject to review and challenged by the Risk Management function.

All key risks are assigned inherent and residual probability and severity ratings, reflecting the effectiveness of the mitigating controls in place. Controls are assessed as Fully Effective, Partially Effective or Not in Effect, supported by narrative justifications provided by Control Owners. The quarterly attestation process provides assurance that controls are operating as intended, and that the level of residual risk remains within the Company's risk appetite.

A quantitative assessment of risks is also undertaken through the use of the Company's Tyche modelling platform, which quantify the Company's exposure to material risks and the capital required to support those exposures.

## Risk and Control Monitoring

Monitoring of all identified risks and controls is a fundamental component of the Company's risk management framework.

Key risks are monitored across the IGI Group on at least a quarterly basis to ensure exposures remain within the risk appetite and tolerance limits. This monitoring includes the assessment of natural (e.g. earthquake, windstorm) and man-made risk exposures (e.g. fire, terrorism) catastrophe risk exposures, investment quality and performance, counterparty credit quality and security ratings, liquidity, operational risks, risk events and potential emerging risks.

In addition, the Risk Management function assesses the adequacy and effectiveness of the control environment and oversees the remediation of any identified deficiencies. Actions arising from control assessments are recorded within the risk management application and monitored to completion. Additional actions may arise from other components of the RCMF, including risk events, emerging risks, internal audit findings, and matters raised during Board and Committee meetings.

## Risk Reporting

A Risk and Capital Report is provided to the IGI Group ARC and IGI Bermuda ARCC on a quarterly basis. The report outlines material developments during the period, including movements in solvency ratios for regulated subsidiaries, changes to the inherent and residual risk ratings and control assessments, the identification of new emerging risks, and updates to existing emerging risks, and any risk events or near misses reported. It also summarizes the results of the quantitative risk assessment undertaken as part of the BSCR calculation.

In addition, the Report includes an overview of the Risk Appetite Framework highlighting any amber triggers or red breaches reported during the quarter. Commentary is provided on each breach, which is closely monitored by the Risk Management function and the IGI Bermuda ARCC.

Furthermore, all underlying detail of control assessments and associated actions, including any challenge raised by the Risk Management function and the justification for action statuses is fully transparent and accessible to the Internal Audit function.

*Implementation and integration of the Risk Management System in the organisational structure and decision-making process*

The Board of Directors retains ultimate responsibility for ensuring the adequacy of the Company's RCMF, approving the Risk Appetite Framework, fostering a positive risk culture and ensuring ongoing compliance.

The Boards and Committees are supported by the Risk, Actuarial, Compliance, and Internal Audit functions, in alignment with the governance model applied across the IGI Group and its operating subsidiaries and consistent with recognised industry good practice.

The governance structure is built upon clearly defined lines of responsibility, reflecting the 'three lines of defence' model. This model delineates the roles of business functions, Committees, Board of Directors, Risk Management, Compliance and Internal Audit. Ownership and accountability for all risk-related activities are clearly assigned and aligned with individual objectives.

Business functions ('first line of defence') are responsible for identifying, managing and monitoring risks within their respective areas. The governance framework enables the Risk Management function ('second line of defence') to provide independent oversight and challenge through periodic reviews, analysis and ongoing dialogue to ensure risks are appropriately monitored and remain within the boundaries defined by the IGI Group and its subsidiaries.

The Compliance function operates alongside the Risk function within the second line of defence and is responsible for identifying, assessing and monitoring compliance risks, including emerging risks arising from new legislation or regulatory developments that may impact on the Company. The Internal Audit function ('third line of defence'), provides objective, independent assurance regarding the effectiveness of the risk management and internal control environment.

A strong risk culture is fundamental to the effectiveness of the RCMF and the day-to-day risk management across the Company. The Board assumes a critical role in setting the 'tone from the top', promoting behaviours and decision making that support prudent risk management and protect stakeholder interest. IGI Group encourages open reporting of risk events and near-misses, thereby fostering a culture of continuous learning and the ongoing enhancement of processes and controls.

IGI Group's risk culture is further evidenced through the following core practices:

- Risk ownership – Each risk is assigned to a designated owner who is responsible for its ongoing management and oversight. Risk owners ensure that exposures remain within the approved risk appetite and are accountable for identifying any emerging risks. They provide regular updates to the Risk Management function on both current and forward-looking risk exposures.
- Control owners – All controls have a clearly defined owner responsible for the processes and activities within the control. Control owners ensure that controls operate as intended and remain effective. Where a control is assessed as 'Partially Effective' or 'Not in Effect', a remedial action plan is agreed and monitored to address the deficiency in a timely manner. Control owners meet at least quarterly with the Risk Management function to review control performance and to support effective risk management.

- Policies and procedures – The IGI Group maintains a comprehensive inventory of policies and procedures to ensure that all risk-related and operational decisions are undertaken in accordance with approved governance requirements and remain within the Group’s risk appetite.
- Management information – The Risk Management function, together with senior management, provides timely and relevant risk information to the Boards and management committees across the IGI Group and its subsidiaries. This ensures consistent transparency and supports well-informed decision-making throughout the organization.

#### *Risk Management and Solvency Self-Assessment Systems Implementation*

The Company’s Risk Appetite Framework is a key input into both the business planning and strategic planning processes. Consideration of alternative strategies is informed by the Company’s risk / return profile and assessed against the aggregate levels of risk it is willing and able to assume. This assessment is undertaken with regard to the Company’s capital capacity, including its obligations to satisfy prudential regulatory requirements and to maintain the more stringent capital expectations associated with its A.M. Best and S&P financial strength ratings.

To date, the aggregation and narrative reporting of the risk and capital position has primarily been aligned with regulatory filing timescales. However, the underlying risk and capital assessments are considered at appropriate intervals throughout the business lifecycle. While regulatory submissions reflect the position 'after the event', the ongoing monitoring and projection of the risk and capital profile is performed on a rolling quarterly basis, and more frequently if required in response to actual or anticipated material changes in the Company’s risk or capital profile.

#### *Relationship between Solvency Self-Assessment, Solvency Needs and Capital, and Risk Management*

The three dimensions of risk, capital and solvency are inter-related and are therefore assessed collectively. For example, the quarterly Risk and Capital Report, prepared jointly by the Risk Management and Capital functions and presented to the IGI Group ARC and IGI Bermuda ARCC considers regulatory capital, rating agency capital, intrinsic and financial risk exposures, operational risk, and emerging and strategic risks.

This integrated approach is also reflected in the structure and business plan of the Risk Management function.

At an aggregate level, the IGI Group targets an economic capital position sufficient to withstand a foreseeable shock or combination of shocks whilst maintaining an “A” (Strong) financial strength rating from S&P and an “A” (Excellent) rating from A.M. Best, supporting its ability to access and retain high quality business in its core markets. Additional capital headroom is maintained to preserve financial flexibility and to enable continued investment in business development.

As a result, the level of capital held by the Company is materially higher than the BSCR, which is broadly comparable to the Solvency II Solvency Capital Requirement (‘SCR’).

#### *Solvency Self-Assessment Approval Process*

The CISSA philosophy is centered on embedding its core elements into ongoing processes in a manner that is proportionate to the Company’s structure and reflects the inter-relationship between IGI Group and its subsidiaries.

It enables quarterly monitoring via the Risk and Capital Report of the dynamic components of the Company’s risk and capital profile, while also providing the Board, ARCC and management with full visibility of the multi-year capital and solvency outlook, including both deterministic and stochastic scenario outputs. This approach is applied consistently at both the Group level and IGI Bermuda subsidiary.

In addition to reviewing and challenging the quarterly aggregate report, the Committees undertake specific review and approval of deterministic capital model assessments (including the BMA BSCR), supported by appropriate expert input and, where applicable, external review or audit.

Collectively, these components meet the full scope of the CISSA requirements and are considered proportionate and appropriate to the Company's risk profile.

The results of the CISSA, BSCR projections and associated stress tests inform strategic decision-making, including areas of management focus, Board oversight, adjustments to investment strategy and adoption of risk mitigation techniques. Where the baseline solvency position, planned strategic changes or stress testing outcomes indicate a potential future breach of capital requirements over the business planning period, an appropriate management action plan will be presented to the Board for approval. This includes details of proposed short term measures as well as potential medium to long term actions.

For reporting purposes, the CISSA will reflect the assessment described above, updated for full year-end figures, and will be submitted in accordance with the standard BMA reporting timetable.

#### B.4. Internal Controls

##### *Description of the Internal Control Framework*

The Company has established an Internal Control Framework that is fully integrated with its risk management and compliance processes. The Framework is designed to ensure that the Company maintains an effective internal control system and that control activities are commensurate with the nature, scale, and complexity of the risks arising from its operations.

As the Group is listed on the Nasdaq Capital Market, IGI Group and its subsidiaries are subject to Section 404 of the Sarbanes-Oxley Act of 2002 ('SOX'). SOX aims to, among other objectives:

- Restore public trust in the public securities market;
- Strengthen corporate governance and promote ethical business practices;
- Enhance transparency of financial statements and disclosures;
- Ensure that company executives are aware of material information emanating from a well-controlled environment;
- Hold management accountable for material information filed with the SEC and communicated to investors; and
- Achieve higher standards of corporate excellence and organizational resilience.

Furthermore, SOX 404 requires management to accept responsibility for the effectiveness of the Company's internal control environment over financial reporting and evaluate effectiveness using suitable control criteria supported with sufficient evidence.

The Company's system of internal control follows the Committee of Sponsoring Organizations of the Treadway Commission ('COSO') Framework, which encompasses the following components:

**Control environment** – Establishes the organizational tone and sets the foundation for all other internal control components. It includes delegated authorities, policies and procedures within IGI Bermuda and the outsourced activities. It promotes discipline, accountability, and an ethical culture across the organization.

**Risk assessment** – Involves the identification, analysis and evaluation of risks to the achievement of the Company's objectives, including risks of material misstatements and other risks that may significantly impact the effectiveness of the internal control system and the Company's performance.

**Control activities** – Comprises the policies, procedures and activities designed to ensure that management directives are carried out and that risks are mitigated to acceptable levels. These activities help to ensure achievement of the Company's operational, compliance and reporting objectives.

**Information and Communication** – Ensures the capture and dissemination of relevant internal and external information necessary for the effective functioning of the control activities. Clear and consistent communication enables employees and outsourced functions to understand their role and responsibilities within the internal control system.

**Monitoring activities** – Internal controls are monitored on an ongoing basis to ensure that all controls are adequately designed, executed, effective and adaptive. Any failures or observed weaknesses identified by employees and/or outsourced functions as part of their ongoing activity shall be reported to management and the Board as soon as is practicable.

#### *The Compliance Function*

The Compliance function is independent and reports to the IGI Bermuda ARCC and the Board of Directors.

The Compliance function is involved in:

- Identifying and assessing compliance risks;
- Advising the IGI Bermuda ARCC on compliance and regulatory matters;
- Assessing the impact of any changes in legislation and regulation;
- Establishing a compliance plan;
- Ensuring that the Company adheres to all applicable laws, rules, and regulations; and
- Providing training programs for staff on compliance issues.

The Compliance function ensures that the business of the Company complies with all applicable regulatory compliance requirements with a key role in the management of risks relating to financial crime (including Money Laundering, Terrorist and Proliferation Financing, Sanctions and Anti Bribery and Corruption). The responsibility for the identification and assessment of regulatory risks rests with Compliance. Compliance is involved in identifying and assessing regulatory risks in day-to-day business activities both directly and through providing assistance, support, and challenge to line management.

#### **B.5. Internal Audit**

The Internal Audit function is responsible for auditing the group's processes and has an approved Internal Audit Charter outlining their responsibilities and reporting lines.

To achieve the degree of independence necessary to carry out its responsibilities effectively, the team has direct and unrestricted access to senior management and the Board of Directors achieved through a dual-reporting relationship. The Internal Audit function is free from interference in determining the scope of internal auditing, performing work, and communicating results and discloses any interference to the Board of Directors through its relevant ARC/ARCC together with its implications.

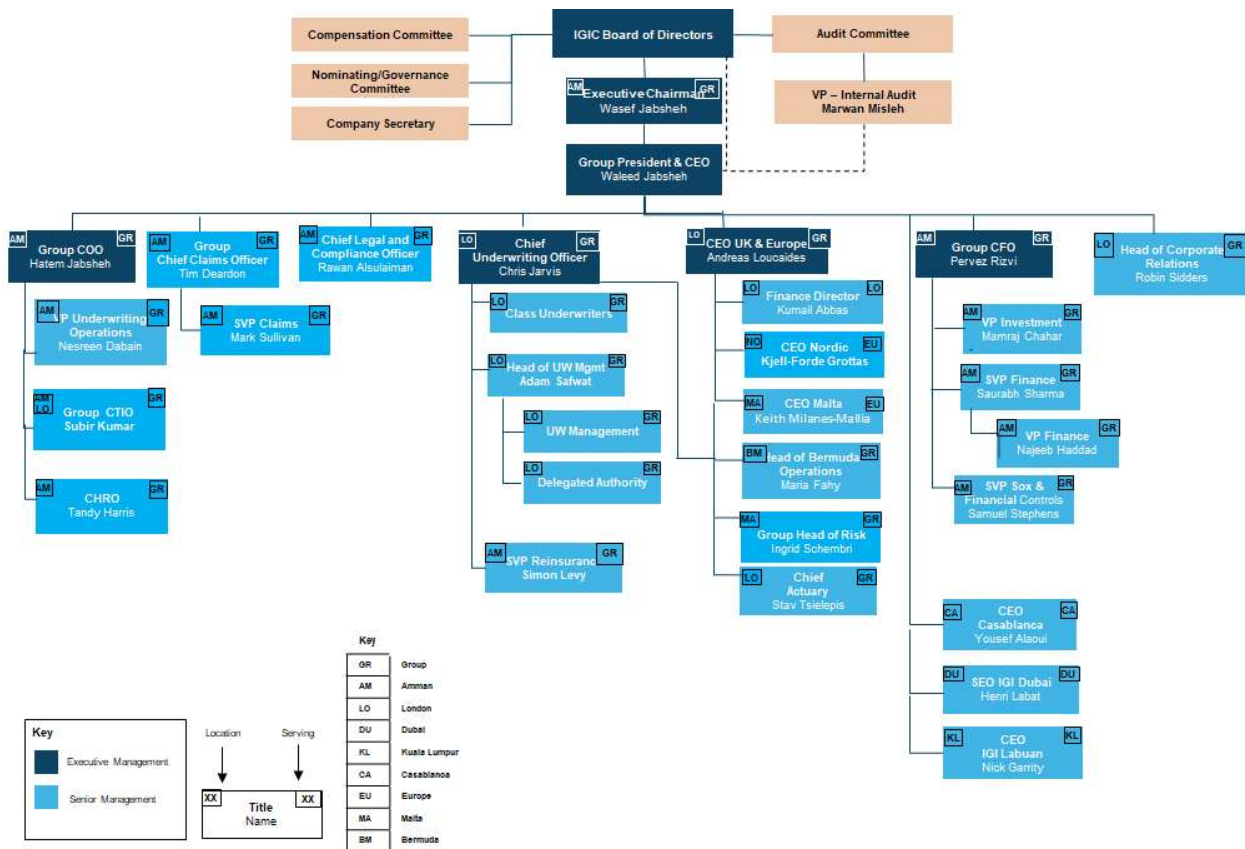
Internal Audit is objective in performing audits and does not subordinate judgment on audit matters to that of others. Individual objectivity is achieved through performing audits in such a manner that no significant quality compromises are made, and must have an impartial, unbiased attitude and avoid conflicts of interest and impairment of independence.

### B.6. Actuarial Function

The Actuarial function operates across pricing, reserving, capital modelling and exposure management. Reserving analyses are performed quarterly and provide a range of actuarial best-estimate results by each line of business and accident year. These results are presented to and discussed by the Reserving Committee to support the determination of the U.S. GAAP claim reserves and to inform regulatory provisions. While the actuarial analyses form the primary technical basis for the reserve, the final booked reserves represent management’s own best estimate, in accordance with U.S. GAAP. The Actuarial function’s recommendations support consistency between reserving, pricing, planning, performance management, and capital model calibration.

### B.7. Organization Structure

The following diagram outlines the IGI Group reporting structure by function:



### B.8. Outsourcing

#### *Outsourcing Framework and Key Functions that have been Outsourced*

The Company manages outsourcing and other third-party arrangements in accordance with its Outsourcing and Other Third-Party Arrangements Policy, which establishes a structured, risk-based framework for the identification, assessment, and oversight of both outsourcing and non-outsourcing third party relationships. This Policy sets out the full outsourcing lifecycle, including provider selection, pre-outsourcing due diligence,

materiality classification, risk assessment, contractual requirements, and ongoing monitoring, ensuring compliance with applicable regulatory expectations across IGI subsidiaries.

Following the selection of a service provider, the Company performs a formal materiality assessment to determine whether the arrangement constitutes a material or non-material outsourcing (or other third-party) arrangement. This assessment drives the proportionality of the due diligence, monitoring activities, and risk mitigation measures applied. All arrangements are subject to ongoing performance monitoring to ensure continued alignment with contractual obligations, regulatory requirements, operational resilience expectations, and the Company's defined risk appetite.

#### *Material Intra-Group Outsourcing*

IGIU operates as a service group company and, through intercompany Service Level Agreements ('SLAs'), provides operational support for functions that may be required by each IGI Group company. These arrangements cover the following services; underwriting operations, claims, finance and investments, human resources, legal and compliance, information technology, internal audit, risk management and actuarial reserving.

The Company maintains governance and oversight of these intra-group arrangements through the application of its Outsourcing and Other Third-Party Arrangements Policy and the supporting procedures. All services provided by IGIU are subject to ongoing performance monitoring, to ensure that the services remain aligned with regulatory expectations, operational needs, and the Company's risk appetite. Intercompany SLAs establish clear responsibilities, service standards, and reporting requirements, and oversight is supported through regular key monitoring, internal control reviews, and the broader risk-management framework.

#### **B.9. Other Material Information**

There is no other material information regarding the governance structure that requires disclosure.

## C. Risk Profile

Achieving the Company's Business Plan and strategic objectives is inherently influenced by the risk environment in which it operates.

The Company's risk universe encompasses intrinsic risks fundamental to its business model, operational risks that may crystallise independently or in conjunction with intrinsic risks and broader qualitative risk categories such as Strategic, Group, Reputational, ESG and Emerging risks.

Intrinsic risk include 'core' risks actively pursued to optimise risk adjusted returns, primarily Underwriting and Investment risks, and 'non-core' risks that arise as a natural consequence of conducting business but have limited or no potential to generate value, such as Currency, Reserving, Liquidity and Credit risks.

Operational risk differs from both core and non-core intrinsic risks in that it relates specifically to the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. It may materialize as a discrete loss event (e.g. regulatory fines) or may amplify losses arising from other risk categories (e.g., a catastrophe loss exceeding expected levels due to inaccurate exposure data coding impacting reinsurance recoveries).

Strategic, Group, Reputational, ESG, and Emerging risks are critical to IGI Group's ability to generate and sustain shareholder value. As such, they are incorporated within the RCMF and CISSA processes. The Company's risk management approach focuses on identifying and evaluating these risks, and assessing their potential impacts, thereby informing preparedness, mitigation strategies and appropriate management responses.

### C.1. Material Risks the Insurer is exposed to in the Period

The Company's primary risk exposures relate to the core risks of Underwriting and Investments, and this is reflected in the frequency and scope of the risk monitoring and reporting to Boards. The Company writes a diversified book of business in multiple geographical locations and through different classes of business.

Our operations expose us to claims arising out of unpredictable catastrophe events. These exposures, particularly relating to natural and man-made events are monitored using third-party stochastic probabilistic loss models (Touchstone - Verisk) and, where model coverage is limited, through deterministic or Probable Maximum Loss assessments for defined loss scenarios.

These exposures are reported in detail within the relevant schedules of the Company's filings to the BMA. The Company's catastrophe risk profile has remained relatively stable over the period, with the Company's exposures considered prudent given its well diversified portfolio, immaterial peak zone atmospheric perils concentrations and conservative line sizes and reinsurance protections.

Material investment risk exposures relate to counterparty default in respect of term deposits and interest rate volatility and counterparty risk in respect of fixed income securities. These exposures are monitored through regular investment portfolio reporting including quarterly reviews by the Investment Committee and the IGI Bermuda ARCC. The Company maintains modest exposures to Equities (<3%) and to Alternative Assets including Real Estate Investments (<1%).

### C.2. Risk Mitigation in the Organization

The identification, assessment, management and reporting of risks are undertaken by the Risk Management function as detailed within the RCMF. The Company mitigates risk through the application of robust controls and prudent risk limits and tolerances, which are cascaded to front-line operations and supported by the 'three lines of defence' model, with ongoing oversight provided by the Risk Management and Internal Audit functions.

## Underwriting Risk

The primary tools for managing underwriting risk include:

- Maintaining a versatile and well-diversified book of business;
- Implementing effective underwriting guidelines and authority matrices, and monitoring compliance against them;
- Underwriting within prudent aggregate loss and PML limits at both individual and portfolio levels;
- Operating a robust exposure management system;
- Applying a prudent approach to claims reserving;
- Maintaining a stratified and well-structured reinsurance programme; and
- Conducting frequent and effective monitoring and performance review practices.

In addition to these controls, the Company employs an extensive reinsurance programme designed to contain underwriting risk within acceptable levels.

The programme is designed and purchased at the IGI Bermuda level to leverage the purchasing power of the IGI Group and to provide protection to all IGI Group insurance risk taking entities. It encompasses:

- Excess of Loss treaty arrangements to limit exposure to peak or catastrophe losses to an acceptable level;
- Quota Share or Proportional treaty arrangements to share risk on selected lines of business, particularly newer lines, with partner reinsurers; and
- Facultative reinsurances placed on a case-by-case basis to manage individual risk exposures and to either protect the Company's retention, or to reduce the maximum exposure to within the set of underwriting limits.

The effectiveness of these arrangements is monitored on a current and retrospective basis through the reserving process, where their impact on mitigating the gross risk and counterparty default risk is explicitly considered.

Prospectively, the risk / return profile and overall adequacy of the reinsurance program are evaluated during the business planning and reinsurance placement process using internal and external deterministic and stochastic analyses, in collaboration with the Actuarial function to appropriately parameterise loss distributions.

The following specific risks relating to the programme are monitored on an ongoing basis to ensure continued alignment with the Risk Appetite Framework and the capital basis upon which solvency requirements are calculated:

- Vertical exhaustion - the risk that gross losses exceed total limits available under the reinsurance program. This is monitored through catastrophe exposure modelling, with gross and net (of reinsurance) loss estimates produced using deterministic and stochastic scenarios. Results are reported to management and the Group ARC and relevant Entity ARCC on at least a quarterly basis.
- Horizontal exhaustion - the risk that multiple loss events exhaust the number of reinstatements available under one or more elements of the programme. This is assessed through monitoring reinstatement utilisation and modelling of the expected frequency and severity of losses that may attach to the programme in a given return period.

## Liquidity Risk

Liquidity risk is mitigated through investment guidelines requiring the maintenance of a highly liquid asset portfolio, sufficient to accommodate a significant payout combined with a gross underwriting stress loss.

IGI Bermuda has a low-risk appetite for liquidity risk and seeks to ensure that adequate liquidity is maintained at all times to meet the Company's financial obligations to policyholders and other counterparties as they fall due. This is achieved primarily through the composition of its investment portfolio, which includes cash, short-term deposits and high quality fixed income securities with staggered maturities designed to naturally mitigate liquidity risk while ensuring the portfolio remains readily realized.

At year-end 2025, approximately 16.3% of the portfolio was held in cash and term deposits, with a further 80.9% in well-rated fixed income securities. The Company intends to maintain a low liquidity risk profile over the projected period and will continue to adopt a conservative investment strategy to ensure all (re)insurance liabilities can be met when due.

In addition to maintaining a conservative investment portfolio, the Company's liquidity position is monitored on a regular basis. This includes daily cash flow management under business-as-usual conditions, as well as consideration of longer-term liquidity requirements under adverse economic conditions. Liquidity risk is further managed through asset-liability management practices, including currency and duration matching.

## Market Risk

The Company has a low appetite for Market Risk and asset-liability mismatch and therefore seeks to maintain its investments in line with the conservative internal investment guidelines, recognizing that the Company's primary driver of value creation is underwriting rather than investment activity.

The primary tools for managing Market Risk include:

- Maintaining clear investment guidelines that limit exposure to non-traditional investment classes and establish minimum counterparty quality or credit rating requirements, as well as minimum and maximum limits by investment type and geographic concentration;
- Ensuring ongoing compliance with the Prudent Person Principle;
- Regular monitoring of the investment portfolio, including holdings by asset class, cost, and current market price;
- Monitoring the credit rating of all investments; and
- Preparing quarterly Asset Liability Management reports.

## Credit Risk

The Company has a low appetite for credit risk in respect of receivables, however accepts a degree of risk as an unavoidable consequence of its underwriting and reinsurance activity.

The primary tools for managing Credit risk include:

- Minimum credit quality criteria for outwards reinsurance counterparties, requiring reinsurers to be rated at least an "A-" rating from A.M. Best or "BBB+" from S&P for short-tail classes, and at least "A" rating from A.M. Best or "A-" from S&P for long-tail classes at the time of placement. Counterparties with ratings below these thresholds may only be approved by the Group Reinsurance Committee.

- Effective credit control policies and procedures in respect of broker and reinsurer receivables, including producing and monitoring aged debt reports on a regular basis.
- Appropriate due diligence and terms of business agreements for all brokers and coverholders.
- Quarterly monitoring of the shared reinsurance programme through the Reinsurance Committee, including assessment of potential erosions or exhaustions, and implementation of remediation plans where necessary.
- Regular monitoring of the banks' financial performance and credit ratings, including the credit ratings of the Company's investments other than cash. The Company has established investment strategy and guidelines to ensure a better diversification of its investment portfolio.

### Operational Risk

The Company has no risk appetite for the failure of internal systems or processes that could lead to material disruption to business operations, nor for the unauthorised access to data or systems arising from external events (e.g., cyber security breaches, natural catastrophes, etc.).

The Company's operational risk mitigation approach includes:

- Established procedural controls including workflow management, segregation of duties and documented procedures and process maps to ensure operational consistency and reduce the risk of process failures.
- Ongoing monitoring of compliance with all applicable laws, regulations, and internal policies and procedures, supported by regular reviews, mandatory training, and continuous oversight from the Compliance and Risk functions.
- Business continuity and disaster recovery plans, underpinned by formal Business Impact Assessments. These ensure that critical operations can be maintained or restored within tolerable timeframes in the event of operational disruption, including failures of outsourced service providers.
- Maintaining a comprehensive cybersecurity framework, incorporating network monitoring, threat detection tools, multifactor authentication, data encryption protocols, vulnerability assessments, access controls, and regular penetration testing, to safeguard systems and sensitive information. This is supported by an appropriate Information and Communications Technology ('ICT') Risk Management Framework and IT Security framework to ensure that adequate controls are in place to support business needs, regulatory expectations, and manage ICT-related risks.
- Periodic performance and due diligence reviews of third-party service providers. This includes assessment of financial soundness, operational capability, information security and adherence with SLAs.
- Maintaining effective human resource management and development practices, ensuring adequate staffing levels, competence, and succession planning across all critical functions.
- Contingency measures to mitigate outsourcing and third-party dependency risk, including maintaining alternative backup processes, ensuring contractual provisions provide sufficient termination rights and notice periods; and keeping up-to-date exit strategies together with a comprehensive outsourcing and third-party register.

During 2025, the Company completed an Internal Audit review of its readiness for the Digital Operational Resilience Act ('DORA') readiness. DORA requires that insurance undertakings enhance the resilience of their

network and information systems, including those of their critical outsourcing partners. This includes ensuring the ability to withstand, respond to and recover from all types of ICT-related disruptions and threats. Based on the assessment of IGI Group's documentation, self-assessments and walkthroughs, the internal audit review concluded that the overall readiness rating for IGI Group's DORA implementation as 'Implemented'.

On a quarterly basis and/or following an operational loss event materialising, the Risk Management function meets Risk and Control Owners to formally discuss and reassess / reaffirm the risk ratings and control effectiveness ratings for which they are responsible. Control Owners are required to assess whether the controls in place are still operating as intended and whether they will continue to operate effectively in the future.

These assessments enable the Risk Management function and the Board to identify the Company's top risks, determine whether risks are effectively mitigated, and highlight areas requiring additional oversight, remediation or resource allocation.

### **C.3. Material Risk Concentrations**

The Company writes a diversified book of business in multiple geographical locations and through different classes of business. The Company seeks to manage its exposure to insurance and reinsurance losses through a number of loss limitation methods, including internal risk management procedures, writing business on an excess of loss ('XOL') basis, enforcement and oversight of underwriting processes, outwards reinsurance protection, adhering to maximum limitations on policies whether written on a proportional, first loss or XOL basis, written in defined geographical zones, limiting programme size for each client, establishing per risk and per occurrence limitations for each event, employing coverage restrictions and following prudent underwriting guidelines for each program written.

In relation to catastrophe risk, the Company monitors and controls the accumulation of risk for a number of realistic disaster scenario events. There are specific scenarios for natural, man-made and economic disasters, and for different lines of business.

In respect of investment risk, the IGI Group Investment Guidelines set the framework for investing, monitoring, and managing the Company's investment portfolio. The Guidelines outline various limitations designed to safeguard the Company against concentration risk, including credit, interest rate, geographical spread, and other forms of investment risk. Risk concentrations arising from insurance exposures are considered as part of the Company's stress and scenario testing, as further detailed in section C.4.

### **C.4. Investment in Assets in Accordance with the Prudent Person Principles**

The Company has established Investment Guidelines approved by the Board for the purpose of effectively managing and monitoring the Company's investments and to ensure that assets are invested in accordance with the Prudent Person Principle of the Bermuda Insurance Code of Conduct. The guidelines enable the Company to maintain a highly liquid investment portfolio while ensuring the security, quality, profitability and sustainability of the investment portfolio.

Furthermore, the Company may only assume investment risks that it is able to identify, measure, respond to, monitor, control, and report on while taking into consideration the capital requirements and adequacy, liquidity requirements, the financial market environment, policyholder obligations and sustainability factors.

The Guidelines outline the parameters and allocation limits of the Company's assets that are available for investment including risk tolerances for counterparty quality, concentration, and asset types. The allocation limits are set to ensure that risk is maintained within the risk tolerance levels and that the portfolio meets appropriate regulatory requirements. These are updated at least annually and at other such times as required to adapt to the changing economic, business and investment market conditions.

### C.5. Stress Testing and Sensitivity Analysis to Assess Material Risks

Stress testing and sensitivity analysis form a core component of the Group's RCMF and are used to assess the resilience of IGI Bermuda's capital and solvency position under severe but plausible adverse scenarios. These exercises support the Company's assessment of capital adequacy, inform the risk appetite framework and capital management planning, and provide a forward-looking view of the potential impact of material risks.

Given the Company's risk profile, the primary stress testing performed is in respect of underwriting risk which, given the overall risk profile of the Company, represents the greatest potential source of losses that could materially impact its capital and solvency position.

The Company utilizes a combination of stochastic and deterministic approaches to assess stress outcomes. Catastrophe risk is evaluated through stochastic modelling of elemental catastrophe exposures and deterministic modelling of Realistic Disaster Scenarios ('RDS'), with additional analysis performed to assess the aggregation of multiple large loss events within a single underwriting year. The Company also considers the possibility that severe underwriting losses may coincide with losses on the asset side of the balance sheet driven by significant economic shocks.

Stress testing is conducted at both the Group and subsidiary levels to assess capital resilience. The results are reviewed by senior management and inform discussions with the Board as part of ongoing assessment of the Group's solvency and capital position.

Stress testing is conducted in accordance with BMA requirements to assess the impact of prescribed and non-prescribed stress events on the IGI Bermuda BSCR ratio.

## D. Solvency Valuation

### D.1. Valuation Bases, Assumptions and Methods to Derive the Value of Each Asset Class

Under the Economic Balance Sheet ('EBS') Framework, the consolidated Statutory Financial Statements ('SFS') form the starting point for the preparation of the EBS.

Below is a reconciliation of amounts reported in total assets and liabilities under the SFS against the U.S. GAAP financial statements:

Adjustments / Reclassifications US\$'000	Assets	Liabilities	Net Assets
<b>U.S. GAAP Financial Statements</b>	<b>2,204,063</b>	<b>1,418,858</b>	<b>785,206</b>
<b>Adjustments:</b>			
Prepaid Expenses	(8,329)	-	(8,329)
Intangible Assets	(3,761)	-	(3,761)
<b>Reclassifications:</b>			
Reinsurance Assets	(340,402)	(340,402)	-
Off balance sheet items - Contingent liabilities other than insurance related own contracts	-	334	(334)
<b>SFS</b>	<b>1,851,571</b>	<b>1,078,790</b>	<b>772,782</b>

The table below shows the amounts of total assets and liabilities reported under the EBS against the SFS:

Adjustments / Reclassifications US\$'000	Assets	Liabilities	Net Assets
SFS	1,851,572	1,078,790	772,781
<b>Adjustments:</b>			
EBS – Net General Business Technical Provisions	-	633,752	(633,752)
Risk Margin	-	33,676	(33,675)
SFS – Net General Business Technical Provisions		(927,834)	927,834
Not Due Insurance Payables	-	(53,874)	53,874
Amounts due from Affiliates	(83,698)	-	(83,698)
Deferred Acquisition Cost ('DAC')	(93,331)	-	(93,331)
Not Due Insurance Receivables	(222,165)	-	(222,165)
Property, premises & equipment	(2,914)	-	(2,914)
<b>EBS</b>	<b>1,449,464</b>	<b>764,510</b>	<b>684,953</b>

The valuation principles applied to each material asset class under the EBS Framework are explained below:

### **Cash and Cash Equivalents**

Cash and cash equivalents are recorded at amortized cost, which approximates fair value, based on the balances confirmed by the relevant banks and financial institutions at the end of the year. Furthermore, non-USD cash balances are translated into equivalent USD using the year-end exchange rates publicly available.

There are no material estimations or judgments made due to the nature of these assets.

### **Quoted Investments**

These are recorded at fair value reflecting market prices traded on securities exchanges at the reporting date.

### **Unquoted Investments**

These are recorded at fair value using other techniques for which all inputs that have a significant effect on the recorded market value are observed either directly or indirectly. These techniques are consistent with the EBS Framework fair valuation hierarchy principles.

### **Investment in and Advances to Affiliates**

These are recorded at fair value in accordance with the provisions as prescribed in U.S. GAAP. EBS valuation principles are applied to the investment in affiliates where appropriate before deriving the investment values. Advances to affiliates shall be recorded at fair value according to the EBS valuation hierarchy.

### **Investment in Property and Real Estate Occupied by the Company**

These are recorded at fair value based on recent external valuation reports published by an accredited professional third-party valuer at the reporting date.

### **Deferred Acquisition Cost**

There is no concept of deferred acquisition cost ('DAC') under the EBS Framework. The DAC is implicitly included in the premium provisions valuation and not reflected as an asset.

### **Deferred Tax Assets**

Recognition of deferred tax assets is subject to a degree of estimation and judgment. The Company makes use of all available evidence when determining the future taxable profits. There is no difference between the recognised deferred tax asset in the U.S. GAAP financial statements and the deferred tax asset recognised in the EBS.

### **Accounts and Premium Receivable**

These are valued based on the best estimate of the recoverable value, discounted to present value where the expected recovery is greater than one year in accordance with the EBS Framework. The outstanding premiums that relate to future collection dates are included in the EBS best estimate premium provision calculation.

### **Property, Plant and Equipment**

These are recorded at fair value using relevant observable market inputs according to the EBS valuation hierarchy.

## Other Assets

These are recorded at the carrying value stated in the U.S. GAAP financial statement which are deemed to approximate the fair value due to the short-term nature of these assets. The only exceptions are prepayments and deferred expenses which do not meet the EBS valuation criteria with the caveat that prepayments could not be exchanged between knowledgeable willing parties in an arm's length transaction.

There are no material estimations or judgments made due to the nature of these assets.

## D.2. Valuation Bases, Assumptions and Methods to Derive the Value of Technical Provisions

### Claims Provision

Claims provision is the expected present value of the future cashflows arising from claim events occurring before or at the valuation date. The claims provision consists of:

- Balance Sheet Reserve estimates made up of:
  - Outstanding Claims Reserves ('O/S') (reserves held for claims that have already been reported, and which will be paid and settled in the foreseeable future) as determined by the Claims team based on a legal view, loss adjuster reports, etc.
  - Incurred But Not Reported ('IBNR') (reserves held for claims that have occurred but have not been reported as at the valuation date).
- An estimate of Unallocated Loss Adjustment Expense ('ULAE') is also added to these reserves.
- An estimate of Additional Expenses is also added to these reserves.

The IBNR reserve is estimated according to a range of widely used actuarial methods including evaluation of run-off patterns of paid and incurred claims (both internal and external benchmarks), and evaluation of expected loss ratios (both internal and external benchmarks) having regard to the impact of the underwriting cycle. This analysis takes place separately for each material line of business.

Reserves are estimated on both a Gross and Net of reinsurance basis. The Actuarial function assesses how the reinsurance programme should respond to known unreported claims, historical recovery rates from reinsurance contracts and considering current Gross/Net ratios for each line of business, accident year and reinsurance contract type. This is estimated without margins for prudence as required by the regulations.

Using the patterns of claims payments and risk-free interest rates published by the BMA in accordance with the Valuation principles outlined by BMA's 'Guidance Notes for Commercial Insurers and Insurance Groups Statutory Reporting Regime' ('Guidance Notes'), cash-flows are estimated and discounted for the time value of money.

EBS Technical Provisions are required to be a best estimate for all possible events. This will include events that may not have been experienced historically. Such events which are not presented in the observable historical data are referred to as Events Not in Data ('ENIDs').

The Gross Claims Provision is then: O/S **plus** IBNR **less** Discount Credit **plus** ENIDs **plus** Expenses.

The ceded Claims Provisions is analogous to the gross amount with an allowance (deduction) for Reinsurance Default ('RI Default'). RI Default takes account of the amount of total expected recoveries within the claims reserve banded by the credit ratings of the reinsurers and is a different basis from U.S. GAAP bad debt provisions.

## Premium Provision

Premium provision is calculated on both future exposures related to existing business and for business that is bound but not yet incepted ('BBNI'). BBNI policies are contracts that the Company is contractually committed to, but which are not yet on-risk.

The approach is to estimate likely future claims and remove future premium to be received.

Likely future claims are estimated according to U.S. GAAP Unearned Premium Reserves multiplied by appropriate loss ratios which vary by line of business and are consistent with the loss ratios adopted in the Claims Provision calculations. Future premiums are estimated according to the actual payment terms of the policies. Both components are calculated gross and net of reinsurance, with assumptions where appropriate that future reinsurance terms will be consistent with projections within the Company's business plan and future management actions. The future reinsurance recoveries, allowed for in the net loss ratios, take account of the type of reinsurance applicable and for non-proportional coverage, are consistent with the recoveries modelled in the derivation of the Business Plan. Netting down is undertaken by line of business, accident year and reinsurance contract type.

Where the allowance for future reinsurance anticipates recoveries on reinsurance contracts that are to be paid for after the valuation date, allowance is made for this cost. The largest element of this is likely to be the renewal of Treaties purchased on a Losses Occurring During ('LoD') basis.

A further allowance is calculated for additional expense reserves, being an estimate of future expenses that would be required to manage the claims without regard for future underwriting and which is calculated on a different basis from the allowance for claims management expenses in U.S. GAAP reserves. A single loading across Claims and Premium Provisions is calculated and included within Premium Provisions.

As with the Claims Provision calculation above, allowance is made for discounting, ENIDs, and RI Default. The calculation methods are the same, but the results are different to allow for different claim payment timings and different exposure to reinsurers.

The Gross Premium Provision is then:

The Future claims **less** future premiums **less** Discount **plus** Future cost of Reinsurance, **plus** ENIDs, **plus** total additional expense reserves.

The ceded Premium Provision is analogous to the gross with an allowance (deduction) for RI Default.

## Risk Margin

The risk margin has been considered to ensure that the value of the Technical Provisions is equivalent to the amount that would be expected to have to be paid to a third-party insurance Company in order to take over and meet the insurance obligations.

The risk margin has been calculated based on the estimated capital requirements to run off the insurance obligations and applying a cost of capital of 6% as specified by the BMA's Guidance Notes. The capital required to run-off the portfolio is based on the future estimated BSCRs, taking account of underwriting risk and reinsurance counterparty risk.

As at 31 December 2025, the total EBS Technical Provisions including the above-mentioned risk margin amounted to US\$667,428 which is comprised of:

<i>US\$'000</i>	
Best Estimate Loss and Loss Expense Provision	<b>575,026</b>
Best Estimate Premium Provision	58,726
Risk Margin	33,676
<b>Total</b>	<b>667,428</b>

### *Uncertainties*

The key areas of uncertainty in the Technical Provisions are:

#### **Outstanding Case Reserves**

As a specialty insurer, the Company is exposed to large individual claims which in both first party and especially in third party coverages can change over time as new information emerges and negotiations take place. This risk is managed through regular claims reviews, consistent reserving philosophy and the allowance in IBNR for expected future movements on case reserves.

#### **IBNR Claims**

Uncertainty in the estimate of IBNR is usually greater than for outstanding case reserves because much of the IBNR is in respect of claims that have not yet been reported. Regular Reserve Review meetings are held with the Actuarial Department, the Claims Department and Underwriters in which movements in the account are discussed and differences in the Actual-to-Expected critically examined to identify random timing or fluctuations as distinct from clear reserving signals. A formal Reserving Committee containing representatives of Underwriting, Claims, Finance, Management and Actuarial meet at least quarterly providing robust reserving governance.

Except where otherwise stated, no provisions are made for post balance sheet events occurring after 31 December 2025 in the estimates. Actual experience between this date and the time of writing this report may give cause to invalidate some parts of our analysis and results.

#### **Estimation of claims on future exposures**

Estimation of future claims are generally more uncertain than reserves for claims that have already taken place. The Company has a formal Business Plan to derive expected loss ratios for future exposures which considers attritional, large and catastrophe claims separately and takes account of historical and expected future movements in premium rates. These loss ratios, which are consistent with the IBNR reserving analysis, inform the Company's annual corporate plan and are used for future claims estimates in the Premium Provision.

#### **Catastrophe Losses**

The Claims Provision incorporates known natural catastrophe events, whereas the future claims part of the Premium Provision is exposed to potential future catastrophes. The Company models its catastrophe exposure and incorporates the findings into its reinsurance purchases, risk capital and expected future loss ratios.

## Environmental, Social and Governance (ESG)

The risks associated with climate change are wide ranging and could have major economic, political, social and financial impacts. Whilst the Actuarial Function has made no explicit allowance for Climate risk as at 31 December 2025, it is considered within discussions with the Claims team and underwriters during quarterly reserve reviews and business planning for 2026.

In 2022, IGI established an ESG Committee which addresses sustainability risks, regulatory updates and IGI's ESG priorities and initiatives. During 2025, the Company has continued to progress with its ESG initiatives, which include conducting a materiality assessment.

## Geopolitical Risks

Recent geopolitical developments continue to contribute to heightened uncertainty. Military conflicts, such as the Russia - Ukraine war and the escalation of hostilities in the Middle East, together with broader political and economic tensions, have increased risk of volatility in global commodity prices, the supply of energy and other critical resources, and international supply-chains. These disruptions may in turn influence inflationary dynamics and could lead to an increase in both the frequency and severity of insurance claims arising from associated economic or physical losses. In addition, shifts in international trade policy, including the imposition or adjustment of tariffs by the U.S. administration and possible retaliatory measures by other governments, have the potential to adversely affect financial market conditions, with corresponding implications for the insurance sector.

The Group continues to closely monitor geopolitical uncertainties, particularly those relating to ongoing Middle East tensions, and assess their potential impact these may have on technical provisions, the investment portfolio and the overall business, particularly regarding exposure to the Political Violence class of business.

## Inflation

After decades of historically low levels, inflation picked up from around the second half of 2021. Initially this was considered to be temporary, and central banks were reluctant to raise interest rates to dampen excessive economic demand. However, inflation increased rapidly, and inflationary pressures were compounded by the Russia-Ukraine war and the consequent price rises in food and energy.

There remains continued uncertainty around future inflationary trends, particularly due to geopolitical events, including trade tariffs with the US and the ongoing conflicts in the Middle East. In particular, heightened geopolitical tensions have contributed to increased volatility and upward pressure in global oil prices, which may, in turn, exert renewed inflationary pressures through higher energy and transportation costs.

Inflationary pressures will ultimately result in claims inflation through the increase in the cost to settle insurance claims in the future. While this will increase uncertainty around future claim settlement costs, the Company is taking claims inflation into consideration in its Premium Provisions, via Initial Loss Ratio Assumptions, and Claims Provisions. The Company will continue to monitor inflation rates and remain alert to emerging trends.

Additionally, 'Social inflation' has been observed in the US insurance market, particularly in the liability classes of business. Social inflation refers to the impact that societal factors (e.g., legal advertising, litigation funding, expanding class-action lawsuits, public distrust of corporate defendants, etc.) can have on insurance claims. Whilst this is not currently a concern for the Company, there is also no evidence that social inflation has increased claims frequency and severity for the IGI Group as a whole. However, we continue to monitor any developments such as frequency trends of class actions, and any changes in the legal environment and directives.

At the time of writing, the Company has not observed any significant increased claims frequency arising from recessionary pressures on several global economies. However, we believe we have made robust assumptions to deal with the prevailing market conditions.

The Company is not materially exposed to bodily injury awards in countries requiring indexed annuity type settlements. Practically all of the Company's exposure is expected to settle over a short to medium term.

### Market environment

The Company operates through brokers and is subject to uncertainties including rating environment, customer retention and broking trends such as creation of automatic acceptance facilities. Each line of business is affected differently. The Company responds to these uncertainties by regular monitoring of these trends and incorporating up-to-date insight in its forward-looking Business Plan and projections.

### D.3. Description of Recoverables from Reinsurance Contracts

Reinsurance recoveries are provided on the basis of paid and incurred for each Line of Business ('LoB')/Accident Year by type (Facultative, external Quota Share and Excess of Loss Treaty) as factual inputs to the IBNR assessment process.

Reserves for outward reinsurance recoveries on estimated IBNR claims are determined by the application of reinsurance recovery ratios to the estimated gross IBNRs. Specifically, IBNR by line of business and year is apportioned by policy and Facultative and Proportional Treaty.

The resulting IBNR is netted down for Excess of Loss Treaty Reinsurance using a weighted approach between the Initial Expected reinsurance recovery ratio, derived in the business planning exercise and the actual recovery ratio for each line of business and Accident Year.

Having allocated gross and net IBNR by policy, results for each risk-taking entity of IGI Group are readily derived.

#### *Material Differences with U.S. GAAP*

The Company financial statements are prepared according to U.S. GAAP. The most material element in Technical Provisions – U.S GAAP claims reserves (O/S + IBNR) – is common to both U.S. GAAP and Technical Provisions.

The following describes the linkage between U.S. GAAP reserves and Technical Provisions:

- Removal of Unearned Premium Reserve: This is a material component of reserves on an U.S. GAAP balance sheet, but its removal is accompanied by the removal of premiums receivable as an offsetting asset. The effect when taking the balance sheet as a whole is therefore less material than when comparing only U.S. GAAP reserves against Technical Provisions. This is the most important difference arising from the cashflow basis of the EBS approach compared with the accrual's basis of U.S. GAAP, and is replaced by the inclusion of the Premium Provision;
- Explicit consideration of contract boundaries, such as recognising 'bound but not incepted' business as a liability;
- Applying yield curves to future cashflows to allow for the time value of money;
- Inclusion of additional expense reserves to provide an amount reflecting the full cost of running off the Claims and Premium Provisions;
- Inclusion of Risk Margin;
- Inclusion of provision for ENIDs; and
- Different basis for provision for RI Default.

**D.4. Valuation Bases, Assumptions and Methods to Derive the Value of Other Liabilities**

There are no material differences in the EBS valuation of the liabilities other than Technical Provisions except for the reinstatement premium payables, excess of loss minimum and deposit premium payable and the undue insurance premium payables which form part of the EBS best estimate Technical Provision calculation.

**D.5. The amounts held under U.S. GAAP measurement principles are deemed to be approximations to fair value. Any Other Material Information**

There is no other information that requires disclosure.

## E. Capital Management

### E.1. Eligible capital

#### *Capital Management Policy and Process for Capital Needs*

The primary driver of the capital required at the level of the IGI Group is the level of capitalisation required to maintain its A ratings provided by both A.M. Best and S&P - this being significantly higher than that required to satisfy the minimum requirements of prudential regulation that might typically be considered as providing a BBB level of protection.

The Company at least on an annual basis (and at other times in response to a significant planned or actual change in the risk / capital profile) assesses the capital required under the S&P, A.M. Best and BMA BSCR deterministic models based upon its opening balance sheet and projected business plan.

At 2025 year-end, the capitalisation of the Group is in excess of level that would equate to an “A” credit rating under both the S&P and A.M. Best models and consequently provides significant headroom over the levels required by to satisfy its regulatory requirements.

#### *Eligible Capital Categorised by Tiers in Accordance with the Eligible Capital Rules*

The following table summarizes the Eligible Capital applied to the Economic Capital Requirement and is detailed further in the following section:

<b>Tier</b> <i>US\$'000</i>	
Tier 1	684,953
Tier 2	-
Tier 3	-
<b>Total</b>	<b>684,953</b>

#### *Eligible Capital Categorised by Tiers in Accordance to the Eligible Capital Rules Used to Meet ECR and MSM Requirements of the Insurance Act*

A summary of the eligible capital categories is shown below:

#### **Tier 1 basic capital**

<b>Type</b> <i>US\$'000</i>	
a. Fully paid common shares	120
b. Fully paid contributed surplus	144,690
c. Statutory economic surplus	540,143
<b>Total Tier 1 basic capital</b>	<b>684,953</b>

## Total Eligible Capital

Measure US\$'000	
Available Statutory Economic Capital & Surplus (a)	684,953
Enhanced Capital Requirement (ECR) (b)	280,028
Minimum Margin of Solvency (MSM)	70,007

As at the reporting date, Company reflects a BSCR/ECR ratio (a/b) of 245%. Furthermore, the Company has a buffer in available economic capital over the MSM.

The BMA requires every Class 3B insurer to maintain available statutory economic capital and surplus of an amount that is equal to or exceeds the value of its minimum margin of solvency and Enhanced Capital Requirement ('ECR') respectively by following certain criteria and thresholds as described in the eligible capital rules.

As illustrated above, the Company's Tier 1 capital comprises 100% of the available eligible capital against a regulatory minimum requirement of 80% and 60% for the MSM and ECR respectively, hence Tier 1 capital by itself covers the ECR and the Minimum Margin of Solvency.

Accordingly, the Company is in compliance with BMA eligible capital rules and requirements.

### *Confirmation of Eligible Capital That is Subject to Transitional Arrangements*

None.

### *Identification of Any Factors Affecting Encumbrances on the Availability and Transferability of Capital to Meet the ECR*

None.

### *Identification of Ancillary Capital Instruments Approved by the Authority*

None.

### *Identification of Differences in Shareholder's Equity as Stated in the Financial Statements Versus the Available Capital and Surplus*

Total equity as per the U.S. GAAP financial statements was US\$785.2m as at 31 December 2025.

The available statutory economic capital and surplus calculated under the EBS Framework was US\$685.0m.

The difference of US\$100.2m between the net assets of the Company in the financial statements and the EBS is due to adjustments made through the valuation process of the assets and liabilities undertaken in accordance with the EBS Framework requirements.

The following table analyses the differences between the equity in the U.S. GAAP financial statements and the available statutory economic capital and surplus as at 31 December 2025:

Description US\$'000	
Total Shareholder Equity in U.S. GAAP financial statement	785,206
Difference in the valuation of assets as per U.S. GAAP financial statements and EBS framework	(414,198)
Difference in the valuation of technical provisions	260,406
Difference in the valuation of other liabilities	53,539
Available statutory economic capital and surplus as per EBS framework	684,953

There are no differences between ordinary share capital and contributed surplus in the financial statements and the amount reported in the EBS.

## E.2. Regulatory Capital Requirements

*ECR and MSM Requirements at the End of the Reporting Period*

*Identification of Any Non-Compliance with the MSM and the ECR*

There have been no instances of non-compliance of ECR and MSM capital requirements. The Company holds significant headroom over its regulatory capital requirements.

*A Description of the Amount and Circumstances Surrounding the Non-Compliance, the Remedial Measures and Their Effectiveness*

None.

*Where the Non-Compliance is not Resolved, a Description of the Amount of the Non-Compliance*

Not applicable.

## E.3. Approved Internal Capital Model

Whilst the Company uses stochastic capital modelling to support its decision making and pricing processes, it uses the BSCR Model for the purpose of calculating its regulatory capital requirements.

## F. Declaration

We declare that to the best of our knowledge and belief, the information in this Financial Condition Report fairly represents the financial condition of the Company in all material respects.

Signed: /s/ Walid Jabsheh

Walid Jabsheh

Role: President, Chief Executive Officer, and Executive Director

Date: 29 April 2026

Signed: /s/ Ingrid Schembri

Ingrid Schembri

Role: Group Head of Risk

Date: 29 April 2026