ANNUAL REPORT AND ACCOUNTS

2024

HANSARD GLOBAL PLC

Hansard is a specialist long–term savings provider that has been providing innovative financial solutions for international clients since 1987. We focus on helping financial advisors and institutions to provide their clients (individual and corporate investors) with saving and investment products in secure life assurance wrappers to meet long–term savings and investment objectives.

We administer assets in excess of £1 billion for just under 40,000 client accounts located in up to 155 countries.

Hansard Global plc Report and Accounts
For the year ended 30 June 2024

HANSARD
GLOBAL PLC

Chairman's Statement

The Chairman reviews our performance, and the relevant issues affecting our business and how we operate.

Strategic Report

A narrative review of the Group's performance that includes an overview from the Chief Executive and details of our business. You can also find out about our approach to risk management.

Governance Information

In this section you can find out more on our Directors' background and experience, their specific responsibilities in relation to the Annual Report and Accounts, the key parts of our governance framework and how it was implemented during the year as well as reports from the various Board committees.

Financial Information

The Group's IFRS financial statements which include detailed analysis of the Group's performance, assets and liabilities. You will also find the Company's financial statements in this section.

Shareholder Information

Further information for shareholders such as our financial calendar and how to get in touch.

Chairman's Statement
Philip Kay

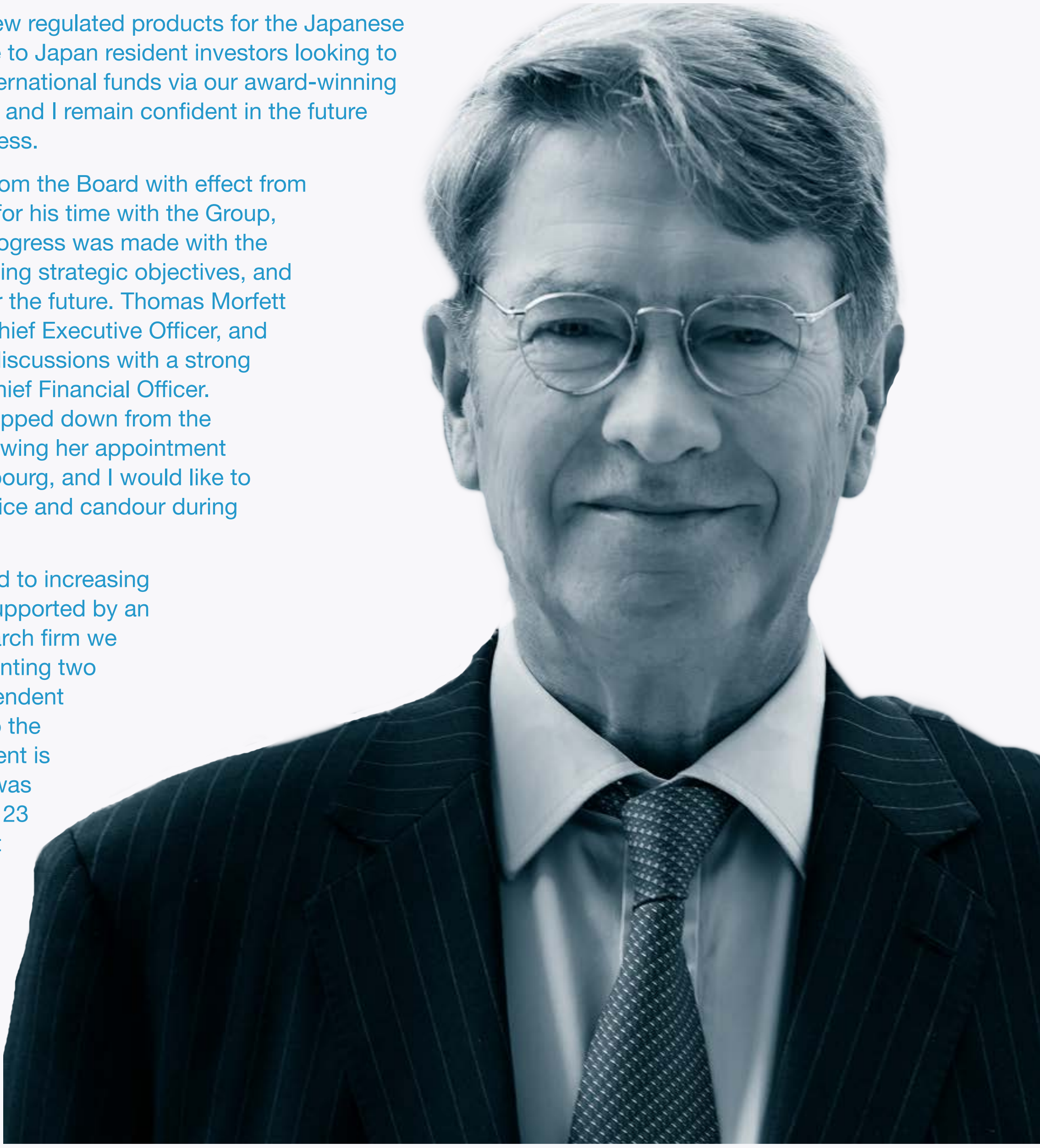
I am pleased to present the Group's annual report for the financial year ended 30 June 2024.

Whilst the external environment for new business remains challenging, we have continued to invest and position our business for the long-term and have successfully progressed key strategic and tactical initiatives during the year. These include the launch of our new portfolio bond through Hansard Worldwide in January, and the signing of the distribution agreement with Guardian Japan Kabushiki Kaisha ("Guardian") in June, two initiatives that will position the Group for future growth. In addition, the implementation of our new policy administration system was completed during March, representing the culmination of a major strategic initiative that we expect to benefit our policyholders, distribution partners, and Group performance through enhanced operational efficiency, increased scalability, and cost savings.

We have developed two new regulated products for the Japanese domestic market, available to Japan resident investors looking to access a wide range of international funds via our award-winning online platform. The Board and I remain confident in the future opportunities for the business.

Graham Sheward retired from the Board with effect from 2 August. I thank Graham for his time with the Group, during which significant progress was made with the achievement of long-standing strategic objectives, and I wish him the very best for the future. Thomas Morfett has accepted the role of Chief Executive Officer, and the Board is in advanced discussions with a strong candidate for the role of Chief Financial Officer. Christine Theodorovics stepped down from the Board on 29 February following her appointment as CEO of Baloise Luxembourg, and I would like to thank Christine for her advice and candour during her tenure.

The Company is committed to increasing diversity at board level. Supported by an independent executive search firm we are in the process of appointing two experienced female Independent Non-executive Directors to the Board. The first appointment is Noel Harwerth OBE, who was appointed to the Board on 23 September, and we expect to announce the second appointment later in the calendar year.



The Group remains well capitalised to meet the requirements of regulators, contract holders, intermediaries and other stakeholders.

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Financial Performance

Our IFRS profit before tax for the year was £5.3m, down from £5.9m in 2023.

Fees and commissions increased by £3.1m to £48.8m for the year (2023: £45.7m), with improved transactional income in Hansard International and Hansard Worldwide.

Returns on group investments improved to £4.7m for the year (2023: £3.5m) as a result of the Group increasing its focus on cash and liquidity management.

Administrative and other expenses were £33.3m for the year, compared to £29.0m in 2023, as the Group positions itself for future growth and development.

Further detail and analysis are contained in the Business and Financial Review on pages 12 to 19.

New Business

New business for the 2024 financial year was £77.8m (using the PVNBP metric), down 9.2% from £85.7m in 2023. Going forwards, our refreshed product portfolio will present new opportunities for the business to increase sales.

We are continuing to pursue further opportunities to improve new business levels as outlined in the Business and Financial Review.

Capitalisation and Solvency

The Group remains well capitalised to meet the requirements of regulators, contract holders, intermediaries, and other stakeholders.

On a risk-based capital basis, total Group Free Assets in excess of the Solvency Capital Requirements of the Group were £39.4m (2023: £44.6m), a coverage of 149% (2023: 156%). We have maintained our prudent investment policy for shareholder assets, which minimises market risk and has provided a stable and resilient solvency position over many years and economic cycles.

Dividends

The Board has resolved to pay a final dividend of 2.65p per share (2023: 2.65p). In making this decision, the Board has carefully considered its current and future cash flows, the risks and potential impact of the global economic situation, the outlook for future growth and profitability and the views of key stakeholders, including shareholders and regulators.

The dividend is subject to approval at the Annual General Meeting. If approved, this will represent total dividends for the financial year of 4.45p per share (2023: 4.45p). Upon approval, the final dividend will be paid on 14 November 2024. The ex-dividend date will be 3 October 2024 and the record date will be 4 October 2024.

Looking forward

The Company's investment in new systems and products which are focused on satisfying customer needs delivered higher sales in the second half of the financial year ended 30 June 2024, and we expect to see a continuation of this increased demand for our products in the year to 30 June 2025. This will position the Group well for the future. While we will maintain our focus on targeted cost savings to offset the impact of inflation and increased depreciation, we do expect to see a short-term decline in the Group's IFRS profit next year. The Company's solvency, however, is forecast to remain strong. Further detail is contained in the Future Prospects section on page 15.

P. B. Kay.

Philip Kay
Chairman
25 September 2024

Group Chief Executive Officer's Overview
Thomas Morfett

I am delighted to present my first report as Group CEO. We have delivered stable financial results for the year despite continued economic headwinds and challenges with our target markets. We have continued to maximise returns on Group cash and have positioned the business for future growth through controlled expenditure on strategic initiatives.

In March we successfully completed the implementation of our policy administration system which we expect to deliver efficiency gains and costs savings in future.

We announced in June that Hansard International has signed a distribution agreement with Guardian in Japan. This represents an important initial step in the realisation of our long-term strategy associated with our Japanese investment management licence and is testament to the dedication and perseverance of our staff and colleagues around the world. Guardian is led by a management team with a wealth of experience in Japan and will promote and distribute our two new Japanese-regulated products to the domestic market via our award-winning online platform. We will continue to focus on revitalising our product pipeline following the launch of our new portfolio bond through Hansard Worldwide earlier this year.

The company has maintained tight control of operational costs during the period, while targeting spending on future strategic initiatives. Cost savings are expected to be achieved from the efficiencies introduced by the new system during the upcoming financial year, although these will be partially offset by the amortisation of costs associated with the development of the system. We have been able to maintain the quantum of the dividend we pay to shareholders, whilst building the foundations for future growth in our business.

At the October 2023 International Investment awards, we received further recognition for the level of service provided to our clients and advisers with the Excellence in Client Service (Africa region) and Excellence in Fintech awards.

I would like to thank the Executive Committee and Hansard Group colleagues, who have demonstrated a high level of determination and purpose to progress and deliver on our key strategic and tactical initiatives this year. During this challenging period our employee engagement results have remained broadly consistent which is testament to our people and their resilience. Whilst we are beginning to see the fruit of our work there remains much to do, and I am committed to continuing the journey with my colleagues throughout the Group.

HANSARD GLOBAL PLC

Results for the Year Under Review

I draw your attention to the following items below. Additional information is contained in the Business and Financial Review on pages 12 to 19

1. New Business Distribution

New business for the 2024 financial year was £77.8m (using the PVNBP metric), down 9.2% from £85.7m in FY 2023. Despite the year-on-year reduction in new business, more PVNBP was sold during the second half of the year than the first, up 14.9% from £36.2m to £41.6m, reflecting increased sales of single premium business following the launch of the new portfolio bond in January. This is the first half-year on half-year increase in PVNBP since the second half of 2021. We continue to pursue opportunities to improve levels of new business as outlined in the Business and Financial Review.

2. Operational, Business and Financial Risks

Our business model involves the acceptance of risk on a managed and controlled basis. The Group's Enterprise Risk Management ("ERM") Framework continues to provide for the identification, assessment, management, control and reporting of current and emerging risks, recognising that systems of internal control can only provide reasonable and not absolute assurance against material misstatement or loss. The Group's internal control and risk management processes have operated satisfactorily throughout the year under review, with the benefit of iterative enhancements as we continue to embed our approach and benefit from the relative maturity of the ERM Framework.

2.1 Litigation Risk

As explained more fully in the Business and Financial Review, we continue to manage complaints and litigation arising from our closed book, Hansard Europe dac, where the assets linked to contracts written before 2014 have fallen in value or become illiquid. Hansard does not and did not give investment advice and was not therefore party to the selection of policy assets, and we maintain that such claims have no merit against Hansard.

As at 30 June 2024, the Group had been served with writs with a cumulative net exposure totalling €24.3m, or £20.6m in sterling terms (30 June 2023: €26.1m / £22.4m) arising from contract holder complaints and other asset performance-related issues.

3. Hansard OnLine

Our award-winning technology 'Hansard OnLine' (used by independent financial advisers ("IFAs")) and 'Online Accounts' (used by clients) are key aspects of our proposition and an integral part of the Group's operating model that allows us to better service IFAs and clients, embed process efficiencies and be flexible in operational deployment.

In March 2024, Hansard OnLine and Online Accounts were successfully migrated to a new system environment, marking the culmination of a major strategic objective that enables us to build on an already award-winning, online proposition. In addition, the new platform will be central to the development and quick deployment of new, products going forwards. Further information concerning Hansard OnLine is set out in the Business and Financial Review on pages 12 to 19.

4. Operating Cash Flows and Dividends

The Group generates operating cash flows to fund investment in the business, new business origination and to support dividend payments.

As outlined in the Cash Flow analysis section of the Business and Financial Review, the Group generated £3.0m in overall net cash inflows before dividends (2023: outflows of £1.6m), after commission and other new business acquisition costs of £8.1m (2023: £8.5m) and the investment of £3.9m (2023: £6.6m) in IT software and equipment expenditure. Dividends of £6.1m were paid in the financial year (2023: £5.9m).

A final dividend of 2.65p per share has been proposed by the Board and will be considered at the Annual General Meeting on 13 November 2024. If approved, this will represent total dividends for the financial year of 4.45p per share (2023: 4.45p).

Financial Performance

Results for the Year

Financial performance is summarised as follows. A detailed review of performance is set out in the Business and Financial Review that follows this report.

	2024 £m	2023 £m
New business sales – PVNBP	**77.8**	**85.7**
IFRS profit before tax	**5.3**	**5.9**
Underlying IFRS profit	**8.5**	**7.4**
Assets under Administration	**1,150.9**	**1,101.5**
Value of In-Force (regulatory basis)	**110.8**	**124.4**

Thomas Morfett

IFRS Results

IFRS profit before tax for the year was £5.3m, compared with £5.9m in 2023. After eliminating litigation and non-recurring items, as shown on page 13, the underlying IFRS profit (a non-GAAP metric) was £8.5m, up from £7.4m in 2023.

Fees and commissions were £48.8m for the year (2023: £45.7m). Fees from Hansard International and Hansard Worldwide were up £2.9m to £46.5m from 2023, reflecting an increase in activity-based fees. Income from our closed book, Hansard Europe dac, increased marginally on the prior year.

Returns on group investments increased to £4.7m (2023: £3.5m) as the Group took advantage of continued higher yields on bank deposits.

Administrative and other expenses were £33.3m for the year, compared to £29.0m in 2023, as we have targeted additional investment to provide capacity and capability for growth.

Origination costs to acquire new business of £16.1m is marginally down on the 2023 result (£16.2m). Origination costs incurred in the year in respect of new business decreased to £10.3m (2023: £11.5m). Net amortisation of deferred origination costs increased to £5.8m (2023: £4.7m).

Further details and analysis are contained in the Business and Financial Review on pages 12 to 19

Capitalisation and Solvency

Our key financial objective is to ensure that the Group's solvency is managed safely through the economic cycle to meet the requirements of regulators, contract holders, intermediaries, and shareholders. The Group continues to be well capitalised.

Under risk-based capital methodologies, total Group Free Assets in excess of the Solvency Capital Requirements of the Group were £39.4m (2023: £44.6m), a coverage of 149% (2023: 156%). Shareholder assets are typically held in a wide range of deposit institutions, investment grade corporate bonds, and highly rated money market liquidity funds. This prudent investment policy for shareholder assets minimises market risk and has provided a stable and resilient position over recent years.

Our People

Our people remain critical to our success, and I would like to recognise and reiterate my thanks to each of my colleagues for their continued commitment, flexibility, and resilience in managing both our on-going day-to-day operations and our key strategic projects.

I have been delighted by the consistent level of engagement seen within our programme of cultural change and look forward to continuing in our goals of fostering an engaged and innovative workforce to meet our ambitions and the expectations of our stakeholders.

THE YEAR AHEAD

The global economic situation remains challenging, with residual pressures from high inflation and economic uncertainty continuing to cause hesitancy amongst our target clients and with declining interest rates expected to reduce opportunities for returns on group investments in the coming year. We will continue to target cost savings to help mitigate the impact of inflation in previous years, along with the impact of increased depreciation costs. Our investment in new products and systems has delivered higher sales in the second half of the year, and we expect to see increased demand for our products focused on satisfying customer needs, positioning us well for the future.

Thomas Morfett
Group Chief Executive Officer
25 September 2024

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Our Business Model and Strategy

Our Business Model and Strategy

Hansard is a specialist long-term savings provider that has been providing innovative financial solutions for international clients since 1987. We focus on helping our customers with savings and investment products in secure life assurance wrappers to meet their long-term savings and investment objectives.

We administer assets in excess of £1 billion for just under 40,000 client accounts around the world.

We believe that the following areas are fundamental for the continued success of the Group:

- Proposition enhancement, product improvement and diversification of our distribution channels to enable generation of significant flows of new business from identified target markets.
- Leveraging our policy administration system to drive business efficiency.
- Proactively managing our cash flows through the cycle to fund the appropriate balance of investment in new business and dividends.
- Managing and mitigating our exposure to business risks.
- Positioning ourselves to incorporate increasing levels of regulation into our business model.

Business Model

The Company's head office is in Douglas, Isle of Man, and its principal subsidiaries operate from the Isle of Man, The Bahamas and the Republic of Ireland.

Hansard International is authorised by the Isle of Man Financial Services Authority and has a branch in Malaysia, authorised by the Labuan Financial Services Authority, to support business flows from Asian growth economies. The Company also has a branch in Japan to support its Japanese proposition, which is authorised by the Japanese Financial Services Agency. Through its relationship with a local insurer in the UAE, Hansard International reinsures business written in the UAE.

Hansard Worldwide underwrites international and expatriate business around the world. It is authorised by the Insurance Commission of The Bahamas.

Hansard Europe is authorised by the Central Bank of Ireland. Hansard Europe ceased accepting new business with effect from 30 June 2013.

Our products are designed to appeal to affluent international investors, institutions, and wealth-management groups. They are distributed exclusively through independent financial advisers (IFAs) and the retail operations of financial institutions.

Our network of Regional Sales Managers provides local language-based support services to independent financial advisors in key territories around the world, supported by our multi-language online platform, Hansard OnLine.

Vision and Strategy

Our vision for the Hansard Group is:

"to share success with our clients by providing simple, understandable and innovative financial solutions".

To deliver this vision, client outcomes will be the central focus within our business and, consequently, we will seek to evolve all aspects of our products, processes, and distribution in order to constantly improve.

Our talented people are the foundation of our business. We have created an empowering culture, which values innovation, quality, integrity, and respect.

Our strategy to improve, grow and future-proof our business will be delivered through three key areas of strategic focus:

i. Improve our business: We will improve customer outcomes through the introduction of new and innovative next generation products and services to improve our competitiveness, focusing on the quality of the IFAs with whom we work and continuing to drive the engagement of our people within our business.

ii. Grow our business: In recent years we established a new life company in The Bahamas, and we have recently signed a distribution agreement with Guardian to access the Japanese domestic market. We will continue to seek out opportunities for additional distribution channels in other targeted jurisdictions in future.

iii. Future-proof our business: We actively consider new and innovative technologies, propositions, and business models. It remains critical to support the online and digital needs of our clients alongside improving organisational efficiency and scalability.

Products

The Group's products are unit-linked regular or single premium life assurance and investment contracts which offer access to a wide range of investment assets. The contracts are flexible, secure and allow life assurance cover or other features depending upon the needs of the client. The contract benefits are directly linked to the value of assets that are selected by, or on behalf of, the client. The Group does not offer investment advice. Contract holders bear the investment risk.

We administer assets in excess of £1 billion for just under 40,000 client accounts located around the world

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The Group's products do not currently include any contracts with financial options and/or guarantees regarding investment performance and hence the Group carries no investment guarantee risk that can cause capital strain.

As a result of high levels of service, the nature of the Group's products, the functionality of Hansard OnLine, and the ability of the contract holder to reposition assets within a contract, we aim to retain the contract holder relationship over the long term.

Contract holder servicing and related activities are performed by Hansard Administration Services Limited, which is authorised by the Financial Services Authority of the Isle of Man Government to act as an Insurance Manager to insurance subsidiaries of the Group.

Revenues

The main sources of income for the Group are the fees earned from the administration of insurance contracts. These fees are largely fixed in nature and amount to £43.7m (2023: £40.5m). Approximately 30% of the Group's revenues, under IFRS are based upon the value of assets under administration.

From this income we meet the overheads of the business, invest in our business, remunerate our distribution network, and pay dividends.

Managing Risk

Risk can arise from a combination of macro events and company-specific matters. In the external environment the ongoing geopolitical position and active hostilities, combined with continued economic uncertainties, cost of living pressures, accelerating technological change, climate adaptation efforts and broader societal vulnerabilities have the potential to cause significant volatility to stock markets, foreign exchange markets, interest rates and expense inflation and the capacity to impact our strategic initiatives, business plans and operating resilience. We therefore continue to maintain a robust, low risk balance sheet and remain committed to iterative development and enhancement of our enterprise risk management system and controls. We believe this prudent approach to our governance, risk management and internal arrangements remains appropriate to meet the requirements of regulators, contract holders, intermediaries, and shareholders.

Further details of our approach to risk management, and the principal risks facing the Group, are outlined in the Risk Management and Internal Control Section at pages 20 to 27.

Hansard Online

Hansard is a regular recipient of numerous awards that recognise our reputation for innovation, via the provision of market-leading online platforms that are used daily by thousands of IFAs ('Hansard OnLine) and their clients ('Online Accounts) around the globe. In March 2024, Hansard OnLine and Online Accounts were successfully migrated to a new system environment, marking the culmination of a major strategic objective that enables us to build on an already award-winning, online proposition. In addition, the new platform will be central to the development and quick deployment of new, future products.

Online Accounts

Thousands of existing Hansard clients access their own personal, secure online account every year. Online accounts are mobile friendly and have the capability to provide these clients with a wealth of policy information, 24/7. In addition to other functionality and benefits, clients can:

- Track the performance of their policy online, with policy valuations and contribution details at the touch of a button.
- Access their online account with our new-look mobile and tablet friendly platform, enabling access on the go, wherever they are in the world.
- Access their online account 24/7, safe in the knowledge that their details are secure and protected.
- Access a wealth of fund performance information, facilitating better informed investment decisions in the future; and
- Stay informed in a language that they understand, with Online Accounts being available in over 13 different languages.

Excellent Customer Service

We strive to provide excellent customer service to our clients and their IFAs. We have won several external awards over the years, most recently in October 2023 when we won 'Excellence in Client Service - Industry (Africa region)' and 'Excellence in Fintech' awards from International Investment. We also maintained our five-star rating for Customer Service by AKG Financial Analytics, in their 2023 review.

Cyber Security

Hansard has continued to invest in its cyber security infrastructure with the implementation of a Security Operations Centre, operating at an ISO27001 (Information Technology Security Standard) standard, to provide further enhanced surveillance of our systems and external threats.

STRATEGY DEVELOPMENT

Our current strategy has three main aims:

i) To capitalise on near term strategic opportunities.

ii) To ensure the Group is well positioned to respond and adapt to regulatory change and development; and

iii) To consider and plan for longer term industry and technological evolution.

Our Business Model and Strategy *continued*

During the past financial year, we have progressed our two most significant near-term strategic initiatives:

- implementation of our policy administration system, and upgrading and streamlining our systems and IT infrastructure; and
- signing a distribution agreement with Guardian enabling us to bring to market our locally licensed investment products in Japan.

We continue to make progress with further development to refresh our suite of products.

REGULATORY CHANGE

The Isle of Man Financial Services Authority "the Authority" has continued to focus on its programme of transformational change and commitment to driving regulatory effectiveness, maintaining a robust regulatory environment, and keeping pace with international standards. The Island's reputation as a well-regulated and internationally responsible jurisdiction remains of vital importance to its competitive positioning in the global marketplace and maintaining consumer confidence in the Island's financial services sector. The Authority's strategic priorities are also closely aligned with the Isle of Man Government's vision to build a secure, vibrant, and sustainable Manx economy.

The Authority's revised Supervisory Methodology Framework actively supports the achievement of its core regulatory objectives namely the protection of customers, reducing financial crime and maintaining confidence in the financial services sector. Supervisory emphasis remains focused on the delivery of outcomes that enhance the Island's status and reputation and a high level of compliance with international standards. Major milestones have been enacted in recent years with the implementation of new risk-based capital, conduct and governance regimes. The Authority's transition to a risk and impact-led supervisory model is testament to its continued drive for better outcomes via consistent, proactive and value-adding programmes of engagement, which deploy regulatory resources in the most appropriate and efficient way.

Throughout the reporting period the Hansard Group has continued its work to adapt to and embrace the intent and objectives of regulatory change and development, working transparently with all the Group's regulatory bodies to shape our responses and embed associated changes in strategy, policy, practice and culture.

Key Performance Indicators

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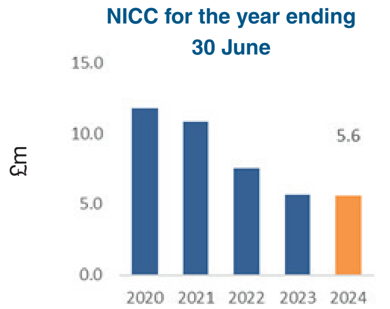
Key Performance Indicators

The Group's senior management team monitors a wide range of Key Performance Indicators, both financial and non-financial, that are designed to ensure that performance against targets and expectations across significant areas of activity are monitored and variances explained.

The following is a summary of the key indicators that were monitored during the financial year under review.

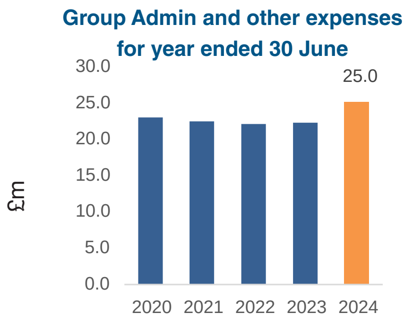
New Business – The Group's internal indicator of calculating new business production, Net Issued Compensation Credit ("NICC") reflects the amount of base commission payable to intermediaries, excluding override commission. Incentive arrangements for intermediaries and the Group's Regional Sales Managers incorporate targets based on NICC (weighted where appropriate).

New business levels are reported daily and monitored weekly against target levels. Net Issued Compensation Credit was £5.6m for the year, down £0.1m on 2023, reflective of lower new business levels

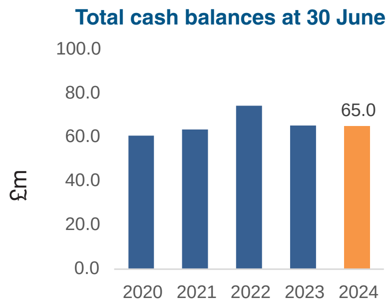


Administrative Expenses (excl. litigation and non-recurring items) – The Group maintains a rigorous focus on expense levels and the value gained from such expenditure. The objective is to develop processes to restrain increases in administrative expenses to the rates of inflation assumed in the charging structure of the Group's policies.

The Group's administrative and other expenses for the year (excl. litigation and non-recurring items) were £25.0m compared to £22.3m in 2023. Further detail is contained in the section on Administrative and other expenses on page 15.



Cash – Bank balances and significant movements on balances are reported monthly. The Group's cash and deposits at the balance sheet date were £65.0m (2023: £65.4m). Movements are reflective of cash earned from new and existing business, commissions and expenses paid, investments in new systems, the level of inflight transactions, and the dividends paid to shareholders.



Operational Resilience – Maintenance of continual access to data is critical to the Group's operations. This has been achieved throughout the year through a robust infrastructure. The Group is pro-active in its consideration of threats to data, data security and data integrity. Business continuity and penetration testing is carried out regularly by internal and external parties. Operational Resilience is further evidenced by ongoing remote working as a normal business practice.

Risk Profile – The factors impacting on the Group's risk profile are kept under continuous review. Senior management review actual and emerging risks at least monthly. The principal risks faced by the Group are summarised in the Principal Risks section below.

Solvency – The Solvency Capital Requirement ("SCR") of the Group and its' subsidiaries is monitored frequently and reported to the Board. The SCR as at 30 June 2024 is reported in Other Information on page 116.

Business and Financial Review

New Business Performance for the Year Ended 30 June 2024

The Group continues to focus on the distribution of regular and single premium products in a range of jurisdictions around the world, achieving well diversified new business growth.

New business performance for the year is summarised in the table below:

Basis	2024 £m	2023 £m	% change
Present Value of New Business Premiums	**77.8**	85.7	(9.2%)
Annualised Premium Equivalent	**10.4**	12.7	(18.1%)

In Present Value of New Business Premiums ("PVNBP") terms, new business for the year to 30 June 2024 was £77.8m, 9.2% down on the prior year. Despite the year-on-year reduction in new business, more PVNBP was generated during the second half of the year than the first, up 14.9% from £36.2m to £41.6m, reflecting increased sales of single premium business following the launch of the new portfolio bond in January. This is the first half-year on half-year increase in sales measured with PVNBP since the second half of 2021. New business PVNBP in the second half of 2023 was £42.3m.

The Annualised Premium Equivalent ("APE") measure shows a decline of 18.1% from 2023 to £10.4m.

Present Value of New Business Premiums ("PVNBP")

New business flows on the PVNBP basis for the Group are further analysed as follows:

PVNBP by product type	2024 £m	2023 £m	% change
Regular premium	**44.2**	55.7	(20.7%)
Single premium	**33.6**	30.0	11.9%
Total	**77.8**	85.7	(9.2%)

PVNBP by region	2024 £m	2023 £m	% change
Middle East and Africa	**32.4**	42.4	(23.6%)
Rest of World	**24.3**	25.7	(5.8%)
Latin America	**16.4**	12.1	35.6%
Far East	**4.7**	5.5	(14.8%)
Total	**77.8**	85.7	(9.2%)

The launch of our new single premium proposition was well received, and we saw an increase in business for this product over the second half of the year that we expect to continue in future. We expect the launch of new regular premium products through our new distribution agreement with Guardian in Japan to lead to improvements in regular premium sales in the current business year. A refresh of our regular premium product range for the wider distribution channels is also expected in the next financial year which will further support and underpin our production for the year ahead.

Activities around new business generation remain high as we work with key IFAs around both existing and new opportunities. Several new IFA relationships have already started producing business and this work will continue in the current business year to expand further our networks of distributors.

Our sales team is well positioned to drive IFA and product initiatives to increase new business in future. This includes the development and launch of new products for key target markets, updates and improvements to existing products and continuation of system developments to support our service and overall proposition.

Premium currencies remained relatively consistent year on year, with the predominant currency being US Dollars:

Currency denominations (as a percentage of PVNBP)	2024 %	2023 %
US dollar	**85**	87
Sterling	**10**	8
Euro	**4**	4
Other	**1**	1
	100	100

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Presentation of Financial Results

Our business is long term in nature. The nature of the Group's products means that new business flows have a limited immediate impact on current earnings reported under UK adopted international accounting standards ("IFRS"), as initial fees and acquisition costs from the contracts sold are mostly deferred and amortised over the life of the contract. The benefit of sales to fee income levels are felt in future financial periods, noting also that our newer products have a longer earning period than our older products.

Results for the Year

The following is a summary of key items to allow readers to better understand the results for the year.

IFRS profit before tax for the year was £5.3m, compared with £5.9m in 2023. Increased fee income and higher investment returns have been offset by an increase in administration expenses.

Operating profit prior to litigation and non-recurring items was £8.5m in 2024, up from £7.4m in 2023

Abridged Consolidated Income Statement

The consolidated statement of comprehensive income presented under IFRS reflects the financial results of the Group's activities during the year. This income statement however, as a result of its method of presentation, incorporates a number of features that might affect an understanding of the results of the Group's underlying transactions. These relate principally to:

- Investment gains attributable to contract holder assets were £114.4m (2023: £40.6m). These assets are selected by the contract holder or an authorised intermediary, and the contract holder bears the investment risk. They are also reflected within 'Change in provisions for investment contract liabilities' and together have no net impact on IFRS profit.

- Fund management fees are collected and paid onwards by the Group to third parties having a relationship with the underlying contract. In 2024 these were £5.1m (2023: £5.2m). These are reflected on a gross basis in both income and expenses under the IFRS presentation on page 80. Deducting the £5.1m from £48.8m for fees and commissions and £33.3m for administrative and other expenses in the consolidated statement of comprehensive income results in the figures of £43.7m and £28.2m presented below.

An abridged non-GAAP consolidated income statement in relation to the Group's own activities is presented below, adjusted for the items of income and expenditure indicated above.

	2024 £m	2023 £m
Fees and commissions attributable to Group activities	**43.7**	40.5
Investment and other income	**5.9**	5.4
	49.6	45.9
Origination costs	**(16.1)**	(16.2)
Administrative and other expenses attributable to the Group, before litigation and non-recurring items	**(25.0)**	(22.3)
Operating profit for the year before litigation and non-recurring items	**8.5**	7.4
Litigation and non-recurring expense items	**(3.2)**	(1.5)
Profit for the year before taxation	**5.3**	5.9
Taxation	**(0.1)**	(0.2)
Profit for the year after taxation	**5.2**	5.7

Fees and Commissions

Fees and commissions for the year attributable to Group activities were £43.7m, 7.9% higher than the 2023 total of £40.5m.

Contract fee income totalled £30.6m for the year, up £2.5m on the 2023 comparative of £28.1m. Contract fee income includes the amortised element of up-front income deferred under IFRS and contract-servicing charges. Amortisation of deferred income in Hansard International increased to £17.4m, whilst transactional charges related to policyholder activity have increased to £13.2m compared to last year. Immediately recognised fees, including surrender charges from redemptions, decreased compared to the prior year. This was reflective of lower levels of redemptions compared to the prior year. Hansard Europe dac, which closed to new business in 2013, saw a marginal increase in contract fee income to £2.2m (2023: £2.1m) as a result of higher transactional income and fund management fees.

Fund management fees accruing to the Group and commissions receivable from third parties totalled £13.1m (2023: £12.4m). Such fees are related directly to the value of assets under administration and are affected by market movements, currency rates and valuation judgements.

Business and Financial Review *continued*

A summary of fees and commissions is set out below:

	2024 £m	2023 £m
Contract fee income	**30.6**	28.1
Fund management fees accruing to the Group	**8.3**	7.7
Commissions receivable	**4.8**	4.7
	43.7	40.5

Included in contract fee income is £17.4m (2023: £16.8m) representing the amortisation of fees prepaid in previous years, as can be seen in the analysis set out below:

	2024 £m	2023 £m
Amortisation of deferred income	**17.4**	16.8
Income earned during the year	**13.2**	11.3
Contract fee income	**30.6**	28.1

Investment and Other Income

Investment income has improved to £5.9m as a result of the Group ensuring that Group investments benefited from the higher interest rates during the year, offset by lower foreign exchange profits on revaluation of net operating assets.

	2024 £m	2023 £m
Bank interest and other income receivable	**5.5**	4.5
Foreign exchange profits on revaluation of net operating assets	**0.4**	0.9
	5.9	5.4

Origination Costs

Under IFRS, new business commissions paid, together with the directly attributable incremental costs incurred on the issue of a contract, are deferred and amortised over the anticipated life of that contract to match the longer-term income streams expected to accrue from the contracts issued this year. Typical terms range between 6 years and 16 years, depending on the nature of the product. Other elements of the Group's new business costs, for example, salaries of sales staff, are expensed as incurred.

Origination costs incurred in 2024 have decreased by £1.2m to £10.3m from the prior year. Origination costs were lower in line with lower new business levels but offset by increased amortisation of prior year balances.

	2024 £m	2023 £m
Origination costs – deferred to match future income streams	**8.2**	8.8
Origination costs – expensed as incurred	**2.1**	2.7
Investment in new business in year	**10.3**	11.5
Amortisation of deferred origination costs net of new deferrals	**5.8**	4.7
	16.1	16.2

Amounts totaling £13.9m (2023: £13.5m) have been expensed to match contract fee income earned this year from contracts issued in previous financial years, as can be seen in the analysis below.

Summarised origination costs for the year were:

	2024 £m	2023 £m
Amortisation of deferred origination costs	**13.9**	13.5
Other origination costs incurred during the year	**2.2**	2.7
	16.1	16.2

HANSARD GLOBAL PLC

Administrative and Other Expenses

We continue to manage our expense base robustly to control administrative expenses while supporting our strategic developments and other new business growth activities with targeted expenditure.

An analysis of administrative and other expenses is set out in notes 8 and 9 to the consolidated financial statements under IFRS. The following summarises some of the expenses attributable to the Group's own activities, excluding the third-party fund management fees collected and paid onwards by the Group to third parties having a relationship with the underlying contract of £5.1m (2023: £5.2m).

	2024 £m	2023 £m
Salaries and other employment costs	**11.3**	10.6
Other administrative expenses	**7.8**	7.7
Professional fees, including audit	**3.2**	3.1
Recurring administrative and other expenses	**22.3**	21.5
Growth investment spend	**2.7**	0.8
Administrative and other expenses, excl. litigation and non-recurring expense items	**25.0**	22.3
Litigation defence and settlement costs	**2.5**	1.4
Provision for doubtful debts	**0.7**	0.1
Total administrative and other expenses	**28.2**	23.8

Salaries and other employment costs have increased by £0.7m or 6.6% to £11.3m. Although average Group headcount decreased to 182 people (2023: 187 people), following the implementation of our new policy administration system we have continued to develop the platform to position our business for future growth, leading to some previously deferred salary costs being recognised as expenses as incurred, accounting for £0.6m of the increase. We also temporarily strengthened our Client Services team following migration.

Other administrative expenses saw an increase of £0.1m to £7.8m as a result of the amortisation of the new policy administration system commencing with effect from 1 March (£0.5m), offset by efficiency savings in underlying administrative expenses despite persistent inflationary pressure.

Professional fees including audit increased by £0.1m to £3.2m against the prior year. These costs include amounts totalling £0.9m paid to the Group's auditor (2023: £0.8m), £0.6m (2023: £0.5m) for administration, custody, dealing, and other charges paid under the terms of the investment processing outsourcing arrangements; recruitment costs of £0.2m (2023: £0.2m), and costs of investor relations activities of £0.2m (2023: £0.2m).

Growth investment spend increased to £2.7m and represents internal and external costs to generate strategic opportunities for further growth as we look to leverage the capability of our new policy administration system. Following the implementation of the system, smaller incremental developments are no longer deferred and are recognised as expenses as incurred. The amount also includes expenditure associated with developing and delivery of our Japanese proposition and other new products.

Litigation defence and settlement costs represent those costs (net of insurance recoveries) incurred in defending Hansard Europe against writs taken against it, as described more fully in note 26 to the consolidated financial statements. Legal costs recovered from insurers were £0.7m (2023: £0.1m). A litigation provision of £0.4m has been recognised in the year, with the total balance of the provision as at 30 June 2024 being £0.5m (2023: £0.1m).

Provision for doubtful debts in full of fees and other balances likely to be irrecoverable from a set of primarily Hansard Europe legacy funds which are in the process of liquidation.

Future Prospects

During 2025 the Group's strategic priority will be to build on the significant projects delivered in 2024. The launch of the new portfolio bond in January and new Japanese proposition announced in June, along with other products currently in development, present significant new opportunities for sales. The second half of financial year 2024 showed increased PVNBP compared to the first half of the year for the first time since 2021, and we expect this trend to continue as our new propositions gain momentum. It takes a significant period of time for sales to generate a material change in IFRS profits given the long-term nature of our business. Profits are recognised over the life of the contracts, so new sales contribute positively to profitability over a number of years.

The implementation of the new policy administration system was a significant milestone for Hansard and has given the Group the platform required for expansion in the coming years and will facilitate a simpler approach to product development in future. Following implementation of the system, we have commenced the depreciation charges in the income statement. 2025 will be the first financial year where we will see a full year's depreciation charge, which will amount to a cost of £1.6m. Although this will reduce the published IFRS profit, the system development is no longer a cash cost to the company, the investment already having been made. We expect to be able to take actions over the course of financial year 2025 to deliver cost savings as a result of efficiencies arising from the new system, with the impact on IFRS profit being realised mainly from financial year 2026 onwards.

The business continues to make targeted investments in new product offerings, to build on the product developments already delivered, and to ensure the Group is well positioned for the future. In financial year 2025, the Company expects to incur modest development costs, which are expected to be expensed as incurred.

In recent years the Group has benefited from higher interest rates, leading to increased return on shareholder investments; however, declining interest rates in future may reduce these returns going forward.

Considering the above factors, we expect a short-term decline in the profitability of the Group measured using IFRS in financial year 2025; however, the Group's regulatory solvency cover, a key measure used to assess dividend-paying capability, is calculated primarily on the basis of non-IFRS measures and is expected to remain strong.

Cash Flow Analysis

The operational cash surplus (fees deducted from contracts and commissions received, less operational expenses paid) for the year was £10.9m (2023: £15.9m) as a result of increased operational expenditure to position the business for future growth.

Writing new business, particularly regular premium business, produces a short-term cash strain as a result of the commission and other costs incurred at the inception of a contract. Annual management charges offset this strain and produce a positive return over time.

Future increases in new business levels can be funded where necessary by the Group's significant cash resources, but over time as the level of contract holder assets is built up, the annual management charges that are earned from the Group's newer products will become sufficient to sustain new business growth and dividends.

During 2024, the Group invested £3.9m (2023: £6.6m) as part of a project to replace its policy administration system. These costs were capitalised as Intangible Assets on the Group's consolidated balance sheet as set out in note 13.

Net cash inflows before dividends were £3.0m (2023: outflows of £1.6m), benefitting largely from £2.7m lower outflows during the year as we completed the replacement of our policy administration system. The prior year also includes an outflow of £5.0m into a bond portfolio.

Overall Group cash and deposits have decreased from £65.4m to £65.0m as at 30 June 2024, primarily driven by lower new business as noted above.

The following non-GAAP tables summarise the Group's own cash flows in the year:

	2024 £m	2023 £m
Net cash surplus from operating activities	**10.9**	15.9
Interest received	**4.2**	3.0
Net cash inflow from operations	**15.1**	18.9
Net cash investment in new business	**(8.1)**	(8.5)
Purchase of property and computer equipment	**(3.9)**	(6.6)
Net cash investment in bond portfolio	**-**	(5.0)
Corporation tax paid	**(0.1)**	(0.4)
Net cash inflow / (outflow) before dividends	**3.0**	(1.6)
Dividends paid	**(6.1)**	(5.9)
Net cash outflow after dividends	**(3.1)**	(7.5)

	2024 £m	2023 £m
Net cash outflow after dividends	**(3.1)**	(7.5)
Increase / (decrease) in amounts due to contract holders	**2.7**	(0.6)
Net Group cash movements	**(0.4)**	(8.1)
Group cash and deposits - opening position	**65.4**	74.5
Effect of exchange rate changes	**-**	(1.0)
Group cash and deposits - closing position	**65.0**	65.4

The below table reconciles the key lines for the current year in the above non-GAAP cash flow to the key lines in the consolidated cash flow shown on page 83.

	Non-GAAP Cash Flow £m	Consolidated Cash Flow Statement £m
Net cash flow from operations before tax	**15.1**	6.2
Adjust for net movement in policyholder financial assets and liabilities	**-**	4.8
	15.1	11.0
Purchase of property and computer equipment (tangible and intangible)	**(3.9)**	(3.9)
Corporation tax paid	**(0.1)**	(0.1)
Dividends paid	**(6.1)**	(6.1)
Net cash investment in business	**(8.1)**	-
Increase in amounts due to contract holders	**2.7**	-
Net movement in assets and liabilities relating to contract holders	**-**	(1.3)
	(5.4)	(1.3)
Net Group cash movements	**(0.4)**	(0.4)

HANSARD GLOBAL PLC

Group Bank Deposits and Money Market Funds

The Group holds its liquid assets in highly rated money market liquidity funds and with a wide range of deposit institutions to diversify counterparty risk. Deposits totalling £17.1m (2023: £13.2m) have original maturity dates typically greater than 3 months and are therefore excluded from the definition of "cash and cash equivalents" under IFRS and are instead included within 'Deposits and money market funds' in the consolidated balance sheet. The following table summarises the total cash and deposits at the balance sheet date.

	2024 £m	2023 £m
Money market funds and immediately available cash	**47.3**	41.2
Short-term deposits with credit institutions	**0.6**	11.0
Cash and cash equivalents under IFRS	**47.9**	52.2
Deposits and money market funds	**17.1**	13.2
Group cash and deposits	**65.0**	65.4

Abridged Consolidated Balance Sheet

The consolidated balance sheet on page 82 presented under IFRS reflects the financial position of the Group at 30 June 2024. As a result of its method of presentation, the consolidated balance sheet incorporates the financial assets held to back the Group's liability to contract holders and incorporates the net liability to those contract holders of £1,150.9m (2023: £1,101.5m). Additionally, that portion of the Group's capital that is held in bank deposits is disclosed in "cash and cash equivalents" based on original maturity terms, as noted above.

The abridged consolidated balance sheet presented below, adjusted for those differences in disclosure, allows a better understanding of the Group's own capital position.

	2024 £m	2023 £m
Assets		
Deferred origination costs	**112.1**	117.8
Other assets	**38.7**	27.6
Bank deposits and money market funds	**65.0**	65.4
	215.8	210.8
Liabilities		
Deferred income	**140.2**	144.8
Other payables	**54.7**	44.2
	195.0	189.0
Net assets	**20.8**	21.8
Shareholders' equity		
Share capital and reserves	**20.8**	21.8

Other assets include intangible assets, property, plant and equipment and other receivables. Other payables include amounts due to investment contract holders and other payables.

Deferred Origination Costs

The deferral of origination costs reflects that the Group will earn fees over the long-term from contracts issued in a given financial year. These costs are recoverable out of future net income from the relevant contract and are charged to the consolidated statement of comprehensive income on a straight-line basis over the life of each contract.

The movement in value over the financial year is summarised below.

Carrying value	**2024 £m**	2023 £m
At beginning of financial year	**117.8**	122.5
Origination costs deferred during the year	**8.2**	8.7
Origination costs amortised during the year	**(13.9)**	(13.4)
	112.1	117.8

Deferred Income

The treatment of deferred income ensures that contract fees are taken to the consolidated statement of comprehensive income in equal instalments over the longer-term, reflecting the services to be provided over the period of the contract. This is consistent with the treatment of deferred origination costs. Deferred income at the balance sheet date is the unamortised balance of accumulated initial amounts received on new business.

The proportion of income deferred in any one year is dependent upon the mix and volume of new business flows in previous years. The Group's focus on regular premium business means that these fees are received over the initial period of the contract, rather than being received up front, as is often the case with single premium contracts.

The majority of initial fees collected during the year relates to charges taken from contracts issued in prior financial years demonstrating the cash generative nature of the business. Regular premium contracts issued in this financial year will generate the majority of their initial fees over the next 18 months on average.

The movement in value of deferred income over the financial year is summarised below.

Carrying value	**2024 £m**	2023 £m
At beginning of financial year	**144.8**	145.1
Initial fees collected in the year and deferred	**12.7**	16.5
Income amortised during the year to fees income	**(17.4)**	(16.8)
	140.1	144.8

Contract Holder Assets Under Administration

In the following paragraphs, contract holder assets under administration ("AuA") refers to net assets held to cover financial liabilities, as analysed in note 17 to the consolidated financial statements presented under IFRS. Such assets are selected by or on behalf of contract holders to meet their investment needs.

The Group receives investment inflows to its AuA from single and regular premium contracts which are offset by withdrawals, charges, premium holidays affecting regular premium policies, and by market valuation movements.

The majority of premium contributions are designated in currencies other than sterling, reflecting the wide geographical spread of those contact holders. The currency composition of AuA at the balance sheet date is similar to the prior year, with 73% of AuA designated in US dollar (2023: 71%) and 7% in euro (2023: 8%).

Certain collective investment schemes linked to customers' contracts can from time to time become illiquid, suspended or be put into liquidation. In such cases, the Directors are required to exercise their judgement in relation to the fair value of these assets. The cumulative impact on the balance sheet is not material.

The value of AuA at 30 June 2024 was £1,150.9m, 4.5% higher than 30 June 2023. Lower regular premiums and increased withdrawals were offset by higher single premiums, and market and currency movements as global stock markets rallied in the second half of the year.

The following table summarises the movements in the year:

	2024 £m	2023 £m
Deposits to investment contracts – regular premiums	**74.4**	86.1
Deposits to investment contracts – single premiums	**33.9**	30.2
Withdrawals from contracts and charges	**(173.3)**	(147.7)
Effect of market and currency movements	**114.4**	40.6
Movement in year	**49.4**	9.2
Opening balance	**1,101.5**	1,092.3
Closing balance	**1,150.9**	1,101.5

The analysis of AuA held by each Group subsidiary to cover financial liabilities is as follows:

Fair value of AuA at 30 June	**2024 £m**	2023 £m
Hansard International	**1,091.6**	1,037.7
Hansard Europe	**59.3**	63.8
	1,150.9	1,101.5

Assets to cover the financial liabilities of Hansard Worldwide are held by Hansard International and therefore are included within Hansard International's total AuA.

Since it closed to new business in 2013, Hansard Europe's AuA has been declining broadly in line with expectations as contracts are surrendered or mature.

Dividends

An interim dividend of 1.8p per share was paid in April 2024. This amounted to £2.5m.

The Board has resolved to recommend a final dividend of 2.65p per share (2023: 2.65p) for shareholder approval at the AGM. Subject to approval at the AGM, this dividend will be paid on 14 November 2024 and will bring the total dividends in respect of the year ended 30 June 2024 to 4.45p per share (2023: 4.45p per share).

Complaints and Potential Litigation

Financial services institutions can be drawn into disputes in cases where the performance of assets selected directly by or on behalf of contract holders through their advisors fails to meet their expectations. This is particularly relevant in the case of more complex products distributed throughout Europe prior to 2014.

Even though the Group have never given any investment advice, as this is left to the contract holder directly or through an agent, advisor or an entity appointed at their request or preference, the Group has been subject to a number of complaints in relation to the performance of assets linked to contracts. Most of the cases have arisen in Italy, with a smaller number in Belgium and Germany.

As at 30 June 2024, the Group had been served with writs with a net cumulative exposure totalling €23.8m, or £20.2m in sterling terms (30 June 2023: €26.1m / £22.4m) arising from contract holder complaints and other asset performance-related issues. These are disclosed as contingent liabilities in note 26 to the consolidated financial statements. The decrease in contingent liabilities is primarily due to a case with a potential exposure of approximately £1.4m now being considered to be remote and thus outside the scope of a contingent liability; there has also been a reduction in the number of German cases.

During the year, the Group successfully defended eight cases with net exposures of approximately £1.3m, five of which may be appealed by the plaintiffs (2023: successfully defended fifteen cases with net exposures of £1.9m). These successes continue to affirm confidence in the Group's legal arguments.

Our policy is to maintain contingent liabilities even where we win cases in the court of first instance if such cases have been subsequently appealed. This includes our largest single case in Belgium.

We have previously noted that we expect a number of our claims to ultimately be covered by our Group insurance cover. During the year we recorded £0.7m in insurance recoveries in relation to litigation expenses (2023: £0.1m). We expect such reimbursement to continue during the course of those claims.

While it is not possible to forecast or determine the final result of such litigation, based on the pleadings and advice received from the Group's legal representatives and experience with cases previously successfully defended, we believe we have a strong chance of success in defending these claims. Other than smaller cases where, based on past experience, it is expected a settlement might be reached, the writs have therefore been treated as contingent liabilities and are disclosed in note 26 to the consolidated financial statements. Where there is an established pattern of settlement for a grouping of claims, a provision has been made for the remaining exposures and included in note 20 'Provisions', to the extent that they can be reliably estimated.

Net Asset Value Per Share

The net asset value per share on an IFRS basis as at 30 June 2024 is 15.1p (2023: 15.9p) based on the net assets in the Consolidated Balance Sheet divided by the number of shares in issue, being 137,557,079 ordinary shares (2023: 137,557,079).

Risk Management and Internal Control

Risk Management and Internal Control

The Group continues to operate a comprehensive Enterprise Risk Management Framework, reflective of the Board's focus on effective risk management as an integral element of corporate success. The ERM Framework sets out the governance arrangements, principles, guidelines, practices and standards for risk management and internal control, which cumulatively ensure that the business is robustly prepared to identify, understand, and navigate the uncertainties and risks which it may encounter, and which can either pose threats or offer opportunities. The ERM Framework ensures that all such threats and opportunities, whether actual or emerging, are identified, assessed, monitored, managed, and reported using structured, consistent, and comprehensive methodologies, which seek to embed risk management within strategic decision-making and business planning activities and continuously shape organisational values and culture. The maturity of the ERM Framework and its capacity to respond quickly to emerging risks and adapt to changes arising via the internal or external environment, ensure that risk management and internal control remain central to the Board's oversight, direction and control of the Group, compelling informed decision making and sound business practices.

Approach

Having regard to the Financial Reporting Council's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', the ERM Framework encompasses the policies, processes, tasks, cultural attributes, behaviours, reporting conventions, and other aspects of the Group's environment, which cumulatively:

- Support the Board's determination of the nature and extent of the Group's principal risks and the boundaries of risk appetite governing the pursuit and achievement of strategic objectives.
- Inform the Board's understanding and assessment of existing, evolving, and emerging risks, together with combinations of those risks in the form of plausible stresses and scenarios, which have the potential to threaten the Company's business model, future performance, solvency, liquidity, operational resilience, regulatory standing, or reputation. This includes analysis of the likelihood, impact, and time horizon over which such risks, or combinations of risks, might emerge or crystallise and determining how such risks should be managed or mitigated to reduce their likelihood or impact.
- Facilitate the effective and efficient operation of the Group and its subsidiary entities by enabling a consolidated and comprehensive approach to the management of risks across the Group, with specific attention to aggregate impacts and effects, enabling appropriate responses to significant business, operational, financial, compliance and other risks to business objectives, so safeguarding the assets of the Group.
- Help to ensure the quality of internal and external reporting. This requires the maintenance of proper records and processes that generate a flow of timely, relevant, and reliable information from within and outside the Group, enabling the Board to form their own view on the effectiveness of risk management and internal control arrangements through the regular provision of relevant information and assurances.
- Seek to ensure continuous compliance with applicable laws and regulations as well as with internal policies governing the conduct of business.
- Drive the cultural tone and expectations of the Board in respect of governance, risk management and internal control arrangements and the delegation of associated authorities and accountabilities.

The ERM Framework has been designed to be appropriate to the nature, scale, and complexity of the Group's business at both corporate and subsidiary level. The ERM Framework components are reviewed on at least an annual basis and refined, if necessary, to ensure they remain fit for purpose in substance and form and continue to support the Directors' assessment of the adequacy and effectiveness of the Group's risk management and internal control systems. Such assessment depends upon the Board maintaining a thorough understanding of the Group's risk profile, including the types, characteristics, interdependencies, sources, and potential impact of both existing and emerging risks on an individual and aggregate basis.

Risk Governance Arrangements

The Board retains ultimate responsibility for the ERM Framework and its effective operation, and the Directors are responsible for determining, evaluating, and controlling the nature and extent of the risks which the Board is willing to accept across the spectrum of risk disciplines. The Board has formally delegated certain responsibilities in respect of internal controls and risk management to the Audit and Risk Committee. These responsibilities are defined within the Committee's terms of reference and provide for a range of important oversight and scrutiny protocols including:

- Continuous review of the Group's internal financial controls (being the systems established to identify, assess, manage, and monitor financial risks) and other internal control and risk management systems relating to financial reporting.
- Robust assessment of the emerging and principal risks facing the Group, identified, and reported via established ERM Framework components, and the provision of comfort to the Board that risks are being managed and controlled within the Board's overall risk appetite.
- Independent evaluation of the ERM Framework to confirm that it remains adequate, effective, and proportionate to the nature, scale and complexity of the risks inherent in the business.

During the year ended 30 June 2024 the Group Risk Forum ("GRF") has continued to champion the embedding of risk ownership,

ensuring responsibilities and accountabilities for risk management and risk-based decision making are transparent and proactively owned at all business levels. The value of effective, dynamic interfaces between the governance, risk management and internal control conventions of the ERM Framework and those constituting the Group and subsidiary Own Risk and Solvency Assessment ("ORSA") cycles remains a core focus for the GRF.

The Group ORSA report reflects the cycle of ongoing activities and arrangements which enable the Board and the Executive Committee to properly assess and understand at a practical level the short and long-term risks facing the Group and the capital required to cover those risks, under both normal and stressed conditions. The ORSA considers the major sources of risk that the Group, or a subsidiary entity, may face under the principal and subordinate risk designations of the ERM Framework. Both internal and external risks are considered, together with emerging risks and any risks associated with the Group's systems of governance. The ORSA includes capital, performance and strategic information and provides management with key information for decision making.

The disciplines of the ERM Framework seek to coordinate risk management in respect of the Group as a whole, including for the purpose of ensuring compliance with capital adequacy requirements, liquidity adequacy requirements and regulatory capital requirements, in line with the Isle of Man Financial Services Authority Risk-Based Capital Regime.

Governance, risk management and internal control protocols remain structured upon a 'three lines' model, which determines how specific duties and responsibilities are assigned and coordinated. First line management are responsible for identifying risks, executing effective controls, and escalating risk issues and events to the Group's Control Functions. The Group Risk and Compliance Functions (Second line) oversee and work in collaboration with the First Line, ensuring that the business is conducted in a manner consistent with rules, limits, and risk appetite constraints. The Group Internal Audit Department (Third line) provides independent assurance services to the Board and the Executive Committee on the adequacy and effectiveness of the Group's governance, risk management and internal control arrangements.

The ERM Framework seeks to add value through embedding risk management and effective internal control systems as continuous and developing processes within strategy setting, programme level functions and day-to-day operating activities. The ERM Framework also acknowledges the significance of organisational culture and values in relation to risk management and their impact on the overall effectiveness of the internal control framework.

Emerging Risks

The ERM Framework promotes the pursuit of its overarching performance, information, and compliance objectives through focus on five interrelated elements, which enable the management of risk at strategic, programme and operational level to be integrated,

so that layers of activity support each other. The five interrelated elements are defined as:

- Management oversight and the control culture.
- Risk recognition and assessment.
- Control activities and segregation of duties.
- Information and communication.
- Monitoring activities and correcting deficiencies.

In addition to existing risks the ERM conventions, which support delivery of the elements listed above, target emerging and evolving risks using both top-down and bottom-up bases. The top-down aspect involves the Board regularly analysing and evaluating the nature and extent of the risks to which the Group is or may be exposed, even where these may be difficult to assess and quantify. The bottom-up approach involves the identification, review and continuous monitoring of risk issues and emerging risks at functional and divisional levels, with analysis and formal reporting to the Group Risk Forum on a quarterly basis. This allows actions to be developed or adapted on a timely basis and enables onward analytical reporting to the Board. These arrangements ensure that the Board remains aware of potential changes in risk profile on a forward-looking basis and sensitive to the materiality of potential impacts.

Stress and scenario testing is used to explore, assess, and quantify emerging risks as well as to analyse and assess any changes in existing aspects of the 'Risk Universe', which are monitored via the ERM Framework. Such assessment and analyses use both quantitative tests and qualitative assessments to consider reasonably plausible risk events, including those stresses and scenarios that could lead to failure of the business, approximated to the range of impact types which can be envisaged. The results of the stress and scenario testing are considered and explored by the Group Risk Forum, the Audit and Risk Committee and the Board, as necessary and appropriate.

The system of internal control is designed to understand, mitigate, and manage, rather than eliminate risk of failure to achieve business objectives, and seeks to provide reasonable, rather than absolute, assurance against material misstatement or loss.

Review of Risk Management and Internal Control Systems

The results of the risk management processes combine to facilitate identification of the principal business, financial, operational and compliance risks and any associated key risks at a subordinate level. Established reporting cycles enable the Board to maintain oversight of the quality and value of risk management and internal control activities throughout the year and ensure that the entirety of the governance, risk management and internal control frameworks, which constitute the ERM Framework, are operating effectively and as intended. These processes have been in place throughout the year under review and up to the date of this report.

Independently of its quarterly and ad hoc risk reporting arrangements the Board has conducted its annual review of the effectiveness of the Company's risk management and internal

Risk Management and Internal Control *continued*

control systems including financial, operational and compliance controls. This review is undertaken in collaboration with the Audit and Risk Committee and is based upon analysis and evaluation of:

- Attestation reporting from the key subsidiary companies of the Group as to the effective functioning of the risk management and internal control frameworks and the ongoing identification and evaluation of risk within each subsidiary.
- Formal declarations from Executive Managers, via quarterly risk and control self-assessments, that risks falling under their respective span of control are being managed and assessed appropriately and key controls are working effectively and as intended. Reporting must include progress updates on the timely and effective delivery of Management Actions to address any identified control weaknesses, in accordance with the commitments recorded in the Group Risk Management Platform.
- The cumulative results of cyclical risk reporting by senior and executive management via the GRF, having regard to the 'five pillar' structure of the ERM Framework, which drives analytical reporting to the Audit and Risk Committee. Independent assurance work by the Group Internal Audit Department to identify any areas for enhancements to internal controls and work with management to define associated action plans to deliver them.

The Board has determined that there were no areas for enhancement which constituted a significant weakness for the year under review and the Directors are satisfied that the Group's governance, risk management and internal control systems are operating effectively and as intended.

Financial Reporting Process

Integral to ERM monitoring and reporting arrangements are the conventions which ensure that the Board maintains a continuous understanding of the financial impacts of the Group failing to meet its objectives, due to crystallisation of an actual or emerging risk, or via the stress and scenario events, which the Board considers to be reasonably plausible. This includes those stresses and scenarios that could lead to a failure of the business. Planning and sensitivity analyses incorporate Board approval of forecast financial and other information. The Board receives regular representations from Senior Executives in this regard.

Performance against targets is reported to the Board quarterly through a review of Group and subsidiary companies' results based on accounting policies that are applied consistently throughout the Group. Financial and management information is prepared quarterly by the Chief Financial Officer ("CFO") and presented to the Board and the Audit and Risk Committee. The members of the Audit and Risk Committee review the interim financial statements for the half year ending 31 December and the full financial year and engage with the CFO to discuss and challenge the presentation and disclosures therein. Once the draft document is approved by the Audit and Risk Committee, it is reviewed by the Board before final approval by the Board.

Outsourcing

The majority of investment dealing and custody processes in relation to contract holder assets are outsourced under a formal contract to Capital International Limited , a company authorised by the Isle of Man Financial Services Authority and a member of the London Stock Exchange. The contract is managed by a dedicated Relationship Manager against a documented Service Level Agreement, which includes Key Performance Indicators. CIL is required to confirm quarterly that no material control weaknesses have been identified in their operations; this is overseen via service delivery monitoring performed by the Relationship Manager. Each year CIL are required to confirm and evidence the adequacy and effectiveness of their internal control framework through a formal Assurance Report on Internal Controls, with an external independent review performed in in 2023 and 2024.

Our core policy administration platform is provided as a Software As A Service solution by Majesco. This covers all policy and advisor administration as well as the provision of the Hansard Client and Advisor online portals which support self-service administration. Monthly service meetings are held with Majesco with a formal annual review undertaken. Majesco also participates in scheduled security tests and simulations. The Majesco system code is held in escrow with the NCC Group, which supports contingency planning in the event of a failure of a provider.

Manx Telecom provides our hosting services and core internet connectivity, which supports several core infrastructure elements such as our virtual desktops and servers. Manx Telecom data centres operate to Tier 3 standard and are ISO 27001 accredited. Monthly service meetings are held with Manx Telecom with a formal annual review undertaken. Manx Telecom is an active participant in scheduled security tests and simulations.

Risks Relating to the Group's Financial and Other Exposures

Hansard's business model involves the controlled acceptance and management of risk exposures. Under the terms of the unit-linked investment contracts issued by the Group, the contract holder bears the investment risk on the assets in the unit-linked funds, as the policy benefits are directly linked to the value of the assets in the funds. These assets are administered in a manner consistent with the expectations of the contract holders. The Group maintains a precise match between the investment assets held and the contract holder liabilities, and so the market risk and credit risk lie with contract holders.

The Group's exposure on this unit-linked business is limited to the extent that income arising from asset management charges and commissions is generally based on the value of assets in the funds, and any sustained falls in value will reduce earnings. In addition, there are certain financial risks (credit, market, and liquidity risks) in relation to the investment of shareholders' funds. The Group's exposure to financial risks is explained in note 3 to the consolidated financial statements.

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Principal Risks

The following table sets out the principal inherent risks that may impact the Group's strategic objectives, profitability, capital position or resilience and provides an overview of how such risks are managed or mitigated. The Board robustly reviews and considers its principal risks on at least a quarterly basis and for the year ended 30 June 2024 has continued to consider specifically the likelihood, impacts and timescales within which such risks might crystallise, together with assessment of contingent uncertainties and any emerging risks. No emerging risks have been identified during the reporting period, which require disclosure additional to the principal risks described below.

Risk	Risk factors and management
Distribution Risk: **Arising from poor execution or poor governance of distribution strategy, or the emergence of events or conditions which obstruct the achievement of business plan targets, including market changes, technological advancement, loss of key intermediary relationships or competitor activity.**	The business environment in which the international insurance industry operates is subject to continuous change and development as new market and competitor forces come into effect, regulatory landscapes evolve, and technological advancements are realised. Any failure by the Group to ensure that distribution strategy is well planned, governed and executed can be expected to undermine competitive advantage in commercially significant jurisdictions, or market segments, or the Group's efforts to build and sustain successful distribution relationships. **How we manage the risk:** • Robust governance, risk management and internal control practices underpin the development and formalisation of distribution strategy. Strategy revisions are designed to add additional scale to the business, on a more diversified basis, through organic growth at acceptable levels of risk and profitability. • Key Risk Indicators provide for continuous monitoring of marketplaces, competitor activity and consumer sentiment by the Group Risk Forum and the early identification of emerging risks or threats. Reporting protocols enable the rapid escalation of any adverse trends to the Audit and Risk Committee. • Stress and scenario modelling considers the consequences of production falling materially above or below forecast new business levels. This allows the Board to ensure that forecasting and planning activities are sufficiently robust and well targeted. • Continuous investment in and development of technology. During the reporting period we have continued to maintain close contact with our distribution partners as new technological solutions were deployed. • Investment in new markets and expansion of existing markets, developing new key distributor relationships and new product development for specific markets and globally.
Market Risks: **Arising from major market stresses or fluctuations in market variables, resulting in a fall in equity or other asset values, currency volatilities or a combined scenario manifesting.**	Market risk remains an inherent element of the Group's unit linked business and is continuously assessed and monitored via the ERM Framework. This monitoring recognises the international nature of the Group's operations and the challenges which might emerge from a significant adverse currency movement over a sustained period. Key risk indicators also assess the potential for balance sheet and profit reduction impacts to emerge from a drop in equities, and the potential contagion effects for the broader risk portfolio. Such contagion might include deferred impacts to profit through reduced sales activity, concentration risks on fund holdings/underlying assets, and reduced incomes through increased lapse rates. Simultaneously the Board recognises that socioeconomic vulnerabilities and prevailing uncertainties associated with economic volatility might curb consumer appetite for the selection and purchase of financial services products and the period over which business is retained. In addition, the Group operates internationally and earns income in a range of different currencies, with the majority of premiums denominated in USD, whilst the vast majority of its operational cost base is denominated in GBP. A significant adverse currency movement over a sustained period remains a principal risk to the Group. **How we manage the risk:** • The Board recognises that market volatilities and currency movements are unpredictable and driven by a diverse range of factors and these risks are inherent in the provision of investment-linked products. KRIs are established to monitor evolving and emerging indicators of adverse experience to enable the triggering of management actions at the earliest opportunity. • The currencies of assets and liabilities are matched within set tolerances and certain expenses are invoiced in US Dollars to match against US Dollar income streams. • Business plans are modelled across a broad range of market and economic scenarios and take account of alternative commercial outlooks within overall business strategy. This promotes a greater understanding of market and currency risk, the limits of the Group's resilience and the range of possible mitigating options. • Stress testing performed during the year ended 30 June 2024 assessed the impacts of reasonably plausible market risk events and scenarios, including those resulting from macroeconomic challenges driven by geopolitical instabilities, inflationary outlooks, uncertainties in commodity price and currency volatilities. • The long-term nature of the Group's products serves to smooth short term currency fluctuations. However, longer term trends are monitored and considered in pricing models.

Risk Management and Internal Control *continued*

The Board believes that the principal risks facing the Group's earnings and financial position are those risks which are inherent to the Group's business model and operating environment. The regulatory landscape continues to evolve at both a local and international level and the risk management and internal control frameworks of the Group must remain responsive to developments which may change the nature, impact or likelihood of such risks, or the time horizon within which they might crystallise.

Risk	Risk factors and management
Credit Risk: **Arising from the failure or default of a counterparty such that the Group does not receive cash flows or assets to which it is entitled.**	In dealing with third party financial institutions, including banking, money market and settlement, custody, reinsurers and other counterparties, the Group is exposed to the risk of financial loss and potential disruption of core business functional and operational processes. Financial loss can also arise when the funds in which contract holders are invested become illiquid, resulting in past and future fee income not being received. The failure of Independent Financial Advisors ("IFAs") can also result in loss where unearned commissions can be due back to the Group. **How we manage the risk:** • The Group seeks to limit exposure to loss or detriment via counterparty failure through robust selection criteria, minimum rating agency limits, pre-defined risk-based limits on concentrations of exposures and continuous review of positions to identify, evaluate, restrict, and monitor various forms of exposure on an individual and aggregate basis. These include robust selection criteria in respect of intermediaries with whom we establish Terms of Business and ongoing monitoring in accordance with key risk indicators and appetite tolerance limits. • During the reporting period we have continued to closely monitor geopolitical developments and potential disruptions to international payment systems and capital markets arising from the extensive sanctions in force in the context of the Russia-Ukraine conflict.
Liquidity and Cashflow Risk: **Arising from a failure to maintain adequate levels of liquidity and cashflow to meet financial obligations under both planned and stressed conditions.**	If the Group does not have sufficient levels of liquid assets and cashflow to support business activities or settle its obligations as they fall due, the Group may be in default of its obligations and may incur significant sanction, loss, or cost to rectify the position. **How we manage the risk:** • Shareholder and policyholder cash assets are invested in a prudent manner, in accordance with set criteria, designed to mitigate liquidity and cashflow risk, including high quality Money Market Funds, Fixed Deposits and Corporate Bonds. • The Treasury Working Group, which reports to the Investment Committee, oversees the day-to-day investment of balances. The Investment Committee and Audit and Risk Committee are responsible for setting the criteria used.
Legal and Regulatory Risk: **Arising from changes in the regulatory landscape, which adversely impact the Group's business model, or from a failure by the Group, or one of its subsidiary entities, to meet its legal, regulatory or contractual obligations, resulting in the risk of loss or the imposition of penalties, damages or fines**	The scale and pace of change in regulatory and supervisory environments and expectations continue to require efficient and effective ways to evidence and demonstrate how legal and regulatory obligations are met, whilst compliance analytics and high-quality data driven insights are becoming increasingly important. The direction of regulatory travel demands continued investment in the capacity, competence, and capability of resourcing across all business areas, having regard to the extent of risk interdependencies and the embedding of personal accountability regimes. The impacts associated with crystallisation of a significant legal or compliance failing, including sanctions or judgments against Hansard entities, financial penalties, public disclosures, reputational damage, restrictions on activities and other forms of intervention, have been escalated by sea-changes in political landscapes and shifting supervisory attitudes to regulatory effectiveness The interpretation or application of regulation over time may impact market accessibility, broker relationships and / or competitive viability. If the Group fails to monitor the legal and regulatory environment or adequately integrate the management of associated obligations within strategic, business model or business planning processes there may be material risk to the achievement of strategic objectives both in the short and longer term. **How we manage the risk:** • Robust strategic planning processes informed by analytical review of the external environment and consideration of associated risk in the short and longer term. • Continuous monitoring and review of developments in international law and regulation and proactive management of how such developments might shape jurisdictional specific reaction. • Active and transparent engagement with regulatory authorities and industry bodies on a multi-jurisdictional basis, including active engagement in and responding to regulatory consultation exercises. • Maintenance of robust governance, risk management and internal control arrangements to ensure that legal and regulatory obligations are substantively met on a continuing basis. • Active engagement with professional advisors to address specific risks and issues that arise.

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Financial Crime Risk:

Arising from any failure to evidence and demonstrate the establishment, implementation and maintenance of effective governance, risk management and internal control arrangements for the prevention and detection of illicit economic activity, including money laundering, terrorist financing, proliferation financing, sanctions evasion, bribery, corruption, and fraud, or to ensure the arrangements are operating effectively and as intended on a continuing basis.

The Board recognises that financial crime takes on many forms, allowing criminal actors and organised crime gangs alike to infiltrate economic and financial systems, with additional challenges presented by geoeconomic uncertainties and geopolitical instabilities. The breadth of financial crime affirms the ubiquity of this risk with inherent links to violent crime and the ability to significantly undermine jurisdictional social and economic structures. The rapid innovation of digital technologies is increasingly enabling financial crimes to be carried out remotely, presenting additional complexities to prevention and detection and highlighting its transnational impacts.

Within this context regulators are taking, and expecting from firms, an increasingly holistic approach to mitigating financial crime risks with robust and effective systems and controls established to detect and prevent all forms of illicit economic activity. It is imperative that these arrangements are fit for purpose in terms of both design and implementation and are capable of adapting to emerging and evolving financial crime risks.

How we manage the risk:

- Rigorous governance, risk management and internal control arrangements to prevent and detect illicit economic activity with the capability to identify and respond to any emerging risks or threats.
- Rapid, scalable, and effective sanctions screening mechanisms to ensure robust, effective, and compliant understanding of the landscape on a continuing basis.
- Implementation of scrutiny and oversight controls across all three lines of defence to ensure governance layers proactively target both the design and effective operation of the risk management and internal control frameworks.
- Highly experienced technical resource dedicated to respective compliance deliveries.

Culture and Conduct Risk:

Arising from any failure of governance, risk management and internal control arrangements, via corporate or individual actions.

Organisational culture remains under scrutiny by the Board as a fundamental driver of corporate success, prudential soundness, and compliant conduct. Any failure to adequately assess, monitor, manage and mitigate risks to the delivery of fair customer outcomes, or to market integrity, can be expected to result in material detriment to the achievement of strategic objectives and incur regulatory censure, financial penalty, contract holder litigation and / or material reputational damage.

Clear and heightened regulatory expectations of individual and corporate accountability continue to connect governance, risk, and compliance obligations directly to cultural imperatives and the responsibilities assigned to individual Senior Managers.

How we manage the risk:

- Programme level initiatives to address and support cultural change and development have remained in active progress during the reporting period with the results of investment in culture diagnostics informing business decision-making and tactical solutions to drive cultural change, where needed.
- Iterative enhancements to the Group's ERM Framework continue to drive and deliver the integration of conduct risk management at both a cultural and practical level.
- Business activities designed to manage the volume and velocity of regulatory change include a core focus on ensuring compliance with conduct risk obligations, managing conflicts of interest, preventing market abuse, and building robust governance arrangements around new product development and product suitability processes.
- Forward looking risk indicators and executive leadership in respect of understanding and addressing the drivers of conduct risk focus on all core areas with assessment at strategic, functional, and operational levels.
- The Group maintains regular dialogue with its regulatory authorities and with its external advisors in relation to developments in the regulatory environments in which we operate.

Operational Resilience Risk: **Arising from any exposure to risk events with the capacity to cause operational failures or wide scale disruptions in financial markets, whether directly or via a third party.**	presented by the Covid-19 pandemic and the near-term threat of disruption of key global infrastructure in the context of the ongoing Russia-Ukraine conflict. Resilience risk and associated regulatory expectations directly extend to threats originating via third parties, including external providers, supply chains networks and outsourcing architectures intended to leverage economies of scale, gain access to specialist expertise, or deliver advanced technologies supporting innovative services. Global supervisory attention is focussed on regulating for resilience by ensuring that strategies such as grounding resilience analyses in key delivery requirements, appreciating the potential for systemic vulnerabilities and embracing a diversity of approaches combine to strengthen the ability of financial services firms to withstand operational risk related events. **How we manage the risk:** ■ ERM conventions guide the identification and assessment of events or scenarios presenting risk to operational resilience – typically pandemics, cyber incidents, technology failures or natural disasters – as well as supply chain disruption impacts to critical processes, business continuity and good governance. ■ Impact tolerances, together with mapping and testing allow the identification of services which could cause harm, if disrupted and identify any areas of vulnerability. ■ Stress testing, continuity planning, and recovery and resolution strategies provide for continuous review of the adequacy and effectiveness with which the business can respond to and recover from disruptions.
Cyber and Information Security Risk: **Arising from the increased digitalisation of business activities and growing dependence upon technology in the context of exposure to elevated and more pernicious forms of digital and cyber risk.**	The nature and complexity of cyber threats and cyber risk present the single most significant risk to financial services firms. The mounting sophistication and persistence of cybercrime and the growing adoption of highly advanced, nation-state type tools by cyber criminals, underscore the challenges in understanding and anticipating the nature of cyber threats and cyber risks. Over the longer-term, technological advances, including advances in generative AI, can be expected to enable a wide range of state and non-state agents to access information which will allow new tools of disruption to be conceptualised and developed. Organised crime continues to exploit weaknesses in cyber defences whilst new technological capabilities and use of third-party platforms add to the complexity of understanding the complete reach of cyber and information security exposures. Geopolitical tensions and the rapid escalation of conflict combined with technological advances in generative AI and the leveraging of misinformation and disinformation will continue to provoke unprecedented cyber risks for Western governments and corporations. Building resilience to continuously evolving cyber risk remains a priority for all stakeholders focussed on three core areas - cyber risk identification, cyber risk governance and cyber risk resilience In the event of any material failure in core business systems, or business processes, or if the Group fails to take adequate and appropriate measures to protect its systems and data from the inherent risk of attack, disruption and/or unauthorised access by internal or external parties, this could result in confidential data being exposed and/or systems interruption. A significant cybercrime event could result in reputational damage, regulatory censure, and financial loss. **How we manage the risk:** ■ Continuous focus on the maintenance of a robust, secure, and resilient IT environment that protects customer and corporate data as a core element of our operational resilience mapping. ■ Control techniques deployed to evaluate the security of systems and proactively address emerging threats both internally within the organisation and externally, through regular engagement with internet and technology providers and through industry forums. ■ Maintenance of detailed and robust Business Continuity and Disaster Recovery Plans, including full data replication at an independent recovery centre, which can be invoked when required. ■ Frequent and robust testing of business continuity and disaster recovery arrangements. ■ Periodic independent third-party systems penetration testing and review of controls. ■ Horizon scanning to identify and assess supervisory initiatives advocating and promoting good practice in cyber resilience and associated industry developments.

Corporate Sustainability Risk: **Arising from the risk of failing to integrate environmental, social and governance considerations into the Group’s strategic and business planning activities, or to proactively review, understand and act on the challenges and opportunities presented.**	The importance of integration of sustainability issues into the Group’s core strategies and business plans is recognised by the Board, requiring value-driven, adaptive practices. These practices must continuously enhance the Group’s corporate governance arrangements, as sustainability related issues evolve, and demonstrate to clients, investors, regulators, and wider stakeholder groups that sustainability and resilience risks and opportunities are understood. **How we manage the risk:** ■ Actively building sustainability considerations into strategy development and business planning processes through structured analysis, formal assessment mechanisms and cross-functional collaboration. ■ Factoring emerging sustainability risk issues into key decision-making and understanding the impacts for the tools and methodologies currently used to manage risk, including governance structures, risk ownership, risk and control self-assessment principles, regulatory developments, third party service provisions and effective reporting. ■ Development of adaptation plans, which embrace forward-looking analysis and support strategic decision-making, with consideration of relevant business planning, operations, underwriting and investment activities to contribute to a sustainable transition to net-zero targets and provide effective mitigation of climate change related risks. ■ Detailed analysis of climate and other ESG risks, which could cause macroeconomic stresses in future, including impacts to markets, interest rates, inflation and exchange rates. ■ Developing and updating relevant components in relation to the sustainability risk domain, including policies, procedures, risk indicators, management data and stress testing. ■ ‘In flight’ initiatives addressing cultural alignment and structural resilience encompass core ESG considerations.
Employee Engagement and Talent Risk: **Arising from any failure to drive and support the right corporate culture and attract, develop, engage and retain key personnel.**	‘Talent risk’ continues to grow in prominence on the operational risk agenda at industry level with persistent challenges linked to attracting and retaining employees across all financial services sectors. The Group’s strategy has core dependencies on attracting and retaining experienced and high-performing management and employees and building a strong and sustainable culture, driven by our purpose, our leadership, our performance management regime and our governance principles and objectives. The knowledge, skills, attitudes and behaviours of our employees, and the success with which these attributes shape and define our culture, are central to our success. **How we manage the risk:** ■ Significant investment in initiatives to address and support cultural change and development, shape strategy and inform tactical solutions. ■ Continuation of our ‘Culture Programme’ with clearly defined areas of focus under three core pillars, those being: -High Performance Culture -Learning Culture -Environment & Wellbeing These remain in active progress led by the Executive Committee with oversight by the Board.

Further detail around financial risks are outlined in note 3 of the consolidated financial statements.

Philip Kay
Chair
25 September 2024

Board of Directors

Contents

We recognise our obligations to adopt a responsible attitude towards our stakeholders. The Board believes that the Group continues to demonstrate such an attitude but recognises that the Group is a relatively small organisation.

Board of Directors

The Directors serving at the date of approval of this Annual Report and Accounts are as follows:

Philip Kay

Non-executive Chair

Chair of the Nominations Committee. Member of the Remuneration Committee.

Philip was appointed as Non-executive Chair with effect from 1 May 2022.

He was previously appointed as an independent Non-executive Director with effect from 3 March 2020. Philip has had a long career in investment banking and investment management. He is Chair of Schroder Japan Trust PLC and a fellow of Wolfson College, Oxford.

He is a former Managing Director and Senior Advisor of Credit Suisse First Boston where he ran the firm’s global Japanese cash equity business. He is also a former Director of Fidelity Japan Trust PLC, of Schroder Securities Limited and of Smith New Court PLC.

Thomas Morfett

Group Chief Executive Officer and Group Chief Financial Officer

Tom was appointed as Chief Financial Officer and executive Director with effect from 17 April 2023 and as Chief Executive Officer with effect from 2nd August 2024. He is a Fellow of the Institute of Chartered Accountants in England and Wales, a Fellow of the Institute and Faculty of Actuaries, and holds an MA in Mathematics from Oxford University.

Prior to joining the group, Tom was Financial Controller and Head of Actuarial for the Utmost Isle of Man group of companies, having previously held the same positions for the Quilter International group of companies. He has extensive experience within the Isle of Man life insurance sector including as Appointed Actuary for Canada Life’s Isle of Man companies, and roles at Zurich Isle of Man and Royal London Isle of Man. He trained as a Chartered Accountant with Deloitte.

Jose Ribeiro

Senior Independent Non-executive Director

Chairman of the Remuneration Committee. Member of the Audit and Risk and Nominations Committees.

Jose was appointed as an Independent Non-executive Director with effect from 2 December 2019. He has over 30 years of experience in the financial services industry globally having been a board member in several jurisdictions around the world. Jose is a certified EU actuary with an MBA degree. Jose is the Chair and Independent Non-executive Director of Starr Insurance Companies, Chairman at Yurtle, an MGA and Insurtech operating in the Employee Benefit space and regulated by the FCA in the UK, and Insurance Lead and Guest Lecturer at Imperial College Business School, where he lectures in Risk Management.

Jose started his insurance career with American International Group (ALICO) in 1986 as a Life and Pensions actuary and spent the first 16 years of his career working with subsidiaries of AIG and Munich Re, performing a variety of senior roles (including CEO, Chief Actuary, Pension Fund manager, Regional Director for Employee Benefits) in Europe, the US and Latin America. Since 2002 Jose has had a variety of roles including CEO for Latin America and the Caribbean at Willis, Director for International Markets at Lloyd’s of London where he was responsible for overseeing the Lloyd’s trading platforms in China, Japan and Singapore, and Managing Director and Board Member for Asia-Pacific at A.M. Best (Credit Rating Agency).

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David Peach

Independent Non-executive Director

Chairman of the Audit and Risk Committee. Member of Remuneration and Nominations Committees.

David was appointed as an independent Non-executive Director with effect from 31 December 2020. David is a Fellow of the Institute of Chartered Accountants in England and Wales and a Fellow of the Association of Corporate Treasurers. He has a degree in Economics from the University of Warwick. He is a Non-executive Director of IntegraLife International Ltd, IntegraLife UK Ltd and Manx Development Corporation Limited.

After training as an accountant with KPMG, David has had more than 25 years' experience in financial services. He has held board level roles in insurance, banking, trust and fund management companies across a number of different jurisdictions.

Noel Harwerth OBE

Independent Non-executive Director

Member of the Audit and Risk, Nominations and Remuneration Committees.

Noel was appointed as Independent Non-executive Director on 23 September 2024. Noel is a highly experienced non-executive Director who has sat on a number of boards in a variety of different sectors, including mining and finance industry companies and will bring with her a wealth of knowledge. She currently serves on the boards of One Savings Bank (as Senior Independent Director) and Crown Agents Bank. Prior roles include Chair of the UK Export Finance Agency (until February 2024) and member of the Boards of the UK Department of Business and Trade, Scotia Bank Europe, Standard Life, London Metals Exchange, and Bank of England RTGS/CHAPS Board. From 1998 Noel served as Chairman of Sumitomo Mitsui Bank (Europe, Middle East and Africa) from 2004 to June 2015. From 1998 to 2004, Noel was Chief Operating Officer of Citibank International PLC in London. She was responsible for infrastructure and governance of Europe's first truly pan European bank with branches in 18 countries. Noel was educated at the University of Texas in Austin and holds a Juris Doctor Degree from the University of Texas Law School. She has both US and British citizenship.

Marc Polonsky

Non-executive Director

Marc was appointed as a Non-executive Director on 26 September 2018, having previously served as an alternate Director to Dr Leonard Polonsky since 26 September 2013. He is managing trustee of The Polonsky Foundation, a UK-registered charity supporting cultural heritage, the arts and humanities education. He is a Retired Partner from international law firm White & Case.

Directors' Report

Financial Statements

The Directors have pleasure in submitting their Annual Report on the affairs of the Company and the Group together with the financial statements and the auditor's report for the year ended 30 June 2024. Where the context requires "the Group" means Hansard Global plc and its wholly owned subsidiaries.

Hansard Global plc is the holding company of the Group and has a Premium Listing on the London Stock Exchange. The Company is a limited liability company incorporated and domiciled in the Isle of Man.

Activities

The principal activity of the Company is to act as the holding company of the Hansard Group of companies. The activities of the principal operating subsidiaries include the transaction of life assurance business and related activities.

Principal Operating Subsidiaries

The following companies are wholly owned subsidiaries of the Company and represent its principal operating subsidiaries at the balance sheet date and at the date of this report. All companies are incorporated in the Isle of Man with the exception of Hansard Europe and Hansard Worldwide. Hansard Europe is incorporated in the Republic of Ireland. Hansard Europe was closed to new business with effect from 30 June 2013. Hansard Worldwide is incorporated in The Bahamas.

Company	Business
Hansard International Limited*	Life Assurance
Hansard Europe Designated Activity Company	Life Assurance
Hansard Worldwide Limited	Life Assurance
Hansard Administration Services Limited**	Administration services
Hansard Development Services Limited	Marketing and development services

* Hansard International Limited has two overseas branches in Labuan and Japan.

** Hansard Administration Services Limited has a branch in Ireland

Results and Dividends

The results of trading of the Group for the year under IFRS are set out in the consolidated statement of comprehensive income on page 80. The consolidated financial statements have been prepared under IFRS. The financial statements of the parent company have been prepared under UK Generally Accepted Accounting Practice ("UK GAAP"), comprising Financial Reporting Standard 102.

Additionally, certain information relating to Own Funds and Risk Based Capital is presented in the "Other Information" section of this report on pages 116 to 117. The Board believes that such information provides additional meaningful information on the financial position and performance of the Group in a particular financial year than that provided by IFRS reporting alone.

Results under IFRS

Profit before tax for the year was £5.3m, compared with a profit for the prior year of £5.9m.

Dividends totalling £6.1m were paid during the year (2023: £5.9m).

Proposed Final Dividend

The Board has resolved to pay a final dividend of 2.65p per share on 15 November 2024, subject to approval at the Annual General Meeting ("AGM"), to shareholders on the register on 13 November 2024 (with the ex-dividend date being 3 October 2024). If approved, this would bring the total dividends in respect of the year ended 30 June 2024 to 4.45p per share (2023: 4.45p per share).

In making this decision, the Board has carefully considered its current and future cash flows, the risks and potential impacts introduced by the on-going geopolitical position, global economic conditions, the outlook for future growth and profitability and the views of key stakeholders, including shareholders and regulators.

Business Review and Future Developments

A full review of the Group's activities during the year, recent events and future developments is contained in the Chair's Statement on pages 2 and 3, the Chief Executive Officer's Review on pages 4 to 7, and the Business and Financial Review on pages 12 to 19.

Risk Management and Internal Controls

Details of the Group's risk management and internal control processes can be found on pages 20 to 22. A summary of the principal risks and uncertainties can be found on pages 23 to 27.

Corporate Governance and Corporate Social Responsibility

The Corporate Governance Report on pages 36 to 45 provides full details on the efforts made by the Group in the areas of corporate governance and corporate social responsibility within the business, including the information required under Rule 7.2.6 of the FCA's Disclosure Guidance and Transparency Rules and is incorporated into the Directors' Report by reference.

Audit and Risk Committee

The Audit and Risk Committee Report on pages 62 to 63 outline how the integrity of the financial reporting and audit process is overseen and the maintenance of sound internal controls and risk management systems.

Directors' Remuneration

Details of Directors' remuneration for the year can be found in the Report of the Remuneration Committee on pages 66 to 71.

Directors

Details of Board members at the date of this report, together with their biographical details, are set out on pages 28 to 29. Except where otherwise noted, all Board members served throughout the financial year and to the date of this report. Dr Leonard Polonsky maintains the honorary title of President to reflect his role having founded the Group in 1970.

In accordance with the Articles of Association all the Directors will retire at the AGM and, where applicable and eligible, shall seek election or re-election.

Share Capital

At 30 June 2024 the Company's issued share capital comprised 137,557,079 ordinary shares of 50 pence each. As at 30 June 2024 the total voting rights of the Company were 137,557,079. There have been no changes to the issued share capital and total voting rights during the period from 30 June 2024 until the date of this report.

Further details of the issued share capital together with details of authorised share capital and movements during the year are included in note 22 to the consolidated financial statements. The Company has one class of share in issue, ordinary shares of 50 pence each, all of which are fully paid.

Each ordinary share in issue carries equal rights including one vote per share on a poll at general meetings of the Company, subject to the terms of the Company's Articles of Association and applicable laws. Votes may be exercised by shareholders attending or otherwise duly represented at general meetings. Deadlines for the exercise of voting rights by proxy on a poll at a general meeting are detailed in the notice of meeting and proxy cards issued in connection with the relevant meeting. There are no restrictions on voting rights or on the transfer of shares.

Substantial shareholdings

At 30 June 2024 the Company had been notified of the following holdings in its share capital.

Name	Shares (millions)	% holding
Dr L S Polonsky CBE *	50.8	37.0
Aberforth Partners LLP	20.0	14.6
The Polonsky Foundation	9.9	7.2
Mr M A L Polonsky *	7.8	5.7
Premier Miton Group plc	6.8	5.0

*Including holdings of spouse

There have been no other significant changes in these holdings between the balance sheet date and the date of this report.

Directors' Report *continued*

Employee Benefit Trust

An Employee Benefit Trust ("EBT") was established in February 2018 for the purpose of providing share-based reward.

During the year, net share awards totalling 463,823 shares were granted to Directors and Executive Committee members, with the awards vesting after 3 years, subject to the rules of the Deferred Bonus Plan. 700,000 shares were purchased during the year and transferred into the EBT, to give a total of 1,257,000 shares held as at 30 June 2024.

Share incentive schemes

Save As You Earn Programme

A Save As You Earn share save programme allows eligible employees to have the opportunity of acquiring an equity interest in the Company. The Save As You Earn programme was renewed for a further ten years at the 2017 AGM.
At the balance sheet date there were no options outstanding (2023: 29,031 options), details of which can be found in the Report of the Remuneration Committee.

Research and development

The Group's development activities focus on bringing new products to market to leverage distribution opportunities.

Information About Securities Carrying Voting Rights

The following information is disclosed in accordance with DTR 7.2.6 of the FCA's Disclosure Guidance and Transparency Rules:

- the Company's capital structure and voting rights are summarised on page 31.
- details of the Company's substantial shareholders are set out on page 31.
- an amendment to the Company's Articles of Association and the giving of powers to issue or buy back the Company's shares requires an appropriate resolution to be passed by shareholders.
- the Company may alter its Articles of Association by special resolution at a general meeting of the Company.
- the appointment and replacement of Directors is governed by the Company's Articles of Association. The Articles of Association provide that the Directors may be appointed by ordinary resolution of the shareholders or by the Board. The Company must have not less than two, and not more than 12 Directors. Where Directors are appointed by the Board, they may only hold office until the next AGM of the Company where they will be eligible for election. Each Director must then retire from office at each AGM. The Company may remove a Director by ordinary resolution.

Powers of Directors

Subject to the Articles of Association, the Isle of Man Companies Acts 1931 to 2004 and related legislation and any directions given by resolution of shareholders, the business of the Company will be managed by the Board which may exercise all the powers of the Company.

Directors' Interests

Directors' interests in shares in the Company and in options granted under the Save As You Earn programme are disclosed in the Report of the Remuneration Committee on pages 66 to 71 together with details of their contractual arrangements with the Group.

Controlling Shareholder

Dr Leonard Polonsky is the controlling shareholder of the Group. To ensure compliance with independence provisions set out in Listing Rule 6.5.4 a summary of the most recent written and legally binding agreement, dated 22 September 2014, governing his relationship with the Group (the "Agreement") is set out in the Report of the Remuneration Committee on pages 66 to 71.

There were no significant transactions between the Group and Dr Polonsky during the year.

In accordance with Listing Rule 9.8.4 R (14), since entering into the Agreement, the Company has fully complied with the independence provisions included within this Agreement, and, so far as the Company is aware, the controlling shareholder and its associates have also complied with the independence and procurement provisions set out in Listing Rule 6.5.4 during the period under review.

Company Secretary

The Company Secretary at 30 June 2024 was Hazel Stewart.

Forward-Looking Statements

The Chair's statement, the Group Chief Executive Officer's overview, the Business and Financial Review and other sections of this Annual Report and Accounts may contain forward-looking statements about the Group's current plans, goals and expectations on future financial conditions, performance, results, strategy, and objectives. Statements containing the words: 'believes', 'intends', 'expects', 'plans', 'seeks', 'anticipates' and other words of similar meaning are forward-looking. All forward-looking statements involve risk and uncertainty. This is because they relate to future events and circumstances that are beyond the Group's control.

As a result, the Group's future financial condition, performance and results may differ materially from the plans, goals and expectations set out in the forward-looking statements. The Company will not undertake any obligation to update any of the forward-looking statements in this Annual Report and Accounts.

Annual General Meeting (AGM)

The AGM of the Company will be held on 13 November 2024 at the Company's registered office.

A copy of the notice of the AGM will be available to shareholders on www.hansard.com together with this Annual Report and Accounts. As well as the business normally conducted at such a meeting, shareholders will be asked to elect or re-elect all Directors. The Directors consider that all the resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole and will be voting in favour of them. The Board undertakes to apply the Listing Rules in relation to the re-appointment of the Independent Non-executive Directors. This requires that re-election is by majority of votes cast by independent shareholders as well as by majority of all shareholders.

The Company further confirms that, as required by the Listing Rules, it has an agreement in place with Dr Polonsky as the controlling shareholder and that the Company has complied with the requirements of the agreement throughout the year to 30 June 2024.

Copies of the Letter of Appointment for the Non-executive Directors will be available for inspection at the Company's registered office during normal business hours and the AGM venue 15 minutes prior to the AGM until the conclusion of the AGM.

In accordance with the Group's normal practice, the total number of proxy votes lodged at the meeting on each resolution (categorised as for; against; and votes withheld) will be made available both at the meeting and subsequently on the Company's website.

Political Donations

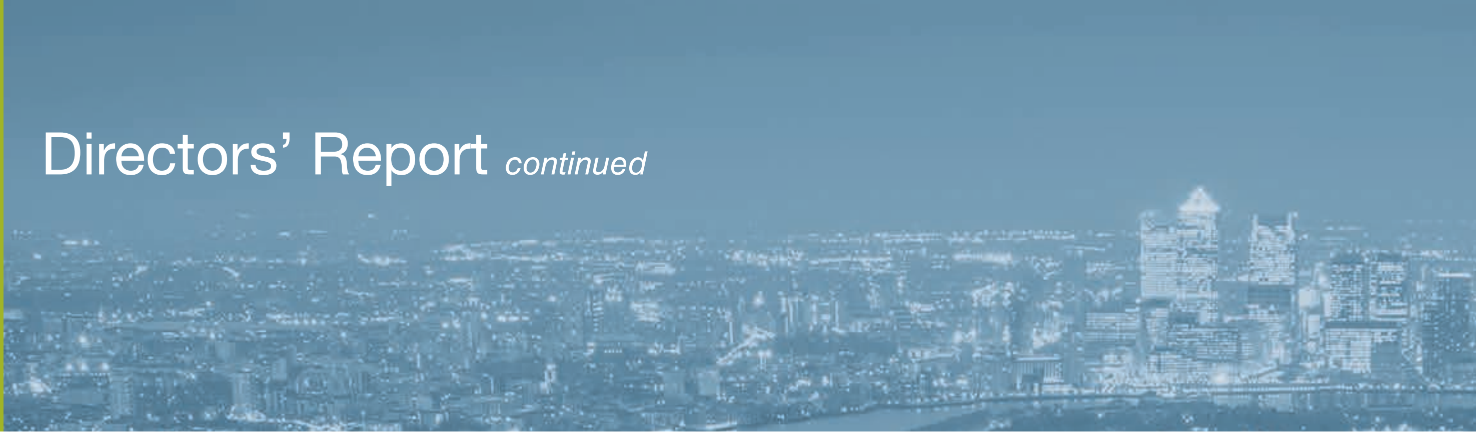
The Group did not make any political donations during the year (2023: £nil).

Adequacy of the Information Supplied to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as each is aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The Company's auditor, KPMG Audit LLC ("KPMG"), has indicated its willingness to continue in office. The Audit and Risk Committee has recommended that KPMG be reappointed as the



Company’sauditor. Accordingly, a resolution to reappoint KPMG as auditor to the Company, and to authorise the Directors to determine its remuneration, will be proposed at the 2024 AGM.

Going Concern

The Directors have at the date of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to operate as a going concern for the foreseeable future, being a period of 12 months from the approval of the financial statements and have prepared the financial statements on that basis.

In making this statement, the Directors have considered the impact on the business of the ongoing geopolitical position and global economic conditions. They have reviewed financial forecasts that include plausible downside scenarios such as reduced levels of new business and higher expenses arising from increased inflation. These show the Group continuing to generate profit over at least the required 12 months from the date of approval of the financial statements and that the Group has sufficient cash reserves to enable it to meet its obligations as they fall due.

The Directors expect that the acquisition of new business will continue to be challenging in the current climate. The impact of this however is not immediate to the Group’s profit and cash flows and therefore allows for longer term adjustments to operations and the cost base. Long periods of lower new business or lower AuA would be addressed by reducing the cost base and, where necessary, the dividend paid.

The following factors are considered as supportive to the Group’s resilience to external market and economic challenges:

- The Group’s business model focuses on long term savings products, a majority of which are regular premium paying products which continue to receive cash inflows regardless of the amount of new business sold.
- The Group earns approximately a third of its revenues from asset-based income which is not immediately dependent on sourcing new business.
- New business channels are geographically dispersed and therefore less exposed to specific regional factors.
- The largest cash outflow associated with new business is commission expenditure which reduces directly in line with reduced sales.
- The Group has and continues to the date of this report to have, a strong capital position with significant levels of liquidity and cash (as outlined in the Business and Financial Review).
- The Group places the majority of its shareholder assets into conservative, highly-liquid, highly rated bank deposits and money market funds. These are typically not subject to price fluctuation and protect the Group’s assets against potential market volatility.
- The Group has no borrowings.

Post Balance Sheet Events

There have been no material post-balance sheet events, which would require disclosure in, or adjustment to, these consolidated financial statements.

Longer-Term Viability Statement

In accordance with provision 31 of the UK Corporate Governance Code and Listing Rule 9.8.6, the Directors have assessed the prospects of the Group over a five-year period and have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of assessment.

The Group and its insurance subsidiaries are required to maintain minimum regulatory solvency capital levels based on the size and nature of business written.

The assessment of prospects is considered over a five-year period as this matches the period over which business plans are considered by the Board. The Board also considers it a reasonable period in light of rapidly changing regulation, competitive landscape and technology advances and developments.

The Group’s business plan and associated scenario modelling includes projections of the Group’s profit, capital, liquidity, and solvency. Scenario and stress testing consider the Group’s capacity to absorb or respond to potential economic, contract holder activity or operational stresses. These include material investment market declines, interest rate movements, mass surrenders by contract-holders and operational losses. Reverse stress tests are also considered to provide insight into the level of stress needed to breach regulatory solvency requirements.

The assessment also considered simultaneous multiple adverse impacts that could plausibly occur. This included a 50% reduction to new business, a 25% reduction in AuA due to market declines and a 15% strengthening of sterling all arising at the same time. While these stresses produce lower levels of profit, cash, and dividends, none of them produce an immediate risk to the viability of the business. This allows therefore for compensatory management actions to be taken to secure longer-term viability through for example expense and dividend reductions.

In making its overall assessment, the Board has also considered the principal and emerging risks and associated mitigating strategies which it has identified and outlined on page 23 to 27. The Directors confirm that they have undertaken a robust assessment of the principal and emerging risks facing the Group.

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Statement of Directors' Responsibilities in Respect of the Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Acts 1931 to 2004 and applicable law and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ("FRS 102").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable, relevant, and reliable.
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Acts 1931 to 2004 and as regards the group financial statements, UK adopted International Accounting Standards.
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.
- use the going concern basis of accounting unless they intend either to liquidate the Group or the Parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and to enable them to ensure that its financial statements comply with the Companies Acts 1931 to 2004. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are responsible for preparing a Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in Respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the issuer, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By Order of the Board

Hazel Stewart
Company Secretary
25 September 2024

Corporate Governance Report

Compliance with Companies Acts

As an Isle of Man incorporated company, the Company's primary obligation is to comply with the Isle of Man Companies Acts 1931 to 2004. The Board confirms that the Company is compliant with the relevant provisions of the Companies Acts.

Compliance with the UK Corporate Governance Code 2018 ("the Code")

The Board believes high standards of corporate governance are integral to the delivery of the Group strategy and so the Board maintains a strong commitment to achieving the highest standards of corporate governance. During the year under review, the Group applied the principles and provisions of the UK Corporate Governance Code 2018 ("the Code"). A copy of the Code is available on the Financial Reporting Council website at www.frc.org.uk.

The following specific information required in the Directors' Report is included in other sections of this Annual Report and is incorporated by reference:

Board leadership and Company purpose. The Board's overarching role is to promote the Company's long-term sustainable success, to generate value for shareholders and improve customer outcomes by providing simple, understandable and innovative financial solutions.	A Effective and entrepreneurial Board B Purpose, values, strategy and culture C Resources and controls D Stakeholder engagement	Page 39 Page 8 Pages 12-18, 20-27 Pages 37,38
Division of responsibilities The Board has a clear division of responsibilities between the leadership of the Board and executive leadership of the business. Committee terms of reference determine the authority of each of the Board's Committees. Governance arrangements are in place to ensure that the Board and Directors can meet their obligations under the Code.	F Role of the Chair G Independence and division of responsibilities H Non-Executive Directors I How the Board operate	Page 41 Page 41-42 Page 41 Pages 42-43
Composition, succession and evaluation The Board, with the support of the Nominations Committee, conducts regular reviews of its composition (and that of its Committees) and leads the process for appointments to ensure plans are in place for orderly succession to both the Board and the Executive Committee. The Board undertakes an annual review of its effectiveness and that of its Committees to ensure that the Board and its members continue to contribute effectively.	J Appointments and succession planning K Composition of the Board L Board evaluation	Page 64 Page 41 Page 42-43
Audit, risk and internal control The Board, supported by the Audit and Risk Committee, is responsible for establishing appropriate risk management and internal control procedures to ensure that the Group is appropriately managed and that risks are appropriately identified and mitigated in the context of the business as a whole.	M Effective internal and external audit functions N Fair, balanced and understandable assessment O Internal controls and risk management	Page 63 Page 72 Page 20-27
Audit, risk and internal control The Board, supported by the Audit and Risk Committee, is responsible for establishing appropriate risk management and internal control procedures to ensure that the Group is appropriately managed and that risks are appropriately identified and mitigated in the context of the business as a whole.	P Alignment of remuneration with strategy, purpose and values Q Remuneration policy R Independent judgment, discretion and performance outcomes	Page 66 Page 66 Page 66

There are no disclosures to be made under Listing Rule 9.8.4.

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Other statutory disclosures

Details on how we have applied the provisions and principles of the Code to our activities throughout the financial year and to the date of this report are set out in this Corporate Governance Report and in the following reports: the Directors' Report on pages 30 to 34, the Report of the Remuneration Committee on pages 66 to 71, the Report of the Nominations Committee on pages 64 to 65 and/or in the Report of the Audit and Risk Committee on pages 62 to 63.

For the year ended 30 June 2024, the Board considers that it has complied in full with the provisions of the Code, other than in respect of provision 36 as further outlined in the Remuneration Report, and provision 11 following the resignation of Christine Theodorovics on 29 February as less than half of the board, excluding the Chair, were Independent Non-executive Directors.

Stakeholders

Stakeholders are critical to the Company's long-term, sustainable success. They are our shareholders, employees, regulators, distribution partners, service providers, and the communities in which we operate. This section explains why and how the Company interacts with these stakeholders, as well as the steps it takes to ensure that their interests are considered in the Board's decision making.

As the Company is listed on the Main Market of the London Stock Exchange, it reports on its compliance with the UK Corporate Governance Code on a comply or explain basis. Provision 5 of the UK Corporate Governance Code recommends that the Company report on how the interests of its key stakeholders were considered in board discussions and decision-making, including those matters outlined in Section 172 of the UK Companies Act 2006 (the "UK Act"). While the Company is not domiciled in the United Kingdom, we have chosen to voluntarily report in accordance with Section 172 of the UK Act to demonstrate our commitment to best practice governance and thorough application of the UK Corporate Governance Code.

The tables on the following pages show how the Company and its Board interact with its stakeholders. We recognise that these relationships are the foundation for the Company's long-term viability, which benefits all parties. The Board recognises the significance of upholding a high standard of business conduct and stakeholder engagement, as well as having a positive impact on the environment in which we operate.

We actively engage with our key stakeholders to understand their perspectives and build effective relationships, and our engagement strategy for each stakeholder group is outlined in the tables on the following pages. Aside from stakeholder considerations, the Board recognises its responsibility to consider long-term impacts and the Company's impact on and from wider society and the environment.

The Board monitors performance against strategy and appropriate decision-making by receiving regular updates, both in Board and Committee meetings and through regular Board reports from the CEO, CFO, Executive Committee members, and other senior managers, all of which enable it to make well-informed principal decisions for the Company's and its various stakeholders' long-term success. We define principal decisions as those that are both material to the Group and significant to any of our key stakeholder groups. In making principal decisions, the Board has considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company. The Board believes that the Group's decision-making is balanced, and that Hansard's policies and actions meet the Group's obligations.

Section 172: Promoting the Success of the Company

The Board's focus is on ensuring that the Company generates and preserves value over the long term for all its shareholders. The Board's aim is to make sure that decisions are consistent with the strategic objectives of the Company and the long-term success of the Company.

The Likely Consequences of Any Decision in the Long Term

The Board's focus is on ensuring that the Company generates and preserves value over the long term for all its shareholders. The Board's aim is to make sure that decisions are consistent with the strategic objectives of the Company and the long-term success of the Company.

The Interests of the Company's Employees

The Board engages with employees via a variety of mechanisms and forums to ensure that people interests are considered.

The Need to Foster the Company's Business Relationships with Suppliers, Customers, and Others

The Board considers customers, suppliers, and other stakeholders, factoring in their needs, feedback, and concerns to make informed decisions that seek to benefit all parties. This ensures a balanced and sustainable business relationship.

The Impact of the Company's Operations on the Community and the Environment

The Board's corporate social responsibility ("CSR") strategy focuses on minimising the Group's environmental impact, making a positive contribution to society and supporting our people to make a difference to the environment.

The Desirability of the Company Maintaining a Reputation for High Standards of Business Conduct

The Company has four core values that are the foundation of the Company's culture: Integrity, Respect, Quality, and Innovation. These values ensure that the Company maintains a reputation for high standards in all areas of the business it conducts.

The Need to Act Fairly Between Shareholders of the Company

The Board actively engages with shareholders and considers their interests when setting the Company's strategy.

Shareholders

Our shareholders include institutional investors, retail investors, and management, among others.

Why We Engage

The Board recognises the importance of regularly engaging with shareholders in order to maintain a high level of transparency and accountability, to act fairly, and to inform the Company's decision making and future strategy. The Board is accountable to the shareholders for creating and delivering value through effective business governance.

How We Engage

The Group places considerable importance on developing its relationships with our shareholders and it aims to achieve this by way of the following regular communication activities:

- regular dialogue with major institutional shareholders, both directly and through the Company's advisers.
- Annual General Meetings.
- market announcements, corporate presentations, Annual Report and Accounts and other Company information which are available on our website at www.hansard.com

The Chair, the CEO, the CFO, and Committee Chairs are available to meet or correspond with major shareholders to discuss any areas of concern not resolved through normal channels of investor communication.

Arrangements can be made through the CFO, the Company Secretary, or the Company's corporate brokers.

The Board is equally interested in communications with private shareholders and the CFO oversees communication with these investors. All information reported to the regulatory information services is simultaneously published on the Company's website, affording the widest possible access to Company announcements.

The Board receives regular feedback on the views of shareholders on the Company from the Executive Directors after meetings with those shareholders, as well as from reports from the Company's corporate brokers, the Chair and the Senior Independent Director.

There were no significant areas of concern raised during the 2024 financial year.

Employees

We recognise that to meet our Company goals, we need to retain, attract and develop our talent pool, by providing a supportive and safe workplace where our employees can develop and thrive.

Why We Engage

We understand the importance of engaging with our employees and recognise that the Company culture and our overall remuneration and benefits package can have significant effect on employees. Communication therefore continues to be a key part of our Culture programme. We want our employees to have a voice, feel appreciated for their contribution and to understand their roles within the Company. It's important that our employees are made aware of key business updates and that they can provide feedback on what's important to them. We work hard to meet our employees' needs and to maintain strong relationships that foster a positive workplace culture.

How We Engage

We actively and regularly communicate with our employees via various mechanisms covering matters such as strategic updates, business performance and culture or any other matters which are relevant to employees. Our employees are also offered opportunities to provide feedback in different ways such as engagement and culture surveys and in team and individual settings. We provide regular training and development opportunities for our employees and make sure they receive regular feedback and recognition, supported via the performance management framework. We strive to provide a supportive and safe and comfortable working environment, as well as competitive wages and benefits. We encourage all our employees to provide feedback to the Board and provide open channels of communication for them to do so. David Peach is the designated Independent Non-executive Director for employee engagement.

Regulators

These are the governmental or regulatory bodies in charge of overseeing the Company's operations and ensuring compliance with applicable laws and regulations. Each of our regulators is in charge of overseeing various aspects of the Company's operations, including financial reporting and consumer protection.

Why We Engage

We work with our regulators to ensure that we are compliant with all policies, laws, and regulations. Regular communication with our regulators assists us in identifying potential risks and obtaining guidance on how to mitigate them.

How We Engage

The Company meets with its regulators proactively to address any concerns, and it establishes regular meetings to ensure that the Company is up to date on any proposed changes. We make every effort to respond to any queries or requests for information from our regulators in a timely manner.

Distribution Partners

Those who assist the Company in distributing our products to our policyholders. Distribution partners are subject to a rigorous selection process prior to onboarding, and regular monitoring throughout the course of the business relationship.

Why We Engage

We understand the importance of maintaining positive relationships with our distribution partners in order to ensure that our products reach customers on time and accurately represent our brand.

How We Engage

All our distribution partners are supported by our regional sales managers, who provide regular training updates on our product range and any relevant regulation changes, as well as discussing new business development opportunities. This is further supported by regular daily contact around sales opportunities or operational queries to ensure that they receive the best service and to ensure they are knowledgeable about all the Company's products and processes.

Service Providers

Those upon whose services the Company relies on to provide its products and services, both domestically and internationally.

Why We Engage

To ensure that the services on which the Company places reliance are delivered to the Company's required standards and timelines.

How We Engage

We receive regular service attestations from providers and meet frequently to review the performance of services.

Communities

The locations in which the Group maintains its operations, and in which our employees live.

Why We Engage

We appreciate that we have a responsibility to support our local communities.

How We Engage

As noted in Corporate Social Responsibility, we encourage our employees to support local causes. We provide funding for a wide range of initiatives via the Green Team, and we provide our employees with dedicated time allowing them to participate in community engagement activities. We partner with local organisations directly where appropriate.

Compliance with the Market Abuse Regulation

To ensure compliance with the Market Abuse Regulation ("MAR"), the Company maintains internal policies, procedures, and controls in respect of market abuse, market manipulation and insider dealing. A Share Dealing Code is in place which all employees must adhere to. The Company has complied with this Share Dealing Code and MAR throughout the period.

Role of the Board of Directors and its Principal Committees

The primary role of the Board is to provide leadership of the Company. The Company is directed and controlled both by its Board of Directors and through systems of delegation and escalation, to achieve its business objectives in accordance with high standards of transparency, probity, and accountability.

It achieves these goals by making decisions relating to key areas for the business, by overseeing the activities of the executive team, and by delegating certain matters for resolution through the principal Board Committees, namely the Audit and Risk Committee, the Executive Committee, the Remuneration Committee and the Nominations Committee.

The specific duties of the Board are clearly set out in a Schedule of Reserved Powers that addresses a wide range of corporate governance issues and lists those items that are specifically reserved for decision by the Board.

The primary responsibilities of the Board include, but are not limited to:

- formulation of medium- and long-term direction and strategy for the Group.
- establishment of capital structure and dividend policy.
- ensuring the Group's operations are well managed and proper succession plans are in place.
- review of major transactions or initiatives proposed by management.
- implementation of policy and procedures to support the governance framework of the Group.
- regular review of the results and operations of the Group.
- ensuring that proper accounting records are maintained, and adequate controls are in place to safeguard the assets of the Group from fraud and other significant risks.
- regular evaluation of Board performance.
- oversight.
- of the Group's ERM Framework; and
- decisions regarding the Group's policy on political donations.

The duties of the principal Board Committees are detailed in the relevant terms of reference, which are reviewed annually and are available on the Company's website, www.hansard.com.

Corporate Governance Report

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Board Composition and Key Roles

At the date of this report the Board comprises the Non-executive Chair, three Independent Non-executive Directors, one Non-executive Director and the Group Chief Executive Officer (who is also the Group Chief Financial Officer).

As required by the Articles of Association, all Board members will offer themselves for election or re-election at the forthcoming AGM.

The Board supports greater transparency regarding the election and re-election of Independent Non-executive Directors. In compliance with the Listing Rules, the Company operates a dual voting structure for any resolutions on the election and re-election of the Independent Non-executive Directors. The results from the AGM votes on any such resolutions, together with other information normally circulated following the conclusion of the meeting, will be disclosed through the Regulatory Information Services following the conclusion of the Meeting. In the event that the majority of independent shareholders are shown to have voted against these resolutions, a further vote will be called after 90 days.

Chair

Philip Kay was appointed the Company's Non-executive Chair with effect from 1 May 2022. As required by the Code, Philip was considered independent upon appointment. The Chair leads the Board within a solid governance framework and ensures that the Board provides effective leadership for the Group including strategy and direction.

Group Chief Executive Officer

Graham Sheward was appointed the Group Chief Executive Officer with effect from 10 May 2021 until 1 August 2024, and was succeeded by Thomas Morfett. As Chief Executive Officer, Thomas leads the senior executive team in the day-to-day running of the Group's business, including execution of the Group's business plans and objectives and communicating its decisions and recommendations to the Board.

The division of responsibilities between the Chair and the Chief Executive Officer is clearly defined and has been approved by the Board. The Chair has no day-to-day involvement in the management of the Group. The Chief Executive Officer has direct charge of the Group on a day-to-day basis and is accountable to the Board for the financial and operational performance of the Group.

Group Chief Financial Officer

Thomas Morfett was appointed the Chief Financial Officer with effect from 17 April 2023. As Chief Financial Officer, he is responsible for the Group's Finance, Actuarial and Investments functions, and is as a key member of the Chief Executive Officer's Executive Committee.

Senior Independent Director

Jose Ribeiro is the Company's Senior Independent Director. The Senior Independent Director provides a sounding board for the Chair and serves as an intermediary for the other Directors. He is also available to shareholders should they have any concerns that they are unable to resolve through other channels, or when such channels would be inappropriate.

The responsibilities of the Chair, Group Chief Executive Officer and Senior Independent Director are available on the Company's website, www.hansard.com.

Non-Executive Directors

Jose Ribeiro, David Peach and Noel Harwerth are considered by the Board to be Independent Non-executive Directors in accordance with the Code definition. Philip Kay, as Non-executive Chair, was considered independent on appointment. Marc Polonsky, a Non-executive Director, is not considered to be independent for the purposes of the Code due to close family ties with Dr Leonard Polonsky and representing the Polonsky family shareholding.

The Non-executive Directors fulfil a critical role to constructively challenge all recommendations presented to the Board for approval and to provide the benefit of their experience and expertise to manage risk within the Group and enhance delivery of the overall strategy.

Board Independence

The Board's policy is to appoint and retain Independent Non-executive Directors who can apply their wider knowledge and experiences to their understanding of the Group. The process for appointing new Directors is conducted by the Nominations Committee.

It is the Board's view that an Independent Non-executive Director also needs to be able to present an objective, rigorous and constructive challenge to management. To be effective, an Independent Non-executive Director needs to acquire a sound understanding of the industry and the Company to be able to evaluate properly the information provided.

Each Independent Non-executive Director serves for a fixed term not exceeding three years that may be renewed by mutual agreement and subject to shareholder approval at the AGM. Subject to the Board being satisfied with a Director's performance, independence and commitment, an Independent Non-executive Director may have their terms renewed for up to nine years. Beyond that period, a Director would typically be considered to no longer be fully independent.

A review of the arrangements affecting all Non-executive Directors who served during the year covering the current term of appointment and review of their independence (where relevant) was undertaken by the Nominations Committee.

The Committee was satisfied that, based on their performance during their time on the Board, Jose Ribeiro, David Peach, and Christine Theodorovics (until 29 February 2024) were, and in respect of Jose Ribeiro and David Peach, remain independent.

Philip Kay, as Chair, was considered independent upon appointment.

Board Meeting Attendance

The Board meets regularly to determine the Company's strategic direction, to review the Company's operating and financial performance and to provide oversight that the Company is adequately resourced and effectively controlled.

The Company requires Directors to devote sufficient time to the Company in order to perform their duties. If Directors are not able to attend a meeting, they have the opportunity to submit their comments in advance to the Chair or the Company Secretary. If necessary, they can follow up with the Chair of the meeting.

The attendance of the Directors at scheduled Board and Committee meetings of which they were a member held during the year (and the maximum number of meetings that each Director could have attended) were as follows:

	Board	Audit & Risk	Nominations	Remuneration
Number of meetings	10	4	4	5
Philip Kay	9/10	n/a	4/4	5/5
Jose Ribeiro	9/10	4/4	4/4	5/5
Marc Polonsky	9/10	n/a	n/a	n/a
David Peach	10/10	4/4	4/4	5/5
Graham Sheward	9/10	n/a	n/a	n/a
Christine Theodorovics*	4/7	0/2	2/3	2/3
Thomas Morfett	10/10	n/a	n/a	n/a

* Resigned with effect from 29 February 2024

The Chair of the relevant Board or Committee invited other Non-executive Directors to attend meetings of which they were not a member whenever considered appropriate. The CEO/CFO have standing invitations to Audit and Risk Committee meetings and Marc Polonsky attended or partially attended 4 Audit and Risk Committee Meetings, 4 Nominations Committee Meetings and 4 Remuneration Committee meetings.

Board Committees

The Board has established standing committees to oversee important issues of policy and maintain such oversight outside the main Board meetings. Each committee operates within defined terms of reference, which can be accessed on the Company's website. The committee positions held by the Directors as at the date of this report are summarised below:

- Audit & Risk Committee - Chair: David Peach. Members: Jose Ribeiro, Noel Harwerth.
- Executive Committee - Chair: Thomas Morfett.
- Nominations Committee - Chair: Philip Kay. Members: David Peach, Jose Ribeiro, Noel Harwerth.
- Remuneration Committee - Chair: Jose Ribeiro. Members: David Peach, Philip Kay, Noel Harwerth.

The Chairs of the relevant Board Committees are available to engage with shareholders on any significant matters related to their areas of responsibility.

Reports from the Audit and Risk, Nominations and Remuneration Committees are set out in this Annual Report and Accounts together with a summary of their activities during the year.

The Executive Committee is chaired by the Group Chief Executive Officer and currently meets fortnightly. The Executive Committee has responsibility for the day-to-day management of the Group, and other items as delegated from time-to-time by the Board. In addition to Thomas Morfett, the Executive Committee is currently comprised of Ollie Byrne (Commercial Director), Karen Corran (Head of People and Culture), Angela McCraith (Chief Risk Officer), Alan Canny (replacing Ailish Sherlin from 14 June 2024) (Chief Actuary), Hazel Stewart (Company Secretary), Keith Brown (Head of Sales) and John Whitehouse (Chief Operating Officer).

Board Processes

The agenda for each Board and Committee meeting is considered by the Chair or Committee Chair and the papers for each meeting are distributed by the Company Secretary to the Board or Committee members beforehand. As a standard agenda item during the scheduled Board meetings, the Chair and Non-executive Directors meet without the executive Directors present. The Chair maintains regular contact with the Chief Executive Officer and with the Non-executive Directors, outside of Board meetings or calls, in order to discuss specific issues.

Board performance review and effectiveness

The effectiveness of the Board is vital to the success of the Group. The Company undertakes a performance review each year to assess the performance of the Board, its Committees, the Directors, and the Chair. The Board engaged Boston Limited to conduct a board performance review in the year. The performance review took the form of a questionnaire, where Directors were required to rate certain aspects of the Board's and Committees' performance. The questionnaire also gave Directors the opportunity to provide comments on areas of focus, which included the structure of the Board, effectiveness of the Board, and committee-specific questions.

The responses to the performance review of the Board and the Committees were collated and analysed by the Chair and the Senior Independent Director. The results indicated that the Board continues to work well and there were no significant concerns among the Directors about the Board's effectiveness. Additional focus will be given to succession planning and initiatives such as diversity and ESG.

As part of the Chair's performance review the Independent Non-executive Directors meet separately under the leadership of the Senior Independent Director who, in turn, engages in reviews with the Chair.

Following these reviews, the Directors have concluded that the Board and its Committees operate effectively. Additionally, the Chair and the Senior Independent Director have concluded that each Director contributes effectively and demonstrates full commitment to his duties.

Remuneration of Directors

The principles and details of Directors' remuneration, as well as the composition and activities of the Remuneration Committee, are contained in the Report of the Remuneration Committee on pages 66 to 71.

Insurance

The Company maintains insurance cover with respect to the liabilities of Directors and Officers within the Group. In addition, qualifying third party indemnity arrangements are in force for the benefit of the Directors within the Group and were in force for the benefit of former Directors of the Group during the year under review.

Board Support

Directors are fully briefed in advance of Board and Committee meetings on all matters to be discussed. The Company Secretary is responsible for following Board procedures and advising the Board, through the Chair, on governance matters. All Directors have access to her advice and services.

The Board has adopted a procedure whereby Directors may, in the performance of their duties, seek independent professional advice at the Company's expense if considered appropriate.

Directors of the life companies are required to complete several mandatory training sessions during each year, for example on Anti-Money Laundering responsibilities (provided by the Money Laundering Reporting Officer or an external supplier). Training and support is also provided on any other key topics that the Board feel appropriate in addition to their individual Continuing Professional Development requirements.

Risk Management and Internal Controls

The Board has overall responsibility for the Group's systems of risk management and internal control, and for reviewing their effectiveness. The Board recognises that the governance risk management and internal control arrangements which constitute the ERM Framework are intended to reduce, although cannot eliminate, the range of possibilities which might cause detriment to the Group. Similarly, the ERM Framework cannot provide protection with certainty against any failure of the Group to meet its business objectives, or guard against material errors, losses, fraud, or breaches of laws and regulations. Taking all of these factors into account the ERM Framework is intended to provide reasonable, but not absolute, assurance against material misstatement or losses and / or the breach of any laws or regulations.

The primary responsibility for developing and implementing internal control and risk management procedures covering all aspects of the business lies with the Executive Committee. As part of the reporting processes from the ERM Framework, the Board regularly receives written reports covering all such aspects in addition to overseeing controls and risk management procedures via the Audit and Risk Committee.

Individual managers have primary responsibility for ensuring compliance with Group policies, principles, and compliance obligations within their respective span of control. This includes the identification, evaluation, monitoring, management, and reporting of risks within their areas of responsibility. The substance and form of risk management activities and the quality of their application are regularly reviewed by the Group Risk Forum and objectively analysed and evaluated by the Group's Internal Audit function, with oversight by and reporting to the Audit and Risk Committee, which is ultimately responsible for reporting on the same to the Board.

Processes for identifying, evaluating, and managing the risks faced by the Group have been in place throughout the year under review and up to the date of this report. They are regularly reviewed by the Board, with the assistance of the Audit and Risk Committee.

The Board, through the Audit and Risk Committee, has reviewed the effectiveness of the Company's risk management and internal control systems including financial, operational and compliance controls.

The Board has further undertaken a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency, or liquidity, in accordance with provision 28 of the UK Corporate Governance Code. Additional information on the principal risks and uncertainties faced by the Group, together with steps taken to manage them, can be found within the Principal Risk Report on pages 23 to 27.

Whistleblowing Arrangements

The Group has an established Whistleblowing Policy, which is accessible to all employees, with new starters introduced to the Policy and its objectives during induction training. The Policy is designed to ensure the principles of, responsibilities for, and the approach to effective management of whistleblowing are clearly explained and that staff feel empowered and supported to raise concerns, in confidence, where they have a reasonable belief of actual or potential wrongdoing. The Policy recognises that for some individuals raising a concern under the Group's Whistleblowing arrangements may be a daunting or difficult experience and so provides for such concerns to be raised anonymously and/or outside the Management reporting line if preferable, providing for direct access to the Chief Risk Officer or the Chair of the Audit and Risk Committee.

Corporate Governance Report *continued*

Financial Reporting Process

The Group maintains a process to assist the Board in understanding the risks to the Group failing to meet its objectives. This incorporates a system of planning and sensitivity analysis incorporating Board approval of forecast financial and other information. Operational management reports monthly to the Executive Committee and Group Risk Forum on a wide range of key performance indicators and other significant matters. The Board receives regular representations from the senior executives. Performance against targets is reported to the Board quarterly through a review of the Group's and Company's results based on accounting policies that are applied consistently throughout the Group. Draft management financial statements are prepared quarterly by the CFO.

The members of the Audit and Risk Committee review the draft financial statements for the half year ending 31 December and for the full financial year and engage with the CFO to discuss and challenge the presentation and disclosures therein. Once the draft document is approved by the Audit and Risk Committee, it is reviewed by the Board before final approval by the Board.

Financial Reporting

The statement on the responsibilities of the Directors in relation to the preparation of the accounts and the Directors' evaluation of the business as a going concern is contained in the Directors' Report on pages 30 to 34.

The Directors as at the date of this report consider that the Annual Report and Accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Culture

The Board believes that strong corporate governance underpinned by a sound culture is fundamental to the success of the Group. It has sought to create an empowering culture, which values innovation, quality, integrity, and respect. The Board helps to ensure appropriate behaviours and culture are instilled throughout the Group, with the tone and expectations continuing to be set from the top. In its decision making, the Board aims to reinforce the Group's values and reflect the culture it wishes to foster.

Our Culture Programme continues with an agenda which aligns and supports the delivery of our corporate objectives with areas that are important to our people. We regularly measure employee engagement via an anonymous inhouse survey. The results of which are then discussed in open workshops to understand the key areas which are impacting employee experience which then help share our people initiatives.

As previously reported, our Culture Programme has three core pillars of focus, those being

- High Performance Culture
- Learning Culture
- Environment & Wellbeing

We have continued with our commitment to supporting development opportunities for our people, via learning events, professional qualifications, internal promotion, and secondment opportunities. Learning events focussed on high performing teams, resilience and the importance of trust have featured in our learning culture initiatives this year in addition to workshops to further support our population of people managers.

Our Wellbeing team continue to play a vital role in terms of providing support and initiatives to our people around three key areas, Mental, Physical and Financial Wellbeing. Our Employee Assistance Programme provides additional support to our people and their families and friends through various life events. Through a range of Group schemes, which underpin the Mental, Physical and Financial pillars, we stand by our commitment to support the health and wellbeing of our people.

We have a very active Sports and Social team who arrange a wide mix of activities and social events, bringing our people together outside of the workplace.

People and Gender Reporting

We recognise our people are key to our success in delivering the strategic objectives of the business. Our core values of Innovation, Quality, Integrity, and Respect were defined by our people and underpin our working environment and practices. We believe all our people can make a difference and we continually work to ensure that they are appropriately developed, engaged, rewarded and retained. The Culture Programme is designed to further enhance the employee experience.

The Group's principal administrative operations are performed in the Isle of Man on behalf of the wider Group. Management of Hansard Europe with certain support functions located in the Republic of Ireland. Employees of our Malaysian and Japanese branches are included in "Other" below. Regional Sales Managers and related market development resources are principally based in local markets to support IFAs and other intermediaries that introduce business to the Group.

As at 30 June, the number of the Group's employees (excluding Non-executive Directors) by location was as follows:

Location	Number 2024	Number 2023
Isle of Man	**146**	145
Republic of Ireland	**16**	20
Other	**15**	20
	177	185

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The gender profile of the Group at 30 June 2024 is split with a total of 86 male and 91 female employees (2023: 94 male and 91 female). Within the Executive Committee, there were 5 male executives and 3 female executives. Employees reporting directly to members of the Executive Committee comprised 14 male employees and 16 female employees. As at 30 June 2024 the Board comprised 6 male Directors and no female Directors, and the board of the Company's principal operating subsidiary, Hansard International Limited, comprised 6 male Directors and one female Director.

Dr Christine Theodorovics, who was appointed as an Independent Non-executive Director with effect from 23 January 2023, resigned from the Board with effect from 29 February 2024. She had been appointed as CEO of Baloise Luxembourg in the previous year and decided to step down from the Board to focus on this commitment. Noel Harwerth has been appointed as a replacement. The gender profile across the Group is evenly balanced, with a number of senior executive positions being held by female employees, including Chief Risk Officer, General Counsel and Company Secretary, and Head of People and Culture. Although the current composition of the Board is not in compliance with the Listing Rules requirements on diversity and inclusion, the intention is to appoint a further female Independent Non-executive Director later in the financial year. Following the changes in our leadership team, the primary focus will be on ensuring stability and continuity in our operations; thereafter, the Company will be able to take further steps in relation to compliance with these Listing Rules requirements.

Corporate and Social Responsibility 'CSR'

Hansard has a long-standing commitment to operating in accordance with principles and policies which seek to deliver positives impacts, wherever possible, through its Corporate Social Responsibility (CSR) programs and initiatives. These encompass environmental. social and governance (ESG) perspectives and continue to evolve as the Board anticipates future developments driven by a broader perspective of sustainability.

For the year ended 30 June 2024 our focus has remained on the creation of value for our stakeholders over the long term whilst making a positive impact on the world. To support our continuing efforts and future focus a Group Sustainability Officer was appointed during April 2024 to review our approaches and internal practices in respect of all components of ESG and to progress a review of our pre-existing CSR Strategy, building on the progress we have made to date, to deliver a holistic view of our forward-looking ambitions. This will help to drive continued refinement of our sustainability goals and
the associated governance, risk management and internal control arrangements.

In line with these developments our 'Green Team' has continued to promote and actively contribute to ESG-related initiatives throughout the reporting period, with colleagues from across the Group dedicating more than 500 hours of their time to internal and external events, either giving up their own time or utilising Company approved time for volunteering and supporting activities including:

- Sponsorship of the 2023 'LoveTech' summer event, which aims to encourage girls to enter into STEM careers.
- Introduction of plastics, cans, and glass recycling bins within our offices to expand our existing recycling activities.
- Partnering with the Manx Wildlife Trust (MWT), to actively support a number of initiatives, including:
  - Investment in the Crossags Project, the Island's first carbon credit scheme, which also aims to enhance the biodiversity of the area through planting native trees. This is an on-going five-year commitment, with colleagues participating in an initial tree planting session to mark the site.
  - Field clearance to allow for the regeneration of the Close Sartfield nature reserve.
  - Continuation of our corporate membership of the Trust to support MWT's ongoing work.
  - Donation to Hospice Isle of Man to help fund part of their solar array to aid with their sustainability transition and reduce operating costs.
- Primary donation to Hospice Isle of Man to help fund a solar array to aid with their sustainability transition and reduction in operating costs.
- Participation in a volunteering day at The Children's Centre, helping with the construction of a Roundhouse and pathway to the Roundhouse.
- Sponsorship of the annual Shennaghys Jiu Festival, which provides a unique and inclusive platform for the Island's gifted young musicians and dancers and the opportunity for developing local talent to flourish. The Festival also helps to build unique and collaborative relations with talented young people of our Celtic Nation neighbours, extending the Island's cultural reach and reputation beyond our own shores.
- Volunteering by employees around the business with Junior Achievement Isle of Man, visiting local primary and secondary schools and helping with the delivery of their programmes.
- Donating to Junior Achievement Isle of Man to support the 'It's All About Money' Programme.
- Gifting desk plants to employees, promoting the benefits of plants and bringing nature into the office.
- Sponsorship of tables at a number of local events supporting various charities, including Manx Mencap and Cruse Bereavement Support, Isle of Man.

Concurrently the 'Wellbeing Team' has continued its valuable work, with a dedicated Executive Committee member and a clear mandate that recognises the vital role a positive culture and physical environment, which encourages healthy lifestyle choices, plays in the long-term sustainability of Hansard. The Wellbeing Team strives to promote and support the physical, financial, and mental wellbeing of all staff members across the Group through the Workplace Wellbeing Plan (WWP) and associated initiatives.

Hansard Global plc Climate-Related Financial Disclosures Report, 2024

Initiatives run by the Wellbeing team, to support employees throughout the year and their endeavours to create a supportive and successful working environment, have included:

- Facilitation of a Resilience Code Workshop and 28-day Habit Formation challenge for Isle of Man based employees.
- Supporting Mental Health Awareness week through:
  - 'Soundology' sessions to highlight the importance of sound in relaxation and relieving stress.
  - A Step Challenge to encourage employees to move throughout May.
  - 'Wear it Green Day', with funds being raised for Samaritans.
- Ice bath session held with InnerAlchemy to promote the benefits of the Wim Hof Method and cold-water swimming.
- Collaboration with the Green Team in respect of the Summer Food Bank donation.
- Attendance at the 'Sound Sanctuary' session held at the Santander Work Café.

Climate-Related Financial Disclosures

During the year ended 30 June 2024 we have continued to invest in initiatives supporting the development and expansion of our climate-related financial disclosures. This section explains the Group's ongoing activities to embed climate-related risks and opportunities into our risk management, strategic planning, and decision-making processes.

Our reporting seeks to provide both investors and wider stakeholder groups with a clear understanding of our progress during the reporting period in identifying, understanding, and disclosing our exposures to climate related risks and strengthening strategic resilience to these exposures, whilst also seeking out opportunities in the mid to longer term.

Whilst we have continued to focus our efforts on climate-related disclosures, we are increasingly conscious of the benefits and value inherent within holistic sustainability perspectives and reporting practices, and the importance of an integrated strategy to achieve our overall goals and ambitions. Aligning our strategic and tactical thinking with the objectives and intent of the Task Force on Climate-Related Financial Disclosure ("TCFD") recommendations is helping to drive an inclusive approach to addressing our social responsibilities as well as our environmental impact and our governance practices.

The Group recognises that its work to adopt and embed TCFD recommendations, as well as broader disclosure requirements, remains an iterative process of learning and refinement as we adapt and optimise our plans and tackle the challenges inherent within our journey towards establishing, expanding, and embedding our ESG targets.

Introduction and TCFD Report Overview

Our TCFD Journey:

In addition to its obligations associated with TCFD a range of other important factors continue to contribute to the Group's TCFD journey and drive positive progress towards our TCFD-related goals and objectives. The Hansard Group is proud to call the Isle of Man home, and we remain proactively committed to supporting the Isle of Man Government's initiatives associated with the sustainability of the Island's future. This includes support for 'Finance Isle of Man' as they progress their work to develop a three-year Roadmap to create a more sustainable economy on the Island, scheduled for launch during November 2024. The Island continues to be designated as a UNESCO Biosphere in recognition of its special environment, culture, heritage, and economy and is the only Biosphere that encompasses an entire nation, which includes all the Island's land and territorial sea, and Hansard remains a UNESCO Biosphere Isle of Man Business Partner, with the pledges made used as drivers in our decision making. As a responsible island nation, the Isle of Man is particularly aware of the local and global impact of climate change and of the social and environmental imperative for action, with the Island committed to reaching carbon neutrality by 2050.

It is against this backdrop that the Group has progressed its work during the 2024 financial year to enhance and embed its approach to the management of climate-related and broader ESG risks under the four pillars of the TCFD recommendations. The Group remains committed to iterative improvements in its disclosures and subsequent reporting arrangements, across short-, mid- and longer-term time horizons for the benefit of the Group's investors and wider stakeholder cohorts. Achieving maturity of both qualitative and quantitative metrics and broadening their scope from carbon-related to climate-sensitive exposures, risks, and opportunities, remains a priority in the near-term.

Our Approach

Climate-related risks and opportunities are an intrinsic element of the Group's broader strategic perspectives. ESG-related risks are defined, at the highest level, as those risks arising from a failure to anticipate and respond to actual or emerging environmental, social and governance threats, challenges or opportunities, or to successfully integrate ESG into the Group's strategic and business planning activities

Risk mitigations include:

- Actively building ESG considerations into strategy development and business planning processes through structured analysis, formal assessment mechanisms and cross-functional collaboration.
- Factoring emerging ESG risk issues into key decision-making and understanding the impacts for the tools and methodologies currently used to manage risk, including governance structures, risk ownerships, risk and control self-assessment principles, regulatory developments, third party service provisions and effective reporting.
- Developing and updating relevant components in relation to the ESG risk domain – including policies, procedures, risk indicators, management data and stress testing; and
- Initiatives addressing cultural alignment and structural resilience, which encompass core sustainability considerations.

Hansard Global plc Climate-Related Financial Disclosures Report, 2024 *continued*

Relevant details of the Group's work during the reporting period are organised under the four pillars of the TCFD disclosure framework, below. Areas prioritised for attention in terms of enhancing the quality and substantive nature of the Group's disclosures, targeted at achieving full compliance with the framework, include disclosures relevant to the environmental impact of our assets under administration, iterative enhancement of the understanding of climate-related risks within our regularly assessed range of risks to the business and the resilience of our Group strategy to various scenarios. A summary of our disclosure report is presented at figure 1 below.

Figure 1: Summary Disclosure Report

Disclosure Summary: (Key to report: 1 = fully coloured circle (full/green), 2= three quarters complete circle (near complete/yellow), 3 = half coloured circle (partial/amber), 4 =empty circle (omitted/red)

Pillar	Description	TCFD Recommended Disclosure	2024	2023	Our Disclosure
Governance	Disclose the organisation's governance around climate-related risks	a. Describe the Board's oversight of climate-related risks and opportunities.	1	1	Our TCFD Report provides an overview of our governance arrangements associated with our Sustainability strategy, which incorporates our governance of climate related risks and opportunities. We also describe how these arrangements support Board oversight and monitoring of progress against goals and targets as well as the roles and responsibilities of Management and how these are coordinated to ensure robust, coherent and coordinated action.
		b. Describe Management's role in assessing and managing climate-related risks and opportunities.	1	1	
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning, where such information is material	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term.	1	2	Our TCFD Report describes our strategic intent in relation to climate-related risks and opportunities and the structure of 'sustainability pillars' supporting delivery of this intent. We set out the progress we have made in determining relevant time horizons, the main categories of risk exposure and the results of scenario analysis for the reporting period. We will continue to refine our climate related scenario testing during the 2025 financial year. We also describe some of our important collaborations with local environmental agencies and sustainability initiatives.
		b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial-planning.	1	2	
		c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2	3	

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Pillar	Description	TCFD Recommended Disclosure	2024	2023	Our Disclosure
Risk Management	Disclose how the organisation identifies, assesses and manages climate-related risks	a. Describe the organisation's processes for identifying and assessing climate-related risks.			Our TCFD Report explains how the protocols of our embedded ERM Framework have enabled climate-related risk identification, assessment and management processes to be integrated into our risk management activities. We also describe how ERM reporting conventions support our climate-risk governance arrangements.
		b. Describe the organisation's processes for managing climate-related risks.			
		c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.			
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.			Our TCFD Reports sets out the most relevant and applicable data, in respect of emissions and energy for which we are responsible, measured in tCO2e.We also describe the results of progress in calculating and measuring Scope 3 emissions and our plans for future improvements in all target and metric data measurement and disclosure.
		b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions (GHG), and the related risks.			
		c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.			

Pillar 1 - Governance

The Board retains overall responsibility for the effective functioning of the Group's governance, risk management and internal control arrangements associated with sustainability-related risks and opportunities. This includes responsibility for determining, evaluating and controlling the nature and extent of these risks and opportunities, taking account of the varying levels of strategic, financial and operational stresses, potential risk scenarios and emerging as well as existing climate risk exposures over short, mid and long-term time horizons. These activities are governed by the protocols of the established ERM Framework, defined and described in more detail under 'Pillar 3 – Risk Management', below, which include both top-down and bottom-up risk assessment bases.

During the year ended 30 June 2024 the conventions of the ERM Framework have enabled the Board to continue to develop its oversight of ESG-related risks and opportunities, via quarterly and annual risk reporting to the Group Audit and Risk Committee, which has included analysis and challenge of results from the formal cycle of relevant stress and scenario testing. The Board has also sought opportunities for development of the pre-existing CSR Strategy, and enhanced, effective integration of climate-related risks and opportunities into the Group's structure and decision-making processes, with clear accountability and ownership for risk management allocated to members of the Executive Committee. The Green Team has continued to support this work, driving corporate focus on the collation and analysis of climate and emissions data and initiatives together with broader sustainability priorities, promoting measurable and achievable targets and metrics.

integral and embedded element of decision-making in respect of overall Group strategy, policies, and actions. The Group's sustainability goals are considered within the context of wider industry experience and stakeholder perspectives, having regard to the aggregate levels and types of risk the Board is prepared to accept within risk capacity, in pursuit of strategic and business plan objectives. The governance structures which support the Board's oversight of ESG-related risks include the Executive Committee, the Group and subsidiary entity Audit and Risk Committees, the Group Risk Forum and the Investment Committees of both Hansard International Ltd (HIL) and Hansard Europe, Designated Activity Company (HE dac). The Investment Committees and the Group Risk Forum also consider ESG related reporting as a standing agenda item, ensuring that priorities and considerations remain aligned with those of the Group Board and there is a structured approach to the identification of climate-related risks. Protocols remain in place to enable ESG-related decisions made by the Investment Committees to be communicated via the respective Boards to the Hansard Global Plc Board. A summary view of the Group's governance structures supporting the Board's oversight of risks and opportunities is presented at figure 2 below.

Figure 2: Group Governance Structures

During the year ended 30 June 2024 the Board has continued to delegate activities to the Executive Committee, with two members of the Committee, supported by the Sustainability Officer, having specific accountability for oversight of deliveries and progress reporting. The 'Green Team' and the 'Wellbeing Team' have actively progressed a range of important initiatives across the ESG spectrum, including in relation to climate-related ambitions and data-collation improvements.

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Pillar 2 - Strategy

The Group's strategic goals in terms of climate-related risks and opportunities are focused on the creation of long-term value for our stakeholders whilst making a positive impact on the world. The Group aims to deliver its strategic objectives in this regard and build a sustainable future through focus on three key elements.

Our Three Sustainability Elements

Our Planet
Minimise our environmental footprint

- Continue to reduce waste (e.g. paper, plastic, energy)
- Reduce our GHG emissions and support the creation of carbon stores
- 100% reduction in Scope 1 & Scope 2 carbon emissions, gross of offsets, by 2050
- Ensure our decision-making aligns with our UNESCO Biosphere Pledge and the UN Sustainable Development Goals

Our Society and Our People
Make a positive contribution to society and supporting our people

- Use our corporate talents to invest in and develop the skills of young people
- Support good causes through donations and employee volunteering hours
- Offer sustainable investment choices to people around the world
- Collaborate with suppliers to achieve our sustainability goals
- Allow our people to grow and develop themselves within our business

Our Governance
Ensure our business is operating in a sustainable way

- Align and integrate our sustainability principles with our overarching corporate strategy and business plans
- Ensure the principles and objectives of our corporate governance frameworks are a key driver of our Sustainability Strategy
- Ensure we have the right policies and procedures in place to support a sustainable business over all time horizons
- Build a better future for all our stakeholders

Element 1: Our Planet

Our planet Minimise our environmental footprint = 100% reduction in Scope 1 & 2 carbon emissions by 2050 + Investment in local biodiversity gain and carbon capture projects + Reduce consumption levels across areas of the business

ACTION PLAN

Engagement:
- We will continue to drive sustainability initiatives and community engagement through the Green Team

Communication:
- We will expand our sustainability communication platform to incorporate learning initiatives, which will continue to keep our people informed, educated and engaged.

Plastics:
- We will retain our stance on avoiding business and staff use of non-essential single-use plastics, where there is a suitable alternative.

Paper:
- We will maintain our use of 100% recycled paper and 25% reduction in paper use by employees.

Waste:
- We will continue to segregate and encourage recycling alongside overall waste reduction by monitoring waste and water usage.

Offsetting our Carbon Footprint:
- We will continue our endeavours to reduce our emissions and where we cannot achieve this we will look to offset through verified local projects, or projects where our clients are based.

Renewable energy:
- We will move to 100% renewable energy with all offices as soon as it is feasible to do so.
- We will move to an EV company van by 2026.

Business travel:
- We will continue to minimise non-essential business travel as we further explore the feasibility of introducing a 'carbon budget' for all business areas.

Measure & Report:
- We will continue to capture and monitor our Scope 1 & 2 carbon emissions and refine our plan to achieve our emissions targets.
- We will continue to gather more data sets in relation to our Scope 3 carbon emissions, working with stakeholders to achieve this.

Our Society and Our People Make a positive contribution to society and supporting our people = Support young people and provide opportunities for career development + Support our Island community, culture and heritage and promote collaboration + Understand and meet the needs of our stakeholders

ACTION PLAN

Careers:
- We will continue to provide opportunities and careers to young people in the fields of technology and finance and provide training and development opportunities to existing employees.

STEM:
- We are using our in-house expertise and work with charities to encourage and support young people and girls to pursue careers in STEM sectors.

Good causes:
- We will continue to support a range of good causes within the community through matched donations, sponsorships, fundraising, and support for employee volunteering days.

Proposition:
- We plan to offer global clients a sustainable proposition by 2025.

Resource:
- We have created a Sustainability Officer role, with responsibility for driving sustainability internally and engaging with external stakeholders.

Support:
- We are providing support to the Isle of Man Government and other local bodies to help support the sustainability transition on the Island.

Suppliers:
- We are collaborating with suppliers regarding their ESG targets. We will select suppliers with longer-term sustainable practices, that align to our strategy, by using ESG factors as part of our supplier selection process from FY2025.
- We will move away, wherever possible, from suppliers with poor sustainability performance from 2027.

ESG funds:
- We provide visibility of the Morningstar Sustainability Ratings and carbon ratings of our funds to our clients and brokers through our online portals.

Our Governance Ensure our business is operating in a sustainable way = To ensure we are operating in a way that focuses on the long-term

ACTION PLAN

Regulatory compliance:
- We will proactively incorporate and adhere to emerging regulation in relation to sustainability reporting.

Behaviour:
- We will continue to promote a culture that ensures we operate ethically, responsibly and sustainably, creating a shared mutual respect across the business.

Accountability and transparency:
- We share our practices to provide transparency to our shareholders and wider stakeholders.

Engagement:
- We will engage with stakeholders to ensure their concerns are considered when making business decisions.

Strategy:
- We will continue to embed sustainability within our corporate and business strategies as more focus is placed on sustainability related issues.

Financial and operational stability:
- We will work to ensure that the way our finances are managed, and governance frameworks are embedded is done so in a way that will provide long-term stability and resilience.

The Group's approach to the management and mitigation of climate-related and broader ESG risks and opportunities is built within the context of its overarching corporate strategy and business plans. The Group's products are unit-linked regular or single premium life assurance and investment contracts, which offer access to a wide range of investment assets. The contracts are flexible, secure, and held within wrappers, allowing life assurance cover, or other features, depending upon the needs of the client. The contract benefits are directly linked to the value of those assets that are selected by, or on behalf of, the client and held within the wrapper.

The Group's products do not currently include any contracts with financial options and/or guarantees regarding investment performance, which can require additional capital to be held. Levels of service and the delivery of fair client outcomes, the nature of the Group's products, the use of technology, and the ability of the contract holder to reposition assets within a contract are all designed to achieve retention of the contract holder relationship over the long-term.

The main source of income for the Group continues to be the fees earned from the administration of insurance contracts. These fees are largely fixed in nature and amount. Approximately 30% of the Group's revenues, under IFRS, are based upon the value of assets under administration. The new business generated in a particular year is expected to earn income for an average period of 15 years. Business is therefore long term in nature both from a contract holder perspective and with regards to the income that is generated, which supports business overheads, business investment, remuneration of the distribution network and payment of dividends, whilst contractual obligations can range from 5 years to over 25 years.

All of these business model aspects are contributing factors to the Board's determination of relevant short, medium, and long-term time horizons, respectively classified as 0-5 years, 6-10 years and >10 years. These time frames support analysis and assessment of climate-related risks and opportunities, together with broader sustainability considerations, which have the capacity to impact the Group's strategy, business plans and financial performance. The Board's perspectives on these aspects of the risk portfolio are value-driven in terms of improving resilience and demonstrating to clients, investors, regulators, and wider stakeholder groups that ESG-related risks and opportunities, including those having a climate related nexus, are properly understood. This is achieved through forward-looking analysis and evaluation, with concurrent consideration of tactical business planning, operations, and underwriting and investment activities, in order to contribute to a sustainable transition to a low-carbon economy.

The Group's risk management arrangements, described in more detail at 'Pillar 3 – Risk Management' below, operate on a cyclical basis to enable the Group Board and the Executive Committee to properly assess and understand, at a practical level, the major sources of risk facing the Group, on short-, mid-, and long-term time horizons, and the capital required to cover those risks, under both normal and stressed conditions. Internal and external risks are considered, together with emerging risks and any risks associated with the Group's systems of governance, having regard to capital, performance, and strategic information, which ultimately provides the Board and Executive Committee with substantiated bases relevant to decision making. Forward-looking business plan and solvency projections use a range of stress and scenario testing and analyses to evaluate the adequacy of the Group's overall financial resources, including capital and liquidity resources. The stress and scenario tests are derived from analytical review of the Group's risk universe, enabling distinguishable patterns of impact to be considered and allowing plausible risk scenarios to be approximated into impact types, with attention given to both single test and multi-factor scenarios.

During the year ended 30 June 2024 ERM protocols and work to support climate-related financial disclosures have considered the plausibility of environmental and climate-risk stresses emerging over the duration of the forecast period. Associated analyses have focussed on the impact of the Group's business on the environment as well as the capacity for future environmental disruption to the Group's strategic and business plan objectives and targets, taking account of both physical and transition risks.

Physical risk analysis has included the likelihood and impact of extreme weather events occurring over the duration of the business plan period and their capacity to provoke any combination of the following events:

- Operational resilience failure due to technological disruption, utility failure, power outage, loss of use of premises and/or significant reduction in the number of available personnel, which may impact the Group directly, or via an outsourced service provider.
- Damage to critical national infrastructure in one or more jurisdictions of material importance to the Group's strategic plans, impacting existing customers, intermediaries and/or new distribution initiatives and targets.
- Macroeconomic disruptions causing adverse market movements with the potential to impact asset values and revenues to material levels.

Analysis of transition risks has considered the disruptions and shifts associated with advancement towards a low-carbon economy and the potential for these to impact the value of assets, erode important revenue streams and/or increase the costs of doing business. Transition risks may emerge through changes in policyholder, or other stakeholder expectations, market dynamics, technological innovation, and/or reputational factors. Key examples of transition risks include policy changes and regulatory reforms, which affect specific classes of financial assets relevant for available investments, whilst social movements and civil society activism may pose a risk of reputational damage, if appropriate risk mitigation strategies and communication actions are not implemented appropriately. Associated risks may emerge more readily in the event that the Group fails to adequately prepare for, or substantively comply with, mandated climate-risk disclosure obligations and/or its disclosures are found to be deficient. Stress and scenario test modelling during the year ended 30 June 2024 has explored the balance sheet impacts of physical and transition risks crystallising as a combination of expense, market and production stresses.

Hansard Global plc Climate-Related Financial Disclosures Report, 2024 *continued*

A summary of underlying analysis is presented below.

Figure 7: Climate Impact Analysis

Type	Climate Related Risks and Opportunities	Potential Financial Impacts	Mitigants
Transition Risks	**Policy and Legal**		
	- Short Term - Increased pricing of GHG emissions. - Medium Term - Restrictions on fuel types available. - Medium Term - New reporting requirements associated with climate and ESG in general. - All Terms - Potential legal or regulatory action as a result of failing to follow new reporting/ disclosure obligations.	- Increased operational costs. - Potential costs of transitioning to different fuels. - More staff required to cover new and existing reporting requirements. - Costs of both compliance and non-compliance.	- Strong governance, risk management and internal control frameworks to ensure effective horizon scanning, analysis of foreseeable change and emerging risks - Iterative development of robust ESG/Sustainability strategy and policy maintenance
	Technology		
	- Short Term - Increase in sustainability-friendly energy options. - Medium term - Potential to invest in new technology solutions is lost through uncertainty over future direction and ESG strategy. - Medium term - The opposing possibility that excellent opportunities arise and smart investments are made. - Long Term - Failure to invest in technologies that are climate disaster resilient may result in disruption to strategic priorities.	- Quick response to and adoption of new solutions results in progress to target, increasing stakeholder confidence. - Sunk costs and unhappy clients, resulting in a fall in consumer confidence, new business and income. - Increased returns for both the company and its clients. - Non-modernised platforms may dissuade any potential new customers and undermine strategic/business plan targets.	- Integration of ESG and sustainability policy considerations within broader strategic and business planning, commercial and tactical initiatives - Responsible technology policies and practices with clear decommissioning arrangements.
	Market		
	- Short Term - Customer desire to shift portfolio towards companies/investments with clear ESG direction. - Medium Term - Increased costs of fossil fuels for everyday customer activities e.g. travel and heating - Long Term - Certain markets become obsolete as scarcity increases and/or stringent regulations make investing in them ineligible.	- Failure to provide clarity on ESG may cause customers to transfer their investments to competitors. - Customers have less disposable income to invest resulting in less fees generated by the company and thus falling profits. - Failure to adapt in line with changing market sentiment may reduce or negate investment returns.	- Transparent reporting and stakeholder communication practices - Distribution and product development strategies which anticipate changing sentiments and demands - Stress and scenario testing addressing forward-looking risks supporting identification/analysis of emerging challenges and barriers to business

HANSARD
GLOBAL PLC

Type	Climate Related Risks and Opportunities	Potential Financial Impacts	Mitigants
Transition Risks	**Policy and Legal**		
	Reputation		
	- Short - Medium Term - Shift in the wants and needs of company stakeholders. - Medium Term - Failure to show improvement and progress towards ESG targets may result in lack of investor confidence. - Long Term - Loss of market share to competitors as they approach their net zero targets with real progress while we fall wide of ours.	- Failure to satisfy stakeholder needs or priorities, resulting in unplanned expense/ operating costs. - Share price begins to fall, with existing investors exiting and dissuading new investors. - Competitive positioning undermined due to failure to demonstrate commitment to ESG principles and objectives.	- Strong governance, risk management and internal control frameworks to ensure effective horizon scanning, analysis of foreseeable change and emerging risks - Integration of ESG and sustainability policy considerations within broader strategic and business planning, commercial and tactical initiatives - Iterative review and improvement of ESG/sustainability strategy
Physical Risks	Acute		
	- All Terms - Increased risk and geographical coverage of extreme weather events such as flooding, cyclones/hurricanes and heat waves.	- Customers have less disposable income to invest, due to costs of event recovery, resulting in decreased appetite for products and decreased revenues. - Anticipation of, or actual destructive weather events, may result in strategic, business plan and/or operational disruptions and unplanned expense.	- Strong governance, risk management and internal control frameworks to ensure effective horizon scanning, analysis of foreseeable change and emerging risks - Integration of ESG and sustainability policy considerations within broader strategic and business planning, commercial and tactical initiatives
	Chronic		
	- Medium - Long Term - Widescale environmental damage results in scarcity of multiple resources. - Long Term - Habitability of certain locations becomes unsustainable, resulting in loss of life or mass migration.	- Permanent increases in cost of operating as scarcity increases price may result in diminished profits and potentially make continuation of business unsustainable. - Failure to adapt to a worldwide shift in demographic could result in significant loss of business and sustainability of future plans.	- Expense stresses emerging from medium and long term climate risks considered via ORSA and pre-emptive risk analysis - Integration of ESG and sustainability policy considerations within broader strategic and business planning, commercial and tactical initiatives

Whilst climate-related issues have not presented a material impact to the Group's financial performance or position to the date of reporting, scenario testing during the year ended 30 June 2024 was calibrated to consider extreme but plausible stresses, reasonably foreseeable within the forecast period, arising via the physical and transition events described above. Scenario testing combined market stresses with lower production and a recurring increase in expenses. The results of testing confirmed that, in the absence of mitigating measures, a multi-factor scenario could have the potential to disrupt key financial metrics, compared to base plan targets, due to reduced sales volumes and compromise of planned expense savings, with a deteriorating trajectory. Overall modelling provided a compelling view of the value attaching to the Group's climate and broader sustainability risk management and mitigation measures. On this basis, whilst the transition to a low-carbon economy is not expected to generate critical impacts for our business model or financial performance the Group's work in anticipation of and preparation for broader sustainability reporting, including non-climate related sustainability disclosures, will strengthen analysis of reasonably foreseeable risks and impacts on a broader ESG spectrum. The results of this work will enhance the resilience of the Group's management and mitigation strategies, ensuring that both short- and long-term financial planning and strategic decision-making take account of the growing significance of sustainability risks and opportunities under five key risk dimensions, which include economic risks, environmental risks, geopolitical risks, societal risks and technological risks.

Further maturity of data and analytics will remain a priority for the 2025 financial year and will continue to deliver more substantive understanding of the range and plausibility of subordinate risks and opportunities within the main exposure categories and their capacity to impact specific areas of the Group's business, over the identified short, medium and long-term time horizons. Consideration will then be given to the extent to which these issues might crystallise as a material financial impact for the Group and its stakeholders. This will include further analysis of climate-related issues that affect the geographical regions in which we generate revenues – on a current and forward-looking basis, to enable more geographically specific disclosures, where these prove to be useful and value adding.

The Group is continuing its work towards achieving its aims of reductions in gross GHG emissions, which have been established and approved by the Board via work undertaken during the 2024 reporting period. These are intended to create a solid foundation for the shaping of our initiatives and the actions needed to mitigate the Group's environmental impact through the gross reduction of Scope 1, 2 and 3 emissions on a long-term, sustainable basis, recognising that their effectiveness and integrity are as significant as the pace of their achievement. Whilst we have reduced emissions over the reporting period (as described in Pillar 4 below), and it remains the aim of the Group to continue to reduce emissions, in the interim investing in carbon offsets has been important. This is further described in Pillar 4 below.

Simultaneously the Board have recognised that there are clear strategic and commercial opportunities and benefits, both primary and secondary, associated with embracing a strategic response to sustainability issues:

Figure 7

Business Benefits

Environmental benefits | Social benefits | Governance benefits

Build a more sustainable business	• By implementing more sustainable practices and have a long-term view, the assumption is that the business will become more sustainable.	Positive contribution to climate change mitigation	• Taking action to reduce our carbon footprint has a direct benefit in creating a healthier environment for people to live and work within.
Enhance brand and reputation	• Connecting with the community builds trust and enhances our reputation, leads to collaboration opportunities for growth and helps to mitigate risk linked to social issues.	Attract and retain employees	• Within the Gen Z and Millennial generations, the success of a business is not just measured by profits, but the overall impact the business has. So, to meet this expectation, there is a drive to be more sustainable.
Engender better staff engagement	• Various studies have shown that employees show higher levels of commitment, loyalty, trust, engagement, and are more satisfied with their jobs within a socially and environmentally responsible business.	Cost reduction	• As a service provider, we don't have large operational costs, but where we can reduce our consumption and waste, it will have cost savings (business travel, electricity, stationary etc.).
A sustainable supply chain	• Choosing suppliers who share the same values and align to the same targets will help us to fulfil our targets and create stronger relationships with those suppliers.	Reduce business risk	• Anticipating changes linked to sustainability, such as climate and social change, will help us to adapt to and reduce our exposure to those risks.
Increase growth	• By implementing more sustainable practices we will have a stronger platform for future growth.	Improve productivity	• Working from home flexibility and volunteer days helps to provide a better work / life balance that suits the various needs of our employees, leading to a more productive and fulfilled workforce.
Regulatory compliance	• Staying ahead of ESG related regulation and anticipating change will help the business to engage with regulatory objectives and intent as well achieving compliant practices.	Satisfy investor demands for transparency	• Building transparency will support our disclosure obligations in respect of climate related risk, and broader social, environmental and governance risks and contribute to stakeholder satisfaction.

Pillar 3 – Risk Management

As with all businesses, the Group is exposed to risk in respect of its strategic and business plan objectives. The Board has overall responsibility for the Group's system of risk management and internal control and for reviewing their effectiveness, supported by the governance structures, and reporting arrangements of the ERM Framework. These have been adapted to assist with the identification and management of sustainability related risks, enabling the Group to readily apply its well-established and embedded risk management conventions and processes to identify, understand and assess relevant risks and opportunities in a manner consistent with the approach for all other risks to which the Group is or may be exposed. The 'Schedule of Powers Reserved to the Board' ensures that the Directors are responsible for determining, evaluating, and controlling the nature and extent of such risks and opportunities, including both quantifiable and non-quantifiable risks, and for assessing the effectiveness of the Group's ERM Framework. An overview of the associated protocols is set out below.

The overall scope of, responsibilities for, and approach to risk management, through which the Group's risk management activities, processes and procedures are to be directed and controlled, are set out within the ERM Policy, which governs the consistent identification, measurement, assessment, management, monitoring and reporting of all risks. The Board recognises the need to ensure that the risk management system is effective and well-integrated into the Group's structure and decision-making processes, with clear accountability and ownership for risk management. On this basis the ERM Framework seeks to add value through embedding risk management and effective internal control systems as continuous and developing processes within strategy setting, programme level functions and day-to-day operating activities. The ERM Framework also acknowledges the significance of operating culture and values in relation to risk management and their impact on the overall effectiveness of the internal control framework.

The Policy objectives and conventions of the ERM Framework, which are mature and well embedded, guide and govern the identification, assessment, management, monitoring and reporting of risks. These conventions are actively supporting the work to accommodate and integrate focus on and quantification of sustainability related risks and exposures at strategic, programme and operational level such that layers of core activity support each other and the relative significance of climate-related risks, within the context of the broader risk portfolio, can be determined. This is enabled by the application of risk appetite metrics, tolerance thresholds and ultimate boundaries, which are used to quantify risk issues and emerging risks with outputs reported to the Board on at least a quarterly basis.

Within this context, and consistent with the Group's ERM protocols, risk management processes are undertaken on both a top-down and bottom-up basis. The top-down aspect involves the Board assessing, analysing, and evaluating what it believes to be the principal risks facing the Group. The bottom-up approach involves the identification, review, and monitoring of current and forward-looking risks, including climate-related and broader sustainability risks on a continuing basis at functional and divisional levels, with analysis and formal reporting to the quarterly Group Risk Forum, and onward analytical reporting to the Audit and Risk Committee. The Audit and Risk Committee receives regular reporting from the Group's Chief Risk Officer in relation to the outcome of periodic risk assessments undertaken by management in line with the governing principles and practices of the ERM Framework.

The 'Risk Universe' captures the range of material inherent risks, which are identified as having the capacity to prevent or limit the achievement of business objectives, taking into account the recommendations of the Group Risk Forum, the Audit and Risk Committees and the Chief Risk Officer. The 'Risk Universe' supports the structure and functioning of both the ERM Framework and the Board Approved Risk Appetite Statement. Effective maintenance of the Risk Universe is dependent upon strategic and business objectives over appropriate time horizons being actively maintained.

The Group's material inherent risks are classified into five main risk categories and then grouped into categories of subordinate risk, with the Risk Appetite Framework sharing the same structure. This taxonomy of risks strengthens the monitoring of risk appetite as it is reflective of the nature of the risks to which the Group is or could be exposed in the pursuit of its business objectives and corporate strategies. Risk identification, measurement, monitoring, managing, and reporting under the Group's ERM Framework are based on this taxonomy and the approach enables a holistic and integrated view of climate-related risks and those with a broader sustainability nexus.

Risk Appetite is the aggregate level and types of risk the Board is prepared to accept, within risk capacity, before action is deemed necessary to reduce the risk. Risk Appetite represents the balance between the potential benefits and rewards of commercial decision-making and innovation versus the threats that change, and development inevitably bring. Risk Capacity is the maximum level of risk at which the Group can operate, whilst remaining within constraints implied by capital, funding needs and the expectation of shareholders.

The Board has an agreed Risk Appetite Statement, structured according to the taxonomies described above, which is comprehensive and clear to all stakeholders. Where the Board sets its Risk Appetite at principal risk category level, such Risk Appetite is applicable to the aggregate of the sub-risks within the specific Risk Category. The Group's Risk Appetite over the short, medium, and long-term time horizons is reviewed annually.

For some risks within the Group's risk universe, such as strategic, reputational group and some aspects of climate risks, the holding of capital by itself is considered by the Board to be an inappropriate mitigating measure. The governance, risk management and internal control mechanisms, which constitute the ERM Programme, promote the capture and analysis of non-quantifiable risks with assessment against the respective risk appetite metrics approved by the Board. This approach, driven by ERM protocols, ensures that all risks within the risk universe (quantifiable and non-quantifiable) are treated with equivalence and reporting on risks is not limited to those which only support calculation of solvency requirements. This methodology allows the nature of the Group's principal and subordinate risks, relative to strategic and business objectives to be considered via stress and scenario testing and movements in Hansard's risk profile, relative to risk appetite, to be identified, managed, monitored and reported on a continuing basis. Additional details of stress and scenario testing relating to climate risks are described above as part of Pillar 2 – Strategy.

To demonstrate whether the Group is being managed in accordance with the Board's approved Risk Appetite, periodic risk appetite tolerance assessments are carried out and reported to the Audit and Risk Committee.

Further details on the Company's overall ERM Framework can be found in the Risk Management and Internal Control section on pages 20 to 22 and in the Principal Risks section on pages 23 to 27.

Pillar 4 – Metrics and Targets

The Group aims to promote sustainable business practices on a holistic basis, including controlling and reducing environmental impacts. In order to be meaningful this requires an informed understanding of climate-related considerations, such as physical and transition risks, climate resilience and GHG targets, and a substantive assessment of the Group's generated emissions, together with recognition of the value for all stakeholders in the use of clear, meaningful metrics to measure and manage climate-related risks and opportunities. The Group's metrics and targets are intended to evidence and demonstrate how the Group is working to achieve reductions in its energy use (measured in tCO2e), consequent emissions and environmental impacts and establish sustainable business practices. To calculate our emissions, we follow the Greenhouse Gas Protocol (GHGP) Corporate Standard. Under this Protocol we categorise emissions on the following basis:

- Scope 1: Direct emissions from gas, refrigerants, and owned vehicles.
- Scope 2: Indirect emissions from the generation of acquired and consumed electricity, which are a consequence of our activities, but originate at sources owned or controlled by another organisation; and
- Scope 3: Value-chain emissions, having regard to both upstream activities – typically business travel, employee commuting, waste generation, purchased goods and services and capital goods, and the downstream impacts of our business – typically linked to investments made or enabled by the Life Companies of the Group.

Benefitting from the relationship established over the last two years, we have again worked with the Environmental Sustainability Index (ESI) Monitor, utilising their online application FutureTracker, to upload and record our environmental footprint data, across Scopes 1, 2 and 3 and provide useful industry benchmarking. The subsequent 2024 Environmental Footprint Report is then used to inform our Metric and Target Pillar disclosures and enable refinement of our sustainability goals and associated policy objectives. Data for the financial year ended 30 June 2024 is set out in figure 9 below, representing the most relevant and applicable data in respect of emissions for which Hansard is responsible via its energy use, measured in tCO2e. This does not currently include measurement of other GHG's identified under GHGP or incorporate CO2 equivalent measurements.

Figure 9: 2024 Carbon Footprint Results

Scope	Description	2024 (tCO_2e)	2023 (tCO_2e)	2022 (tCO_2e)
1	Emissions from gas, refrigerants and owned vehicles			
	- Fugitive Emissions	0.46	0.50	10.6
	- Static Combustion	-	4.90	5.30
	- Mobile Combustion	0.10	0.70	0.90
Gross Measurable Scope 1 Emissions		0.56	6.10	16.80
2	Electricity emissions purchased electricity factor - (market based)	47.90	94.10	104.60
Gross Measurable Scope 2 Emissions		47.19	94.10	104.60
3	Emissions relating to activities within our wider value chain:			
	Business Travel	114.50	156.40	N/A
	Employee Commute	94.40	86.50	N/A
	Working from Home Emissions	7.50	10.10	N/A
Gross Measurable Scope 3 Emissions		216.40	253.00	N/A
Gross Total Company Emissions		264.15	353.20	121.40
Carbon Offsets Purchased		(500.00)	(378.60)	(121.40)
Net Measurable Scope 1, 2 and 3 Emissions		**(235.85)**	**(25.4)**	**-**

Our Scope 1 and 2 reporting total includes data from our Isle of Man, Ireland, and Japan offices. Our largest emissions impact in relation to Scope 1 and 2 continues to be our electricity usage, although this has decreased by 49% compared to the last reporting period. The reduction in our Scope 2 emissions is due to the sale of our warehouse. This, in turn, has also reduced our Scope 1 mobile combustion emissions as we were able to reduce the usage of our company vehicle. More significantly, our data centre provider switched their electricity tariff to the Guaranteed Green Tariff. The Guaranteed Green Tariff is a verified local tariff that ensures renewable energy is fed into the Isle of Man national grid to cover the number of units consumed by our data centre. We continue to engage with the landlord of our head office to investigate options to utilise the Guaranteed Green Tariff. We already purchase renewable energy for our Ireland based office and will investigate options for our office in Japan in the coming financial period.

In addition to our total emissions in tCO_2e, we have calculated our average emissions per fulltime employee for Scope 1 and 2 to be 0.26 tCO_2e, a 50% decrease from 0.52 tCO_2e in 2023. The emissions per fulltime employee differ across our office locations due to the electricity usage in each location.

In relation to our Scope 3 emissions, we have maintained our disclosure position by calculating and disclosing our more readily measurable emissions, under GHGP Categorisations, including Business Travel (Category 6) and Employee Commuting and Working from Home (Category 7) emissions. We are targeting continued improvements in the capture and measurement of all relevant and applicable upstream and downstream Scope 3 emissions during the 2025 financial year, which will require collaboration with external stakeholders.

Emissions relating to hotel stays has been omitted from current Category 6 reporting, as we continue to compile complete and accurate data to enable us to capture, record and mitigate associated emissions. As such, 2024 metrics will not be considered a gross Scope 3 baseline, with baselines instead being applied to each activity as reliable data becomes more readily available and measurable. The Group's 2023 reported Scope 3 metrics are therefore considered the baselines for Category 6 and 7 emissions respectively, subject to any adjustments that may be required once the accommodation element of business travel becomes more readily quantifiable.

For Scope 3, the primary contributor to our measured Carbon Footprint continues to be business travel, at 53% of our total measurable Scope 3 emissions, and 44% of the Group's total emissions. However, there has been a significant reduction in the distances travelled for business travel, and therefore associated carbon emissions have reduced. Emissions associated with employee commuting increased marginally, whilst emissions associated with employee working from home decreased. The Group continues to explore ways in which international travel can be further reduced, exploiting the value of advances in digital transformation solutions for engaging with clients, business partners and remote working. Initiatives to support the reduction of emissions relating to employee commuting are also being investigated.

Whilst we do not currently capture the Weighted Average Carbon Intensity (WACI) metrics for our Assets Under Management (AUA) to input under Category 15 of the GHGP requirements, we do provide our Contract Owners and their Independent Financial Advisors (IFAs) with two measures of sustainability using data from Morningstar regarding the underlying external mutual funds that are notionally linked to our Hansard Unit-linked Fund range, i.e:

- The 'Morningstar Sustainability Rating', which provides a framework for comparing thousands of mutual funds and exchange-traded funds (ETFs) based on ESG standards, with a clear, five tier, rating scale to indicate where a fund stands regarding ESG comparative to its industry group.
- The Morningstar 'Low Carbon Designation' is assigned to mutual funds and ETFs that have low carbon-risk scores and low levels of fossil-fuel exposure. The designation is an indicator that the companies held in a portfolio of a mutual funds or ETF are in general alignment with the transition to a low-carbon economy.

As we continue work to reduce our GHG emissions, the Board and Executive Committee considered and approved a recommendation presented to the 2024 Strategy Days, to make an investment of 500 tCO_2e in carbon offset programs, to contribute to the mitigation of the Group's measured Scope 1, 2 and 3 emissions for the 2024 Financial Year, whilst acknowledging that reducing our emissions should be the priority over purchasing offsets. As a result, the Group purchased 250 tCO_2e verified carbon offset credits in both the Ecofiltro Clean Water and Sabah Rainforest Rehabilitation projects, both in geographical locations where our clients and offices are based, to achieve net zero for measurable Scope 1, 2 and 3 emissions as set out in the table above.

Our decision to purchase carbon offsets as a way of mitigating our net impact has led to the Company determining revised strategic parameters for emission reductions gross of offset. These will be refined and formalised via the 2025 cycle of risk appetite metric calibrations, seeking absolute based targets, referenced to respective baselines, framed around the following ambitions:

- We will aim to reduce Scope 1 and Scope 2 emissions by 50% by 2030, and by 100% by 2050.
- We will aim to reduce Scope 3 emissions excluding those relating to our AuA* by 50% by 2035 and 100% by 2050*.

For clarity, Scopes 1 and 2 will continue to use 2022 as the baseline, while our Scope 3 metrics will inform future reporting. Baseliner metrics we disclose in future annual reports will be set at the time.

The Group continues to investigate ways in which we can capture further data to be able to provide additional metrics in future, such as those relating to waste management, water usage, and any other areas that will help to manage our overall environmental impact.

There are no current material financial exposures arising out of our carbon emission levels in terms of specified regulatory caps or direct taxes. At present, our Executive Directors' remuneration packages are not tied to performance against ESG metrics. We also do not produce any internal carbon pricing, as we do not consider it to be applicable to our current business model.

* We have not set an ambition at this stage for emissions relating to AuA. These investments are chosen by our clients or by their advisors. However, we will look for opportunities to assist clients and financial advisers in addressing climate-related data challenges relating to their investments. We will aim to define target reductions for our guided architecture AuA during the 2025 reporting period, recognising that this will involve establishing a substantive understanding of the emission measures for our existing investment portfolio and the Group's capacity to influence more environmentally considerate investment decision making. As we progress this work, we will continue to make reference to the driving principles and objectives of new and emerging regulatory developments in this area, such as the FCA's Sustainability Disclosure Requirements. This approach ensures we are aware of industry and regulatory progress, even where these may not be directly applicable to the Group.

Stakeholder Engagement and Board Decision Making

We recognise our obligations to adopt a responsible attitude towards our stakeholders in operating our business. As well as shareholders, key stakeholders include employees, contract holders, distribution partners, service providers and the communities in which we operate. The Board seeks to understand the views of such stakeholders in making any key decisions in accordance with the Code. The Board considers that the Group demonstrates a balanced approach in its decision making and that Hansard's policies and actions fulfil the Group's obligations.

The Board is accountable to the shareholders for creating and delivering value through the effective governance of the business. The Group places considerable importance on developing its relationships with our shareholders and it aims to achieve this by way of the following regular communication activities:

- regular dialogue with major institutional shareholders, both directly and through the Company's advisors.
- market announcements, corporate presentations and other Company information which are available on our website at www.hansard.com; and
- the Annual Report and Accounts issued to all registered shareholders, either in hard copy or electronically for those that have elected to receive it in that form.

The CEO and Chair typically meet with the investor community, major shareholders, and analysts at various points throughout the year.

In addition, the Chair of each Committee is available to meet or correspond with major shareholders to discuss any areas of concern not resolved through normal channels of investor communication. There were no significant areas of concern raised during the 2024 financial year. Arrangements can be made to meet with the Chair through the CFO or Company Secretary.

The Board is equally interested in communications with private shareholders and the CFO oversees communication with these investors. All information reported to the regulatory information services is simultaneously published on the Company's website, affording the widest possible access to Company announcements. The Board receives regular feedback on the views of shareholders on the Company from its executive team after meetings with those shareholders, as well as from reports from the Company's corporate brokers, the Chair, and the Senior Independent Director.

By Order of the Board

Hazel Stewart, Company Secretary
25 September 2024

Report of the Audit & Risk Committee

Purpose and Terms of Reference

This report provides details of the role of the Group Audit and Risk Committee and the work it has undertaken during the year. The primary function of the Audit and Risk Committee is to assist the Board in fulfilling its responsibilities to protect the interests of shareholders with regard to the integrity of financial reporting, risk management and internal controls and overseeing the relationship with the external auditor. The role, responsibilities and work of the Committee can best be understood by reference to its written terms of reference. These are published on the Company's website, www.hansard.com.

Key responsibilities include:

- monitoring the integrity of the financial statements of the Group, including its annual and interim reports and other formal announcements relating to its financial performance.
- reviewing and reporting to the Board on significant financial reporting issues, accounting policies and judgements.
- reviewing summary financial statements, significant financial returns to regulators and any other financial information contained in certain other documents.
- recommending to the Board the appointment, re-appointment and removal of the external auditor and approving the terms of engagement and remuneration.
- monitoring the independence of the external auditor and the provision of non-audit services.
- monitoring the effectiveness and objectivity of the internal and external auditors.
- reviewing the Group's systems and controls for the prevention of bribery and procedures for detection of fraud.
- reviewing the effectiveness of internal financial controls and risk management systems relating to financial reporting; and
- reviewing annually the Group's internal audit requirements and budget.

Composition and Structure

At the date of this report, the members of the Committee were the Group's Independent Non-executive Directors being David Peach, Jose Ribeiro and Noel Harwerth. David Peach is the Chair of the Committee. The Board is satisfied that during the year, and at the date of this report, at least one member of the Committee has competence in accounting and all members of the Committee have considerable recent and relevant financial experience and competence relevant to the sector in which the Company operates.

The Company Secretary acts as the secretary to the Committee. The Chair of the Committee reports to each subsequent meeting of the Board on the Committee's work and the Board receives a copy of the minutes of each meeting of the Committee.

Meetings and Frequency

The Committee met on four occasions during the financial year. The members' attendance record is set out in the Corporate Governance Report.

During the year, the Chair invited the Group CFO, the other Non-executive Directors, the Head of Internal Audit and KPMG Audit LLC ("KPMG") (the external auditor) to attend all meetings of the Committee. Other members of senior management, including the Group Chief Executive Officer, the Group Chief Actuary and the Head of Group Risk and Compliance were also invited to attend as appropriate.

It is the Committee's practice to meet separately, at least once a year, with both the Internal Audit function and with the engagement partner of the external auditor, without any members of management being present. In addition, outside the structure of formal meetings, David Peach has had separate meetings throughout the year directly with the external auditor and the Internal Audit function. David also meets and has regular contact with the Chief Executive Officer, the Chief Financial Officer, the Chief Actuary and the Chief Risk Officer.

In performing its duties, the Committee has access to the services of the Internal Audit Function, the Company Secretary and, if required, external professional advisers.

Subsidiary Company Audit & Risk Committees

Each of the Group's life assurance subsidiaries has established an audit and risk committee that provides an oversight role for its own business. The chair of each of those committees is an Independent Non-executive Director of the relevant company. Each committee operated throughout the financial year and considered specifically the reporting of outsourced services and the valuation of contract holder liabilities, having regard to the opinion of the Chief Actuary.

The minutes of the meetings of those committees are available to the Group Audit and Risk Committee which monitors in particular the adherence of the subsidiaries to regulatory requirements.

Committee Activities During the Financial Year

1. Review of Accounting and Reporting

During the financial year the Committee:

- agreed the annual audit plan with the external auditor, considered the auditor's reports and monitored management actions in response to the issues raised.
- reviewed the annual and half-yearly report and accounts, including the external auditor's reports, and associated announcements.
- reviewed the reports and projections of the head of actuarial function and considered any implications for disclosures.
- monitored the submission of key regulatory returns.
- monitored compliance with the relevant parts of the UK Corporate Governance Code, the effectiveness of internal controls and reporting procedures for risk management processes.

- continued to monitor the application of the Group's policy on whistleblowing, reporting where relevant to the Board; and
- reviewed other Stock Exchange reporting prior to publication of each announcement.

Whilst reviewing the annual and half-yearly report and accounts, the Committee focussed on the following areas where significant financial judgements were required:

- the accounting principles, policies, assumptions, and practices adopted.
- judgements exercised in the production of the financial results including the valuation of certain financial investments, deferred origination costs and deferred income, and the appropriateness of key actuarial assumptions within financial and regulatory reporting.
- the impact of the ongoing geopolitical position with respect to valuation and provisioning issues, longer term actuarial assumptions of contract holder behaviour and going concern disclosures.
- the status of known or potential litigation claims against the Group including accounting treatment in the financial statements and judgements made on whether to recognise a provision or contingent liability; and
- the carrying amount of the investment in subsidiaries in the Parent Company including an assessment of whether any impairment should be recognised.

To assist the Committee's review of key judgements around the accounting for litigation-related contingent liabilities, expert input was received from its legal advisors.

2. Review of Internal Audit

The Head of Internal Audit reports to the Audit and Risk Committee on the effectiveness of the Group's systems of risk management and internal control, the adequacy of those systems to manage business risk and to safeguard the Group's assets and resources. The Internal Audit Department provides objective assurance on risks and controls to the Committee.

The plans, the level of resources and the budget of the Internal Audit Department are reviewed at least annually by the Committee. During the financial year the Committee monitored and reviewed the effectiveness and independence of the Internal Audit Department, including consideration of the plan of assurance and consulting activities (including changes thereof) and results from completed audits and concluded that the Department was fit for purpose.

3. Review of External Audit

KPMG Audit LLC (KPMG) was appointed as external auditor in 2020 following a tender process held in 2019. The Committee does not consider a tender process is required at present.,

KPMG was re-appointed as auditor for the year ended 30 June 2024 following shareholder approval at the 2023 AGM.

The Group has in place a policy to ensure the independence and objectivity of the external auditor. During the year, the Committee performed its annual review of the independence, effectiveness, and objectivity of KPMG, assessing the audit firm, the audit partner, and the audit teams. This is performed through written documentation provided by KPMG which is discussed and challenged where appropriate by the Committee.

The Committee was satisfied with its compliance with the Code and other relevant legislation for the year ended 30 June 2024.

Based on the Committee's review and with input from Group management and Internal Audit, the Committee concluded that the audit service of KPMG was fit for purpose and provided a robust overall examination of the Group's business and its associated financial reporting.

The Committee monitored compliance with the Group policy for the provision of non-audit services by the external auditor. This policy aims to ensure that external auditor objectivity and independence is safeguarded and sets out the categories of non-audit services which the external auditor is allowed to provide to the Group. Financial limits for non-audit related advice and consultancy work by the external audit firm apply to each company in the Group with a limit of £25,000 per company per year. Non-audit assignments exceeding the agreed limits, either individually or cumulatively, must have the prior approval of the Group Audit and Risk Committee. During the year, the Committee approved audit related assurance services relating to Solvency II and the Isle of Man's risk-based solvency regime.

Details of the amount paid to the external auditors during the year for audit and non-audit related services are set out in note 8 to the consolidated financial statements.

4. Review of Internal Controls

The Committee has reported to the Board regarding the review of the Group's risk management and internal control systems. No material issues were noted.

The Committee considered events during the year and to the date of signing of the Annual Report and Accounts, including internal reporting structures together with reporting from Internal Audit, external audit and the Chief Actuary.

The Committee is cognisant of the changes implemented in the UK Corporate Governance Code 2024 that relate to internal controls.

5. Review of Committee Performance

As part of the external Board performance review this year, the performance of the Audit and Risk Committee was reviewed. There were no areas of significant concern, and it was concluded that the Committee had effectively fulfilled its role.

For the Board

D Peach

David Peach
Chair of Audit & Risk Committee
25 September 2024

Report of the Nominations Committee

This report provides details of the role of the Nominations Committee and the work it has undertaken during the year.

Purpose and Terms of Reference

The role, responsibilities and work of the Committee can best be understood by reference to its written terms of reference. These are published on the Company's website. A summary is set out below:

- to regularly review the structure, size and composition required of the Board (including a review of the scope to further promote diversity of skills, social and ethnic background, nationality, experience, cognitive and personal strengths, knowledge, outlook, approach, and gender) and the membership of the Committees and make recommendations to the Board with regard to any changes.
- to consider succession planning processes for Directors and executive management positions and the opportunities available to the Company to further promote diversity and inclusion; and
- to be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.

The Committee keeps under review the balance of skills on the Board and the knowledge, experience, length of service and performance of the Directors. It also reviews their external interests with a view to identifying any actual, perceived, or potential conflicts of interests, including the time available to commit to their duties to the Company. Prior to accepting any additional external appointments Directors are required to seek the Board's approval.

The Committee regularly reviews the structure, size and composition of the Board and Board Committees. This review considers the knowledge, skills and experience of the Directors, and the diversity on the Board and each of its Committees, to ensure they are effective in meeting current and future challenges. The skills and experience of the Board are mapped against desired skills using objective criteria to create a skills matrix.

The Group ensures that each of its companies is compliant with relevant applicable legislation relating to health and safety, employment legislation including sex, race, and other discrimination rules, in striving to be an equal opportunity employer. The Group's recruitment process seeks to find candidates most suited for the job.

The Group respects the dignity of individuals and their beliefs and does not tolerate any sexual, racial, physical or any other form of harassment of employees nor tolerate any discrimination in the workplace.

Membership

At the date of this report, the members of the Committee were the Independent Non-executive Directors David Peach, Jose Ribeiro and Noel Harwerth, and the Non-executive Group Chair, Philip Kay. Philip Kay is Chair of the Committee.

The Company Secretary acts as the secretary to the Committee. The Chair of the Committee reports to each subsequent meeting of the Board on the Committee's work and the Board receives a copy of the minutes of each meeting of the Committee.

Activities of the Committee During the Year

The Committee met on four occasions during the year. The members' attendance record is set out in the Corporate Governance Report.

During the year the Committee considered the following:

- considered and accepted the resignation of Christine Theodorovics as Independent Non-executive Director and commenced the process for the recruitment of a successor.
- considered and accepted the resignation of Ailish Sherlin as Chief Actuary and the appointment of Alan Canny as successor.
- reviewed the structure, size, and composition of the Board.
- reviewed the skills, experience, and knowledge of each Board member and of the Board as a whole.
- reviewed the time commitment required from the Chair and Non-executive Directors to fulfil their roles.
- instructed Boston Limited to conduct a Board Performance Review by way of a survey sent to all Directors plus the Company Secretary and Chief Risk Officer.
- appointed Sapphire Partners, who have no connection to the Company or individual Directors, to support the search for a replacement Independent Non-executive Director.
- considered and accepted the resignation of Graham Sheward as Group CEO and executive Director.
- considered and appointed Thomas Morfett as Group CEO.
- considered and appointed Noel Harwerth as successor for Christine Theodorovics as Independent Non-executive Director.

Directors' Appointments and Induction

The Board has a formal procedure in respect of the appointment of new Directors, with the Nominations Committee leading the process and making recommendations to the Board. The Company has in place an induction programme for new Directors to provide them with a full, formal, and tailored induction on joining the Board, which ensures that they attain sufficient knowledge of the Company to discharge their duties and responsibilities effectively.

Diversity

The Committee and Board acknowledges the importance of diversity, including gender diversity, for the Company. The Board acknowledges the FCA Policy Statement on Diversity and Inclusion on company boards and executive management, which sets out targets as follows:

- At least 40% of the board are women.
- At least one of the following senior board positions is held by a woman - Chair, Chief Executive Officer (CEO), Senior Independent Director (SID) or Chief Financial Officer (CFO); and
- At least one board member is from a minority ethnic background, defined by reference to the categories recommended by the Office for National Statistics, excluding those listed as coming from a White ethnic background.

For the purposes of making the disclosures set out below, data was collected through self-reported submissions from the Board and Executive Comittee.

	Number of board members	Percentage of the board	Number of senior positions in the board (CEO, CFO, SID and Chair	Number in Executive management	Percentage of Executive management
Men	5	80%	4	6	67%
Women	1	20%	0	3	33%
Not specified/prefer not to say					
White British	3	60%	3	9	100%
White other (including minority-white groups)	2	20%	1		
Mixed/Multiple Ethnic Groups					
Asian/Asian British					
Black/African/ Caribbean/ Black British					
Other ethnic group, including Arab	1	20%			
Not specified/prefer not to say					

The Company is committed to increasing diversity at board level. Supported by an independent executive search firm we are in the process of appointing two experienced female Independent Non-executive Directors to the Board. The first appointment is Noel Harwerth, who was appointed to the Board on 23 September, and we expect to announce the second appointment later in the calendar year.

Review of Committee Performance

The Chair had regular meetings during the year with the Group Chief Executive Officer, Group Chief Financial Officer, and the Non-executive Directors. In addition, after each Board meeting, the Chair held informal sessions with the full Board (without management being present) and with only the Independent Non-executive and Non-executive Directors in attendance (without executive Directors being present). A review of the performance of the Chair was performed by the Non-executive Directors led by the Senior Independent Director.

Philip Kay

Chair of the Nominations Committee
25 September 2024

Report of the Remuneration Committee

This report provides details of the role of the Committee and the work it has undertaken during the year.

Purpose and Terms of Reference

The key responsibilities of the Committee are to:

- determine and make recommendations to the Board on the overall remuneration policy and the remuneration packages of the executive Directors, the Company Secretary, and such other members of the Executive Committee as it considers appropriate.
- ensure that remuneration is designed to support strategy and promote the long-term sustainable success of the Group.
- review the executive Directors' service contracts.
- review the design and operation of share incentive schemes; and
- oversee any changes in employee benefit structures throughout the Group.

As such the remuneration policy is designed to:

- recognise the need to be competitive in an international market, though taking account of the local knowledge and packages in the UK and the Isle of Man.
- support key business strategies and create a strong, performance-orientated environment.
- attract, motivate, and retain talent; and
- be aligned to proper risk management consistent with risk tolerance set out by the Board as part of its strategy.

The role, responsibilities and work of the Committee can best be understood by reference to its terms of reference. These are published on the Company's website.

Membership

As at the date of this report, members of the Committee are the Independent Non-executive Directors David Peach, Jose Ribeiro and Noel Harwerth and the Non-executive Group Chair, Philip Kay. The Committee is chaired by Jose Ribeiro.

The Company Secretary acts as the secretary to the Committee. The Chair of the Committee reports to each subsequent meeting of the Board on the Committee's work and the Board receives a copy of the minutes of each meeting of the Committee.

Activities of the Committee During the Year

During the year there were five meetings of the Committee. The members' attendance record is set out in the Corporate Governance Report.

At the request of the Committee Chair, the CEO also attends meetings and makes recommendations to the Committee regarding changes to particular remuneration packages (excluding himself) or to policies generally. Such recommendations are discussed by the Committee and adopted or amended as it sees fit. The Head of People and Culture provides all necessary support to the Remuneration Committee in executing their duties.

At the request of the Committee, the Head of People and Culture engaged with Polymetrix Ltd to provide benchmarking data on remuneration. Polymetrix has no connection with the Company.

During the year the Committee also received advice from FIT Remuneration Consultants LLP ("FIT"). FIT was appointed to advise the Committee in 2022. FIT has no other connection with the Company (or its Directors) and the Committee is satisfied that the advice received from FIT in the 2024 financial year was independent and objective.

During the year and to the date of this report, the Committee addressed issues concerning remuneration and incentive schemes implemented by the Group, in particular:

- agreed the weighting of the corporate performance objectives for the bonus schemes for the year ended 30 June 2024 and assessed achievement of these.
- agreed awards to be made under bonus schemes for the year ended 30 June 2024.
- agreed executive Director bonuses for the year ended 30 June 2024.
- reviewed Directors' fees for the Company and subsidiary appointments for the year ending 30 June 2024.
- reviewed incentive provision.
- reviewed employee benefits.
- reviewed and approved the remuneration policy.
- agreed the continuation of enhanced annual bonus provision for 2025 for Executive Directors (CEO and CFO).
- agreed that share awards granted to date (393,300) under the terms of the deferred bonus scheme for Graham Sheward would vest on 31st December 2024. These were awards of shares in respect of annual bonuses for 2022 and 2023; and
- agreed the weighting of the corporate performance objectives for the bonus schemes for the year ended 30 June 2025.

Summary of Remuneration Policy

As an Isle of Man registered company, the Company is not required to present a remuneration policy in the format required by the UK Companies Act. However, the following information is provided to summarise the remuneration policy.

Policy on Salary of Executive Directors

It is the policy of the Committee to pay base salaries to the Executive Directors at broadly market rates (taking account of the Isle of Man location where relevant) compared with those of executives of companies of a similar size and international scope, whilst also taking into account the executives' personal

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performance and the performance of the Group. In addition, reliance is placed on the People and Culture function to provide appropriate benchmarking data.

The CEO salary was reviewed during 2023. After due care and consideration, the Committee determined that the salary was appropriate for the size and scope of the role on the basis of the decision made on appointment to reflect a lower fixed base salary with a higher variable element and therefore was not increased following the review.

Name	Salary as at 30 June 2024	Salary as at 30 June 2023	Increase
Graham Sheward (CEO)	£250,000	£250,000	N/A
Thomas Morfett (CFO)	£150,000	£150,000	N/A

* With effect from 2nd August 2024, Thomas Morfett was appointed CEO and will receive a base salary of £250,000 per annum.

Cash-Settled Bonus Scheme

The Committee approved the continuation of a bonus scheme for all employees. The terms of the scheme that became effective from 1 July 2018 incorporate targets for both company and individual performance. Bonuses earned will be paid in the October following the end of the financial year.

Deferred Bonus Scheme

Our executive Directors participate in a bespoke version of the firm-wide bonus scheme that is overseen by the Committee. Potential earnings under the bonus scheme for the executive Directors range from nil to 100% of salary. On appointment of a new CFO, an appropriate maximum annual bonus will be set, but not exceeding 100% of basic salary.

50% of any bonus awarded is paid in cash and 50% in shares deferred for 3 years as governed by the shareholder-approved deferred bonus scheme.

The deferred bonus scheme was approved at the AGM on 8 November 2016 and has been the only long-term element of incentive pay operated by the Company.

All annual bonus payments are made at the discretion of the Committee and the Committee has full discretion to override the formulaic outcomes of any performance conditions that apply to the annual bonus scheme should that be considered appropriate in any case. Malus and clawback provisions may be operated as appropriate in respect of cash amounts payable under the annual bonus scheme or in respect of awards of deferred shares made under the deferred bonus scheme. There was no operation of either malus or clawback in the 2024 financial year.

Continuation of enhanced annual bonus provision for 2025

Prior to the 2024 financial year, the Committee undertook a review of incentive provision for our executive Directors and other senior executives. While consideration was given to introducing a forward-looking share-based long-term incentive (beyond our existing deferred bonus plan) at market-normal levels for a company of Hansard's scale and business type, having considered the priorities of the business and our shareholders, the Committee determined that it was more practical and of greater benefit to shareholders to provide for enhanced annual bonus potential for our executive Directors rather than establishing a new share plan. This is intended to provide appropriate incentive opportunities and a retention mechanism for participants. This enhanced annual bonus potential was first available for 2024 and will be available also for 2025.

Accordingly, for 2025, the maximum bonus potential available to the CEO will be enhanced by a further 40% of base salary, to provide 140% of base salary as the maximum annual bonus. This enhanced maximum annual bonus opportunity may also be made available to the new CFO following appointment. The annual bonus plan remains overseen by the Committee, and the Committee will ensure that the element within the 2024/25 annual bonus relating to this enhanced potential will be available only if demanding performance metrics (which may include financial, shareholder value and strategic non-financial measures) are achieved to the Committee's satisfaction. Any amounts payable under the enhanced potential are payable in cash.

SAYE Share-Save Programme

No options over shares were exercised under the Scheme rules during the year (2023: nil).

At the date of this report, the following options remain outstanding under each tranche:

Scheme year	2024 No. of options	2023 No. of options
2018	-	29,031
	-	29,031

The scheme was renewed for a further 10 years at the AGM in 2017.

Employee Benefit Trusts

An Employee Benefit Trust ("EBT") was established in February 2018 in order to provide certain discretionary share-based awards as part of an overall compensation and retention package. During the year 700,000 shares were purchased and transferred into the EBT. As at 30 June 2024 the EBT held 1,257,000 shares (2023: 557,000).

Policy on Fees for Non-executive Directors

It is our policy to set the fees for each Non-executive Director so that they reflect the time commitment in preparing for and attending meetings, the responsibility and duties of the position and the contribution that is expected from them. Our policy is to pay a market rate which is set annually by the Board.

President and Controlling Shareholder

Dr Leonard Polonsky - Dr Leonard Polonsky was appointed President of the Group under a letter of appointment effective from 22 September 2014. This letter incorporates the requirements of the Listing Rules in relation to Dr Polonsky as controlling shareholder of the Group.

A summary of the agreement, dated 22 September 2014, governing his relationship with the Group is available for inspection at the Company's registered office and will be made available to shareholders at the AGM. To maintain effective corporate governance, the agreement contains the following terms:

- all transactions between Dr Polonsky and the Group are to be conducted at arm's length and on normal commercial terms.
- Dr Polonsky will take no actions which would prevent the Company from complying with its obligations under the Listing Rules or propose a resolution to circumvent the proper application of the Listing Rules.
- Dr Polonsky will exercise his voting rights to ensure a requisite number of Independent Non-executive Directors are appointed to and retained by the Board; and
- Dr Polonsky will consult with Independent Non-executive Directors where proposals have been made by the Board in relation to its composition.

There were no significant transactions between the Group and Dr Polonsky during the year under review, per page 31of the Director's Report.

Summary of Directors' Employment Terms and Conditions

In accordance with the Articles of Association all Directors are subject to annual re-election. All Directors subject to election/ re-election on 8 November 2023 were re-elected at the AGM held at that date. None of the Directors are engaged on a fixed term contract.

The key terms and benefits of the contractual arrangements between each Director and the Company are as follows:

Thomas Morfett – Group Chief Executive Officer and Group Chief Financial Officer.

The Service Agreement in place sets out the contractual employment arrangements, the key terms being Company contribution into personal pension arrangements; private healthcare for himself and his spouse; permanent health insurance; life assurance; full-pay sick leave for a maximum of eight weeks of absence, whether or not consecutive, in any 12-month period due to illness or injury and 30 days annual leave in addition to public holidays. Other than the right to receive a payment in lieu of notice upon termination, his service agreement dated 19 January 2023 does not provide for any benefits upon termination of employment. The notice period (by either party) is six months.

Thomas was appointed to the Board on 17 April 2023. Thomas is a member of the deferred bonus scheme, which is based on corporate and individual performance, as set out on page 67.

Non-executive Directors*.* The appointment of each Non-executive Director has been confirmed by an individual letter of appointment which includes a one month notice provision. The Non-executive Directors do not have service contracts or any benefits-in-kind arrangements and do not receive any performance-related remuneration.

Stakeholder Engagement

During the past year we have received feedback on remuneration from certain key shareholders through Non-executive Board member engagement. There is also an avenue for communication and feedback through our corporate broker relationships.

During the year we undertook an employee engagement survey to understand the key drivers of engagement for our people. Results from the survey, which included feedback to defined and open questions, were then explored and debated further during employee feedback sessions where we encouraged open and honest debate. During these sessions, our approach to remuneration was discussed in more detail. Feedback from those sessions was relayed to both the Executive Committee and the Board and has informed priorities for our action planning and Culture programme.

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Directors' Remuneration for Financial Year 2023 / 24

The following information, including the table below, includes audited information.

Name	Salary and fees 2024 £	Pension 2024 £	Cash Bonus 2024 £	Deferred Bonus [2] 2024 £	Other[3] 2024 £	Aggregate 2024 £	Aggregate 2023 £
Executive Directors							
Graham Sheward (CEO)	**250,000**	**25,000**	**-**	**-**	**1,729**	**276,729**	434,228
Thomas Morfett (CFO)	**150,000**	**18,750**	**33,750**	**33,750**	**1,377**	**237,627**	31,053
Non-executive Directors							
Marc Polonsky	**50,000**	**-**	**-**	**-**	**-**	**50,000**	50,000
Jose Ribeiro	**59,000**	**-**	**-**	**-**	**-**	**55,000**	55,000
Philip Kay	**105,000**	**-**	**-**	**-**	**-**	**105,000**	77,500
David Peach	**80,000**	**-**	**-**	**-**	**-**	**80,000**	80,000
Christine Theodorovics [1]	**27,115**	**-**	**-**	**-**	**-**	**27,115**	22,180
Total	**721,115**	**43,750**	**33,750**	**33,750**	**3,106**	**831,471**	985,902

1 Christine Theodorovics – resigned 29th February 2024
2 The deferred bonus is awarded in shares and deferred for a period of 3 years prior to vesting.
3 "Other" includes healthcare benefits.

Annual Bonus for Executive Directors for Financial Year 2023/24

For financial year 2023/24 the CEO's performance was not assessed due to his decision to retire as disclosed on 2nd August 2024.

Share awards accrued to date under the deferred bonus scheme will vest on 31st December 2024.

The Committee conducted as assessment of the CFO's performance against his objectives for 2023/24. Objectives related to the achievement of the Company's principal strategic objectives with a focus on strategic projects, leadership, expenses and IFRS profit. They determined that the formulaic outcome of the assessment was 90% of the maximum and that this outcome was justified. Accordingly, the Committee agreed to apply a figure of 45% of base salary, 50% awarded in cash (£33,750) and 50% in shares deferred for 3 years under the deferred bonus scheme.

Executive Management Deferred Bonus Scheme Awards

In addition to the Executive Directors, the remaining members of the Executive Committee also participate in the deferred bonus scheme. This scheme resulted in the award of £0.2m worth of shares which are deferred for a period of 3 years.

Directors' Interests in Share Capital

The following information, presented in the table below, includes audited information.

There are currently no requirements for any Director to have a shareholding in the Company. The Company also does not have a policy for post-employment shareholding requirements.

The Polonsky Foundation (a UK Registered Charity of which Dr Polonsky and Marc Polonsky are among the trustees) has a beneficial interest in 8,547,708 shares in the Company's share capital, or 6.2% (2023: 6.2%).

The table set out below shows the beneficial interests of other Directors and their spouses in the Company's share capital, at 30 June 2024 and at 30 June 2023.

Number of shares	Direct	Indirect	Total 2024	Direct	Indirect	Total 2023
Executive Director						
Graham Sheward	**19,466**	–	**19,766**	17,000	–	17000
Thomas Morfett	**74,899**	–	**74,899**	–	–	–
Non-executive Directors						
Philip Kay	–	–	–	–	–	–
Jose Ribeiro	–	–	–	–	–	–
Marc Polonsky [1]	**7,800,000**	–	**7,800,000**	7,800,000	–	7,800,000
David Peach	–	–	–	–	–	–
Christine Theodorovics	–	–	–	–	–	–

[1] Direct holdings include shares held by spouse.

There have been no other significant changes in these holdings between the balance sheet date and the date of this report.

The Committee will continue to consider whether it may be appropriate to introduce guidelines for executive Directors' shareholdings in the future and will do so in connection with the introduction of any new long-term incentive plan operating over the Company's shares. This will include consideration of a policy for post-employment shareholding requirements.

Directors' Salaries and Fees for the Financial Year Ending 30 June 2025

The following table sets out the salary and fee levels approved by the Remuneration Committee for the year ending 30 June 2025 for each Director, as agreed by the Board. There have been no changes in relation to non-salary benefits applicable to any Director.

Name	Salary and fees 2025 £
Executive Directors	
Thomas Morfett (CEO & CFO)	**250,000**
Non-executive Directors	
Marc Polonsky	**50,000**
Jose Ribeiro [1]	**63,000**
Philip Kay [2]	**120,000**
David Peach [3]	**80,000**
Noel Harwerth [4]	**80,000**
Total	**725,000**

1 The amount for Jose Ribeiro includes additional fees in relation to his position as Chair of the Remuneration Committee and as SID.

2 The amount for Philip Kay includes additional fees in relation to his position as Chair of the Board and Chair of Hansard Europe dac.

3 The amount for David Peach includes additional fees in relation to his position as Chair of the Audit & Risk Committee and Directorship (and Chair of the Audit Committee) of Hansard Europe dac. He is also a Director of Hansard Administration Services Limited.

4 The amount for Noel Harwerth will be pro-rated from her appointment date of 23 September 2024.

Bonus and incentive arrangements for 2025 for Thomas Morfett are outlined in the Review of Incentive Provision 2024 earlier in this report.

Compliance With Code

As mentioned above, the Company has not fully complied with provision 36 of the Code in the following respect:

- The Company does not currently have a policy for post-employment shareholding requirements.

For the Board

Jose Ribeiro
Chair of the Remuneration Committee
25 September 2024

Requirements of the Listing Rules

Requirements of Rule 9.8.4R of the Listing Rules

The following table provides references to where the information required by Listing Rule 9.8.4R is disclosed.

Listing Rule Requirement	Location in Annual Report
A statement of the amount of interest capitalised during the period under review and details of any related tax relief.	Not applicable
Information required in relation to the publication of unaudited financial information.	Not applicable
Details of any long-term incentive schemes.	Report of the Remuneration Committee, pages 66 to 71
Details of any arrangements under which a Director has waived emoluments, or agreed to waive any future emoluments, from the company.	Report of the Remuneration Committee, pages 66 to 71
Details of any non pre-emptive issues of equity for cash.	No such share allotments
Details of any non pre-emptive issues of equity for cash by any unlisted major subsidiary undertaking.	Not applicable
Details of any contract of significance in which a Director is or was materially interested.	Not applicable
Details of any contract of significance between the company (or one of its subsidiaries) and a controlling shareholder.	Directors' Report, pages 30 to 34
Details of waiver of dividends by a shareholder.	Not applicable
Board statement in respect of relationship agreement with the controlling shareholder.	Report of the Remuneration Committee, pages 66 to 71
Details of any contract for the provision of services to the Company or any of its subsidiary undertakings by a controlling shareholder, subsisting during the period under review,	Not applicable

Independent Auditor's Report to the Members of Hansard Global plc

Our opinion is unmodified

We have audited the financial statements of Hansard Global plc ("the Company") and its subsidiaries (together, the 'Group') which comprise the consolidated balance sheet and parent company balance sheet as at 30 June 2024, the consolidated statements of comprehensive income, changes in equity and cash flows and parent company statements of changes in equity and cash flows for the year then ended, and related notes, comprising material accounting policies and other explanatory information.

In our opinion,

- the financial statements give a true and fair view of the financial position of the Group's and of the Company's affairs as at 30 June 2024, and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK- Adopted International Accounting Standards;
- the Company financial statements have been properly prepared in accordance with UK Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Acts 1931 to 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company and Group in accordance with, UK ethical requirements including the FRC Ethical Standard as required by the Crown Dependencies' Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters: our assessment of the risks of material misstatement

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

Revenue recognition £48.8m (2023: £45.7m) ***Risk vs 2023: Increased***

Refer to the Audit & Risk Committee Report on page 62, note 5 accounting policy and note 18 disclosures.

The risk: Calculation error and subjective estimate

The Group charges fees to investment contract holders for contract administration services, investment management services, payment of benefits and other services related to the administration of investment contracts. Determination of revenue earned can be complex where the fee calculation includes judgement in the determination of the life of the contract and actuarial funding factors to apply in amortisation of deferred revenue.

There is a risk that the assumptions and judgements made in the determination of revenue may not be appropriate due to fraud or error.

Additionally, as certain fee income is determined based on the valuation of investments during the year, there is a risk that revenue may not be calculated accurately.

During the year, Group transitioned to a new policy system, and this increased the risk of revenue misstatement as the system might not be correctly configured, operating effectively or the data may not be properly migrated to the new system.

Our response

Our audit procedures included:

Control design and operation

- Assessing the design and implementation of the fee income and investments valuations processes and internal controls.
- Testing operating effectiveness of internal controls over fee income and valuations of investments throughout the year which feed into the calculation of fee income.
- Testing automated controls and performing a test of one transaction for revenue streams which are automated.
- Assessing the design, implementation and operating effectiveness of the processes and internal controls including over the new system and the system migration.

Use of independent KPMG specialists

- Utilising KPMG's internal actuarial specialists to assess the methodology used where there is subjectivity in the selection, and benchmarking the amortisation period and actuarial funding factors used in unwinding deferred income using our own expectations based on our knowledge of the entity and experience of the industry in which it operates.
- Utilising KPMG's internal data & Analytics specialists to independently recalculate fee income streams.

Testing accuracy of data

- For a randomly chosen selection, agreeing the premium information to contracts signed by policyholders and bank statements.
- Agreeing a randomly chosen selection of fee rates to contracts signed by policyholders.
- Agreeing a randomly chosen selection of investments values being used in the fee income calculation to the investments system. We tested general IT controls around the system.
- Assessing the accuracy of the funding factors by agreeing a randomly chosen selection of contract maturities to the policy documents and comparing the expected funding factors to the funding factor used in the amortisation of deferred income.

Assessing transparency

- Assessing the adequacy of the Group's disclosures in respect of revenue recognition in the financial statements for compliance with UK-Adopted International Accounting Standards.

Litigation and claims liabilities and contingent liabilities disclosure
Provision: £0.5m (2023: £0.1m)
Risk vs 2023: same
Contingent liabilities: £20.2m (2023: £22.4m)
Refer to the Audit Committee Report on page 62, note 20 provision and note 26.1 accounting policy and disclosure.

The risk: Dispute outcomes and omitted exposures

The Group is subject to a number of legal claims from policyholders in relation to the performance of assets linked to investment contracts and other asset related issues. Management evaluates each legal claim, taking into consideration the assessment and advice of external legal counsel. As at 30 June 2024, the Group had been served with cumulative writs with a net exposure totalling £20.2m (2023: £22.4m) and the judgement made by management as to whether the Group is more likely than not to be successful in contesting these claims is highly subjective.

The amounts involved are potentially significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability, is inherently subjective.

There is a risk that the litigation provisions and disclosure for potential financial losses to the business may not be complete

There is also a risk that judgements made by management in assessing whether to recognise a provision or disclose a contingent liability may not be appropriate.

The effect of these matters is that, as part of our risk assessment, we determined that the litigation liability and disclosed contingent liability has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Group financial statements as a whole.

Our response

Our audit procedures included:

Control design and operation

- Testing the design and implementation of internal controls over the litigations process.

Enquiry of lawyers

- On all significant legal cases, assessment of correspondence with the Group's respective external counsel and obtaining formal independent confirmations from the counsel.

Testing completeness and accuracy of data

- Obtaining litigation schedules and legal logs for re-calculating and agreeing on a sample basis the potential exposure to underlying policy data.
- Agreeing litigation schedules and legal logs to independently obtained confirmations from external legal counsel.

Historical comparison

- Comparing management's previous provision to actual settlements made during the period under audit.
- Comparing management's previous contingent liability estimate to actual results of cases concluded during the period under audit.

Assessing transparency

- Assessing whether the Group's accounting policy and disclosure detailing significant legal proceedings adequately disclose the potential liabilities of the Group in accordance with UK- Adopted International Accounting Standards.

Valuation of structured notes held at fair value (level 2 and 3)
£58.8m (2023: £50.2m)
Risk vs 2023: same
Refer to the Audit Committee Report on page 62, note 3.6 accounting policy and note 17.3 disclosures.

Subjective valuation

The Group holds and manages investments on behalf of policyholders. A number of the structured notes are noted as being illiquid in nature, predominantly due to an active market not being available for these investments. These assets are measured at fair value.

Auditor judgement is required in determining the appropriate valuation methodology where external pricing sources are either not readily available or are unreliable. The fair value of structured notes is determined by evaluating observable inputs, which may include quoted prices for similar assets and quoted prices for identical and similar assets in a market that is not active and unobservable inputs which may include the underlying volatility which is benchmarked against other valuation tools.

There is a significant risk that the investments may not be valued appropriately due to estimation uncertainty inherent in unobservable pricing inputs or where a significant degree of judgement is required.

There is also a risk that the fair value levelling disclosures in the financial statements might not be appropriate as required by IFRS 13.

Due to the linked nature of the contracts administered by the Group's insurance undertakings, any change in the value of structured notes will result in an equal and opposite change in the value of contract liabilities. Any change in the structured notes value will also have an impact on fee income which is calculated as a percentage of investment values.

Our response

Our audit procedures included:

Control design and operation

- Assessing design and implementation of the investment valuation processes and controls.
- Testing operating effectiveness of key valuation and unit holding controls in the investments process.

Use of KPMG Specialists

- Utilising KPMG's internal valuation specialists to independently price and assess the fair value levelling on a sample of structured notes using observable or unobservable input parameters. Structured notes are valued using a discounted cash flow technique. The discount rates used are determined with reference to observable market transactions and instruments with substantially the same terms and characteristics including credit quality, the remaining term to repayments of the principal and the currency in which the payments are made adjusted for underlying volatility.
- Assessing the adequacy of the Group's disclosures in respect of the valuation of investments for which there is no quoted price in an active market for compliance with UK-Adopted International Accounting Standards.

Parent Company's investment in subsidiaries

£72.5m (2023: £72.5m)

Risk vs 2023: same

Refer to page 62 of the Audit & Risk Committee Report, note 2.6 accounting policy and note 4 disclosures

The risk: Low risk, high value

The carrying amount of the investment in subsidiaries represents 73.4% (2023: 76.3%) of the Company's total assets. The carrying amount of the investment in subsidiaries is measured at cost less impairment and is considered to have a low risk of material misstatement. However, due to its materiality in the context of the Company's financial statements, this is considered to be the area that had the greatest effect on our overall Company audit.

Our response

Our audit procedures included:

Tests of detail:

- Comparing the carrying amount of each subsidiary to its audited balance sheet to identify whether their net assets, being an approximation of their minimum recoverable amount were in excess of their carrying amount, as well as assessing whether those subsidiaries have historically been profit-making.
- Utilising our actuaries to assess the value in force contracts calculation, being the net forecast future cashflows in the Company and assess whether this is greater than the carrying amount of investment in subsidiaries.
- Assessing whether there are any indicators of impairment in relation to 100% of the carrying amount of investment in subsidiaries.

Assessing disclosures

- Assessing the adequacy of the disclosure for compliance with FRS 102.

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £297K (2023: £300K), determined with reference to a benchmark of Group profit before tax. Materiality for the Company financial statements as a whole was set at £178K (2023: £150K), determined with reference to the allocated Group materiality as above, of which it represents 60% (2023: 50%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality was set at 75% (2023: 75%) of materiality for the financial statements as a whole, which equates to £222K (2023: £225K) for the Group and £134K (2023: £112K) for the Company.

In addition, we have set a higher materiality at £10,200K (2023: £10,000K) solely for the purpose of identifying and evaluating the effect of misstatements that lead to a reclassification between line items within the policyholder assets and liabilities and associated income statement line items in the Group financial statements, to the extent that any such balances offset and have no net impact on the shareholder's equity and reserves. This has been determined in reference to 0.75% (2023: 0.75%) of total assets.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding £14.85K (2023: £15K) for the Group and £8.9K (2023: £7.4K) for the Company, in addition to other identified misstatements that warranted reporting on qualitative grounds. For certain financial statement captions, as referred to above, any corrected or uncorrected identified misstatements exceeding £510K (2023: £500K) have been reported to the Audit Committee.

Our audit of the Group was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

The group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality level set out above and covered 100% of total Group revenue, total Group profit before tax, and total Group assets and liabilities.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (the "going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group and the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to affect the Group and the Company's financial resources or ability to continue operations over this period were:

- Availability of capital to meet operating costs and other financial commitments; and
- Availability of capital to meet regulatory and solvency requirements.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's and Company's financial forecasts.

We considered whether the going concern disclosure in note 1.4 to the Group financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Company's ability to continue as a going concern for the going concern period; and
- we have nothing material to add or draw attention to in relation to the directors' statement in the notes to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and the Company's use of that basis for the going concern period, and that statement is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards and taking into account possible incentives or pressures to misstate performance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, and the risk that management may be in a position to make inappropriate accounting entries. We did not identify any additional fraud risks.

We performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation;
- incorporating an element of unpredictability in our audit procedures and;
- those set out in the revenue recognition key audit matter.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Group and Company are subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group and Company are subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Group and the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

Independent Auditor's Report to the Members of Hansard Global plc *continued*

Disclosures of emerging and principal risks and longer term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the Group financial statements and our audit knowledge. We have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the longer-term viability statement (page 34) that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- the emerging and principal risks disclosures describing these risks and explaining how they are being managed or mitigated; and
- the directors' explanation in the longer-term viability statement (page 34) as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the longer-term viability statement, set out on page 34 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the Group financial statements and our audit knowledge.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the Group financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the Group financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and Group financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Acts 1931 to 2004 require us to report to you if, in our opinion:

- proper books of account have not been kept by the Company and proper returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the books of account and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 35, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

This report is made solely to the Company's members, as a body, in accordance with section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Quayle
Responsible Individual
For and on behalf of KPMG Audit LLC
Chartered Accountants and Recognised Auditors
Heritage Court,
41 Athol Street, Douglas, Isle of Man IM1 1LA

25 September 2024

Consolidated Statement of Comprehensive Income for the Year Ended 30 June 2024

	Notes	Year ended 30 June 2024 £m	Year ended 30 June 2023 £m
Fees and commissions	5	**48.8**	45.7
Investment income	6	**119.5**	44.5
Other operating income		**0.8**	1.5
		169.1	91.7
Change in provisions for investment contract liabilities	17	**(114.4)**	(40.6)
Origination costs	7	**(16.1)**	(16.2)
Administrative and other expenses	8	**(33.3)**	(29.0)
		(163.8)	(85.8)
Profit before taxation		**5.3**	5.9
Taxation	10	**(0.1)**	(0.2)
Profit and total comprehensive income for the year after taxation		**5.2**	5.7

Earnings per share

	Note	2024 (p)	2023 (p)
Basic	11	**3.8**	4.1
Diluted	11	**3.8**	4.1

The notes on pages 84 to 106 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2024

	Share capital £m	Other reserves £m	Retained earnings £m	Total £m
At 1 July 2022	68.8	(48.3)	1.7	**22.2**
Profit and total comprehensive income for the year after taxation	-	-	5.7	**5.7**
Share based payment reserve	**-**	(0.2)	**-**	**(0.2)**
Transactions with owners				
Dividends paid	-	-	(5.9)	**(5.9)**
At 30 June 2023	**68.8**	**(48.5)**	**1.5**	**21.8**

	Share capital £m	Other reserves £m	Retained earnings £m	Total £m
At 1 July 2023	68.8	(48.5)	1.5	**21.8**
Profit and total comprehensive income for the year after taxation	-	-	5.2	**5.2**
Share based payment reserve	-	(0.1)	-	**(0.1)**
Transactions with owners				
Dividends paid	-	-	(6.1)	**(6.1)**
At 30 June 2024	**68.8**	**(48.6)**	**0.6**	**20.8**

The notes on pages 84 to 106 form an integral part of these financial statements.

Consolidated Balance Sheet
As at 30 June 2024

	Notes	30 June 2024 £m	30 June 2023 £m
Assets			
Intangible assets	13	**23.2**	19.9
Property, plant and equipment	13	**2.6**	2.8
Deferred origination costs	14	**112.1**	117.8
Financial investments			
Measured at fair value:			
Equity securities	3	**78.9**	52.0
Investments in collective investment schemes	3	**937.5**	915.5
Fixed income securities, bonds and structured notes	3	**70.6**	60.3
		1,087.0	1,030.8
Measured at amortised cost:			
Deposits and money market funds	3	**88.2**	90.2
Other receivables	15	**6.3**	4.9
Cash and cash equivalents	16	**47.9**	52.2
Total assets		**1,367.3**	1,318.6
Liabilities			
Financial liabilities under investment contracts	17	**1,150.9**	1,101.5
Deferred income	18	**140.2**	144.8
Amounts due to investment contract holders	17	**39.3**	36.6
Other payables	19	**15.6**	13.8
Provisions	20	**0.5**	0.1
Total liabilities		**1,346.5**	1,296.8
Net assets		**20.8**	21.8
Shareholders' equity			
Called up share capital	22	**68.8**	68.8
Other reserves	23	**(48.6)**	(48.5)
Retained earnings		**0.6**	1.5
Total shareholders' equity		**20.8**	21.8

The notes on pages 84 to 106 form an integral part of these financial statements.

The financial statements on pages 80 to 83 were approved by the Board on 25 September 2024 and signed on its behalf by:

Thomas Morfett

Thomas Morfett
Director

D Peach

David Peach
Director

Consolidated Cash Flow Statement for the Year Ended 30 June 2024

	2024 £m	2023 £m
Cash flow from operating activities		
Profit before tax for the year	**5.3**	5.9
Adjustments for:		
Depreciation	**1.0**	1.1
Dividends receivable	**(5.4)**	(4.7)
Dividends received	**5.4**	4.7
Interest receivable	**(4.7)**	(3.0)
Interest received	**4.2**	3.0
Foreign exchange losses	**-**	1.0
Changes in operating assets and liabilities		
Increase in other receivables	**(0.9)**	(0.6)
Decrease in deferred origination costs	**5.8**	4.7
(Decrease) in deferred income	**(4.5)**	(0.4)
Increase / (decrease) in creditors	**4.9**	(1.7)
(Increase) in financial investments	**(54.2)**	(11.7)
Increase in financial liabilities	**49.4**	9.1
Cash flow from operations	**6.3**	7.4
Corporation tax paid	**(0.1)**	(0.4)
Cash flow from operations after taxation	**6.2**	7.0
Cash flows from investing activities		
Investment in intangible assets	**(3.7)**	(6.6)
Investment in property, plant and equipment	**(0.2)**	-
Proceeds from sale of property, plant and equipment	**-**	0.4
Purchase of investments	**(0.2)**	(0.1)
Cash flows used in investing activities	**(4.1)**	(6.3)
Cash flows from financing activities		
Dividends paid	**(6.1)**	(5.9)
Principal elements of leased liabilities	**(0.2)**	(0.4)
Cash flows used in financing activities	**(6.3)**	(6.3)
Net (decrease) in cash and cash equivalents	**(4.2)**	(5.6)
Cash and cash equivalents at beginning of year	**52.2**	58.9
Effect of exchange rate movements	**(0.1)**	(1.1)
Cash and cash equivalents at year end	**47.9**	52.2

Notes to the Consolidated Financial Statements for the Year Ended 30 June 2024

1 General Information

Hansard Global plc ("the Company") is a limited liability company, incorporated in the Isle of Man under the Isle of Man Companies 1931 to 2004, whose shares are publicly traded. The principal activity of the Company is to act as the holding company of the Hansard group of companies. The activities of the principal operating wholly owned subsidiaries include the transaction of life assurance business and related activities. Hansard Europe was closed to new business with effect from 30 June 2013. The principal subsidiaries of the Company are as follows:

Company name	Incorporated	Activity
Hansard International Limited	Isle of Man	Life Assurance
Hansard Worldwide Limited	The Bahamas	Life Assurance
Hansard Europe Designated Activity Company	Ireland	Life Assurance
Hansard Administration Services Limited	Isle of Man	Administration Services
Hansard Development Services Limited	Isle of Man	Marketing and Development Services

The registered office of the Company is 55 Athol Street, Douglas, Isle of Man, IM99 1QL.

The Company has its primary listing on the London Stock Exchange.

1.1 Principal Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below or, in the case of accounting policies that relate to separately disclosed values in the primary statements, within the relevant note to these consolidated financial statements. These policies have been consistently applied, unless otherwise stated.

1.2 Basis of Presentation

The consolidated financial statements have been prepared in accordance with UK Adopted International Accounting Standards ("IFRSs"), International Financial Reporting Standards Interpretations Committee ("IFRSIC") interpretations, the Isle of Man Insurance Act 2008, and with the Isle of Man Companies Acts 1931 to 2004. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial investments and financial liabilities at fair value through profit or loss. The Group has applied all International Financial Reporting Standards adopted by the United Kingdom and effective at 30 June 2024.

The Group underwrites an immaterial amount of insurance business. Management has undertaken an assessment of the impact of accounting for this business as investment business rather than insurance business and concluded that this would not have a material impact on the financial statements. This assessment has been refreshed to consider the impact of IFRS 17, and management have not changed their conclusion that accounting for the business as investment business would not have a material impact on the financial statements. Management will keep this assessment under review, and should the outcome change in future the Group accounting treatment will be reassessed. As a result, IFRS17 has not been applied to these financial statements.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 2.

Except where otherwise stated, the financial statements are presented in pounds sterling, the functional currency of the Company, rounded to the nearest one hundred thousand pounds.

The following new standards, amendments and interpretations are in issue but not yet effective. They have not been adopted early by the Group and the impact on the financial statements is being assessed:

- Amendments to the classification and measurement of financial instruments (amendments to IFRS 7 and IFRS 9) – effective from 1 January 2026
- Presentation and disclosure in financial statements (IFRS18) – effective from 1 January 2027
- Subsidiaries without public accountability (IFRS 19) – effective from 1 January 2027

There are no other standards, amendments or interpretations to existing standards that are not yet effective, that would have a material impact on the Group's reported results.

1.3 Basis of Consolidation

The Group's financial statements consolidate those of the parent company and all its subsidiaries as at 30 June 2024.

All transactions between Group companies are eliminated on consolidation between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

1.4 Going Concern

Risk Based Solvency Capital, the Group's capital position is strong and well in excess of regulatory requirements. The long-term nature of the Group's business results in considerable recurring cash inflows arising from existing business. The Directors believe that the Group is well placed to manage its business risks successfully

The Directors are satisfied that the Company and the Group have adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the consolidated financial statements on that basis.

In making this statement, the Directors have reviewed financial forecasts that include plausible downside scenarios as a result of the ongoing geopolitical position and global economic conditions. These show the Group continuing to generate profit over the next 12 months and that the Group has sufficient cash reserves to enable it to meet its obligations as they fall due.

The Directors expect the acquisition of new business will continue to be challenging. The impact of this however is not immediate to the Group's profit and cash flows and therefore allows for longer term adjustments to operations and the cost base. Long periods of lower new business, or indeed lower AuA, would be addressed by reducing the cost base and, where necessary, the dividend paid.

The following factors are considered as supportive to the Group's resilience to external market and economic challenges:

- The Group's business model focuses on long term savings products, a majority of which are regular premium paying products which continue to receive cash inflows regardless of the amount of new business sold.
- The Group earns approximately a third of its revenues from asset-based income which is not immediately dependent on sourcing new business. Initial fees in respect of new business are broadly offset by initial commissions, limiting the impact of any reduction in new business.
- New business channels are geographically dispersed and therefore less exposed to specific regional challenges.
- The largest expense associated with new business is commission expenditure which reduces directly in line with reduced sales.
- The Group has and continues to the date of this report to have, a strong capital position with significant levels of liquidity and cash.
- The business has demonstrated operational resilience in being able to operate remotely from its offices without any material impact to processing and servicing levels. Its control environment continued to operate effectively during this time.
- The Group places the majority of its shareholder assets into conservative, highly-liquid, highly rated bank deposits and money market funds. These are typically not subject to price fluctuation and protect the Group's assets against potential market volatility; and
- The Group has no borrowings.

2 Critical Accounting Estimates and Judgements in Applying Accounting Policies

Estimates, assumptions, and judgements are used in the application of accounting policies in these financial statements. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. Estimates, assumptions, and judgements are evaluated continually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from assumptions and estimates made by management.

2.1 Accounting Estimates and Assumptions

The principal areas in which the Group applies accounting estimates are the amortisation of deferred origination costs and deferred income, the recoverability of deferred origination costs, the useful life of intangible assets, and the fair value of investments.

2.1.1 Amortisation of Deferred Origination Costs and Deferred Income

Deferred origination costs and deferred income are amortised on a straight-line basis over the estimated life of the underlying investment contract. Estimates are determined based on an analysis of recent experience. The estimate life is between 7 and 15 years depending on the product type. Certain contracts are amortised on actual life.

2.1.2 Recoverability of Deferred Origination Costs

Formal reviews to assess the recoverability of deferred origination costs on investment contracts are carried out at each balance sheet date to determine whether there is any indication of impairment based on the estimated future income levels.

If, based upon a review of the remaining contracts, there is any indication of irrecoverability or impairment, the contract's recoverable amount is re-estimated. Impairment losses are reversed through the consolidated statement of comprehensive income if there is a change in the estimates used to determine the recoverable amount. Such losses are reversed only to the extent that the contract's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation where applicable, if no impairment loss had been recognised.

2.1.3 Fair Value of Financial Investments

Where the Directors determine that there is no active market for a particular financial instrument, fair value is assessed using valuation techniques based on available relevant information and an appraisal of all associated risks as detailed in note 3.

2.1.4 Intangible Assets

The carrying amount, residual value and useful economic life of the Group's computer software is reviewed annually to determine whether there is any indication of impairment, or a change in residual value or expected useful life. If there is any indication of impairment, the asset's carrying value is revised.

2.2 Judgements

The primary areas in which the Group has applied judgement in applying accounting policies are as follows:

- to determine whether a provision or contingent liability is required in respect of any pending or threatened litigation, which is addressed in note 20 and note 26.
- to determine the type of expenses that are treated as origination costs to be deferred. Any other expenses are expensed as incurred.

3 Financial Risk Management

Risk Management Objectives and Risk Policies

The Group's objective in the management of financial risk is to minimise, where practicable, its exposure to such risk, except when necessary to support other objectives. The Group seeks to manage risk through the operation of unit-linked business whereby the contract holder bears the financial risk. In addition, shareholder assets are invested in highly rated investments.

Overall responsibility for the management of the Group's exposure to risk is vested in the Board. To support it in this role, the Group ERM Framework is in place comprising risk identification, risk assessment, control and reporting processes. Additionally, the Board and the Boards of subsidiary companies have established a number of Committees with defined terms of reference. These are the Audit and Risk, Executive and Investment Committees. Additional information concerning the operation of the Board Committees is contained in the Corporate Governance section of this Annual Report.

The main significant financial risks to which the Group is exposed are set out below. For each category of risk, the Group determines its risk appetite and sets its investment, treasury and associated policies accordingly.

3.1 Market Risk

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, analysed between price, interest rate and currency risk. The Group adopts a risk averse approach to market risk, with a stated policy of not actively pursuing or accepting market risk except where necessary to support other objectives. However, the Group accepts the risk that the fall in equity or other asset values, whether as a result of price falls or strengthening of sterling against the currencies in which contract holder assets are denominated, will reduce the level of annual management charge income derived from such contract holder assets and the risk of lower future profits.

Sensitivity Analysis to Market Risk

The Group's business is unit-linked, and the direct associated market risk is therefore borne by contract holders (although there is a secondary impact as shareholder income is dependent upon the fair value of contract holder assets). Other financial assets and liabilities held outside of contract holder unitised funds primarily consist of units in money market funds, cash and cash equivalents, and other assets and liabilities. Cash held in unitised money market funds and at bank is valued at par and is unaffected by movements in interest rates. Other assets and liabilities are similarly unaffected by market movements.

As a result of these combined factors, the Group's financial assets and liabilities held outside unitised funds are not materially subject to market risk, and movements at the reporting date in interest rates and equity values have an immaterial impact on the Group's profit after tax and equity. Future revenues from annual management charges may be affected by movements in interest rates, foreign currencies and equity values. The Group does not control the asset selection strategy as assets are chosen by the contract holders.

(a) Price Risk

Unit linked funds are exposed to securities price risk as the investments held are subject to prices in the future which are uncertain. The fair value of financial assets (designated at fair value through profit or loss) exposed to price risk at 30 June 2024 was £1,087.0m (2023: £1,030.8m). In the event that investment income is affected by price risk then there will be an equal and opposite impact on the value of the changes in provisions for investment contract liabilities in the same accounting period.

An overall change in the market value of the unit-linked funds would affect the annual management charges accruing to the Group since these charges, which are typically 1% per annum, are based on the market value of contract holder assets under administration. The approximate impact on the Group's profits and equity of a 10% change in fund values, either as a result of price, interest rate or currency fluctuations, is £1.6m (2023: £1.6m).

(b) Interest Rate Risk

Interest rate risk is the risk that the Group is exposed to lower returns or loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets arising from changes in underlying interest rates.

The Group is primarily exposed to interest rate risk on the balances that it holds with credit institutions and in money market funds.

Taking into account the proportion of Group funds held on longer-term, fixed-rate deposits, a change of 1% per annum in interest rates will result in an increase or decrease of approximately £0.6m (2023: £0.6m) in the Group's annual investment income and equity.

A summary of the Group's liquid assets at the balance sheet date is set out in note 3.2.

(c) Currency Risk

Currency risk is the risk that the Group is exposed to higher or lower returns as a direct or indirect result of fluctuations in the value of, or income from, specific assets and liabilities arising from changes in underlying exchange rates.

(c) (i) Group Foreign Currency Exposures

The Group is exposed to currency risk on the foreign currency denominated bank balances, contract fees receivable and other liquid assets that it holds to the extent that they do not match liabilities in those currencies. The Group receives 85% (2023: 87%) of premiums in US Dollars and settles the majority of expenses in Sterling. The impact of currency risk is minimised by regular conversion of excess foreign currency funds to sterling. The Group does not hedge foreign currency cash flows.

At the balance sheet date, the Group had exposures in the following currencies:

	2024 US$m	**2024 €m**	**2024 ¥m**	2023 US$m	2023 €m	2023 ¥m
Gross assets	**20.1**	**10.6**	**303.6**	23.2	11.1	255.0
Matching currency liabilities	**(24.7)**	**(12.7)**	**(593.8)**	(20.5)	(10.4)	(285.0)
Uncovered currency exposures	**(4.6)**	**(2.1)**	**(290.2)**	2.7	0.7	(30.0)
Sterling equivalent (£m)	**(3.6)**	**(1.8)**	**(1.4)**	2.1	0.5	(0.2)

The approximate effect on profit before tax of a 5% change: in the value of US dollars to sterling is £0.2m (2023: £0.1m); in the value of the euro to sterling is less than £0.1m (2023: less than £0.1m); and in the value of the yen to sterling is less than £0.1m (2023: less than £0.1m).

(c) (ii) Financial Investments by Currency

Certain fees and commissions are earned in currencies other than sterling, based on the value of financial investments held in those currencies from time to time.

The sensitivity of the Group to the currency risk inherent in investments held to cover financial liabilities under investment contracts is incorporated within the analysis set out in (a) above.

At the balance sheet date, the analysis of financial investments by currency denomination is as follows, US dollars: 75% (2023: 71%); euro: 5% (2023: 8%); sterling: 19% (2023: 20%); other: 1% (2023: 1%).

3.2 Credit Risk

Credit risk is the risk that the Group is exposed to lower returns or loss if another party fails to perform its financial obligations to the Group. The Group has adopted a risk averse approach to such risk and has a stated policy of not actively pursuing or accepting credit risk except when necessary to support other objectives.

The clearing and custody operations for the Group's security transactions are mainly concentrated with one broker, namely Capital International Limited, a member of the London Stock Exchange. At 30 June 2024 and 2023, substantially all contract holder cash and cash equivalents, balances due from investment brokers and financial investments are placed in custody with Capital International Limited. These operations are detailed in a formal contract that incorporates notice periods and a full exit management plan. Delivery of services under the contract is monitored by a dedicated relationship manager against a documented Service Level Agreement and Key Performance Indicators.

The Group has an exposure to credit risk in relation to its deposits with credit institutions, its investments in unitised money market funds and its investment in a bond portfolio. To manage these risks, deposits and the bond portfolio are placed in accordance with established policy, with credit institutions having a short-term rating of at least F1 or P1 from Fitch IBCA and Moody's respectively and a long-term rating of at least A or A3. Investments in unitised money market funds are made only where such fund is AAA rated. Additionally, maximum counterparty exposure limits are set both at an individual subsidiary company level and on a Group-wide basis.

These assets are considered to have a high degree of credit worthiness and no assets of a lower credit worthiness are held. The following table sets out information about the credit quality of the Group's deposits with credit institutions and its investments in unitised money market funds.

	2024 £m	2023 £m
Deposits and Cash with Credit Institutions and Investments in Unitised Money Market Funds *(Based on Standards & Poor's ratings)*		
AAA	**29.3**	26.3
AA- to AA+	**1.6**	6.0
A- To A+	**16.1**	10.8
Total Deposits	**47.0**	43.1
AA- to AA+	**-**	0.3
A- To A+	**18.0**	22.0
Total Cash at bank	**18.0**	22.3
Group cash and deposits	**65.0**	65.4

Credit risk for financial assets held at amortised cost is recognised using an expected credit loss model. The model splits financial assets into those which are performing, underperforming and non-performing based on changes in credit quality since initial recognition. At initial recognition financial assets are considered to be performing. They become underperforming where there has been a significant increase in credit risk since initial recognition, and non-performing when there is objective evidence of impairment. Twelve months of expected credit losses are recognised in the statement of comprehensive income and netted against the financial asset in the statement of financial position for all performing financial assets, with lifetime expected credit losses recognised for underperforming and non-performing financial assets.

Trade receivables are designated as having no significant financing component. The Group applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables by using a lifetime expected loss allowance.

Expected credit losses are based on the historic levels of loss experienced for the relevant financial assets, with consideration given to forward looking information. The following table sets out the movement in expected credit losses.

	2024 £m	2023 £m
At 1 July	**1.9**	1.8
Credit loss charges in the year	**0.6**	0.1
At 30 June	**2.5**	1.9

At the balance sheet date, an analysis of the Group's cash and deposit balances was as follows:

	2024 £m	2023 £m
Longer term deposits with credit institutions	**17.1**	13.2
Cash and cash equivalents under IFRS	**47.9**	52.2
	65.0	65.4

3.3 Liquidity Risk

Liquidity risk is the risk that the Group, though solvent, does not have sufficient financial resources to enable it to meet its obligations as they fall due, or can only secure them at excessive cost.

The Group's objective is to ensure that it has sufficient liquidity over short-term (up to one year) and medium-term time horizons to meet the needs of the business. This includes liquidity to cover, amongst other things, new business costs, planned strategic activities, servicing of equity capital as well as working capital to fund day-to-day cash flow requirements.

Liquidity risk is principally managed in the following ways:

- Assets of a suitable marketability are held to meet contract holder liabilities as they fall due.
- Forecasts are prepared regularly to predict required liquidity levels over both the short-term and medium-term.

The Group's exposure to liquidity risk is considered to be low since it maintains a high level of liquid assets to meet its liabilities.

3.3.1 Undiscounted contractual maturity analysis

Set out below is a summary of the undiscounted contractual maturity profile of the Group's assets.

	2024 £m	2023 £m
Maturity within 1 year		
Shareholder deposits and money market funds	**65.0**	65.4
Other shareholder assets	**6.4**	4.8
	71.4	70.2
Maturity from 1 to 5 years		
Other shareholder assets	**2.1**	-
	2.1	-
Shareholder assets with maturity values within 5 years	**73.5**	70.2
Other shareholder assets (no defined maturity profile)	**142.7**	146.9
Total shareholder assets	**216.2**	217.1
Policyholder assets		
Gross assets held to cover financial liabilities under investment contracts	**1,150.9**	1,101.5
Total assets	**1,367.1**	1,318.6

There is no significant difference between the value of the Group's assets on an undiscounted basis and the balance sheet values.

Assets held to cover financial liabilities under investment contracts are deemed to have no fixed maturity since the corresponding unit-linked liabilities are repayable and transferable on demand. In certain circumstances the contractual maturities of a portion of the assets may be longer than one year, but the majority of assets held within the unit-linked funds are highly liquid. The Group actively monitors fund liquidity.

Set out below is a summary of the undiscounted contractual maturity profile of the Group's liabilities.

	2024 £m	2023 £m
Maturity within 1 year		
Amounts due to investment contract holders	**39.4**	36.6
Other payables	**13.0**	11.1
Provisions	**0.5**	0.1
	52.9	47.8
Maturity from 1 to 5 years		
Other payables	**2.5**	2.7
	2.5	2.7
Liabilities with maturity values within 5 years	**55.4**	50.5
Other liabilities (no defined maturity profile)	**140.1**	144.8
Shareholder liabilities	**195.5**	195.3
Maturity within 1 year		
Financial liabilities under investment contracts	**37.0**	43.4
Maturity from 1 to 5 years		
Financial liabilities under investment contracts	**310.6**	209.0
Maturity greater than 5 years		
Financial liabilities under investment contracts	**803.3**	849.1
Financial liabilities under investment contracts	**1,150.9**	1,101.5
Total liabilities	**1,346.4**	1,296.8

There is no significant difference between the value of the Group's liabilities on an undiscounted basis and the balance sheet values.

Financial liabilities under investment contracts with a contractual maturity are deemed to repayable and transferable on demand and have not been discounted in the balance sheet

3.4 Insurance Risk

Insurance risk is the risk of loss arising from actual experience being different than that assumed when an insurance product was designed and priced. For the Group, the key insurance risks are lapse risk, expense risk and mortality risk. However, the size of insurance risk is not deemed to be materially significant. From an accounting perspective all contracts have been classified as investment contracts.

3.4.1 Lapse Risk

A key risk for investment contracts is policyholder behaviour risk in particular the risk that contracts are surrendered, or significant cash withdrawals are made before sufficient fees have been collected to cover up-front commissions paid by the Group. The risk is mitigated by charging penalties on the early surrender of contracts.

3.5 Classification and Subsequent Measurement of Financial Assets and Liabilities

The Group recognises deposits with financial institutions and loans and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Group becomes a part to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for a financial asset or financial liability not measured at 'fair value through profit and loss' ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at amortised cost, 'fair value through other comprehensive income' ("FVOCI") or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. The classification of each financial asset and liability is commented on within each respective financial statement note. As at 30 June 2024 and 30 June 2023, only financial assets measured at amortised cost and FVTPL are held.

The subsequent measurement of each class of financial assets is defined in the below table:

Class of Asset	Subsequent Measurement
Financial assets at FVTPL	Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss.
Financial assets at amortised cost	Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

On initial recognition, a financial liability is designated as amortised cost or FVTPL. The criteria for classification and subsequent measurement mirrors that of the financial assets, albeit the classification of 'FVOCI' does not exist for financial liabilities. Therefore, any liabilities which do not meet the amortised cost classification criteria, are designated as FVTPL.

3.6 Fair Value of Financial Assets and Liabilities

The Group closely monitors the valuation of assets in markets that have become less liquid. Determining whether a market is active requires the exercise of judgement and is determined based upon the facts and circumstances of the market for the instrument being measured. Where the Directors determine that there is no active market for a particular financial instrument, for example where a particular collective investment scheme is suspended from trading, fair value is assessed using valuation techniques based on available, relevant, information and an appraisal of all associated risks. When a collective investment scheme recommences regular trading, the value would be transferred back to Level 1. This process requires the exercise of significant judgement on the part of Directors.

Due to the linked nature of the contracts administered by the Group's insurance undertakings, any change in the value of financial assets held to cover financial liabilities under those contracts will result in an equal and opposite change in the value of contract liabilities. The separate effect on financial assets and financial liabilities is included in investment income and investment contract benefits, respectively, in the consolidated statement of comprehensive income

IFRS 13 requires the Group to classify fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring that fair value. The hierarchy is as follows:

- Level 1: fair value is determined using quoted prices (unadjusted) in active markets for identical assets.
- Level 2: fair value is determined using inputs other than quoted prices included within Level 1 that are observable for the asset either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value is determined using inputs for the asset that are not based on observable market data (unobservable inputs).

The following table analyses the Group's financial assets and liabilities at fair value through profit or loss, at 30 June 2024:

Financial assets at fair value through profit or loss	**Level 1 £m**	**Level 2 £m**	**Level 3 £m**	**Total £m**
Equity securities	**75.7**	**3.2**	**-**	**78.9**
Collective investment schemes	**917.8**	**16.7**	**3.0**	**937.5**
Fixed income securities, bonds and structured notes	**0.8**	**11.0**	**58.8**	**70.6**
Total financial assets at fair value through profit or loss	**994.3**	**30.9**	**61.8**	**1,087.0**

All other financial assets and liabilities are designated as held at amortised cost which approximates to fair value.

	Level 1 £m	**Level 2 £m**	**Level 3 £m**	**Total £m**
Deposit and money market funds	**88.2**	**-**	**-**	**88.2**
Total financial assets at fair value through profit or loss	**1,082.5**	**10.6**	**70.5**	**1,175.2**
Financial liabilities at fair value through profit or loss	**-**	**1,150.9**	**-**	**1,150.9**

Financial liabilities at fair value through profit or loss are classified as level 2 on the basis that they relate to policies investing in financial assets at fair value through profit and loss.

The following tables analyse the Group's financial assets and liabilities at fair value through profit or loss, at 30 June 2023:

Financial assets at fair value through profit or loss	**Level 1 £m**	**Level 2 £m**	**Level 3 £m**	**Total £m**
Equity securities	52.0	-	-	52.0
Collective investment schemes	899.3	10.9	5.3	915.5
Fixed income securities, bonds and structured notes	1.2	10.0	52.1	63.3
Total financial assets at fair value through profit or loss	952.5	20.9	57.4	1,030.8

	Level 1 £m	**Level 2 £m**	**Level 3 £m**	**Total £m**
Deposit and money market funds	90.2	-	-	90.2
Total financial assets at fair value through profit or loss	1,042.7	20.9	57.4	1.121.0
Financial liabilities at fair value through profit or loss	-	1,101.5	-	1,101.5

During the year ended 30 June 2024, £0.3m of bond investments were transferred from Level 1 to Level 2 following a review of their underlying valuation inputs. A further £0.4m of similar assets were reclassified from Level 3 to Level 2 as a result of the same classification review, reflecting that the value of these assets were based on observable market data and changes to the details of the security. All other notable movements between investment levels have been detailed below in the reconciliation between opening and closing balances of Level 3 assets.

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable input	Sensitivity to changes in unobservable inputs
Suspended assets £3.0m (2023: £5.3m)	Latest available information including or such as net asset values (NAV) or other communication received	Discount factor (5%) and NAV	If the NAV was higher/lower, the fair value would be higher/lower. If the discount factor was higher/lower, the fair value would be lower/higher.
Bonds and structured notes Level 2: £11.0m (2023: £10.0m) Level 3: £58.8m (2023: £52.0m)	Market comparison/ discounted cash flow: The fair value is estimated considering: (i) current or recent quoted prices for identical securities in markets that are not active; and (ii) a net present value calculated using discount rates which are determined with reference to observable market transactions in instruments with substantially the same terms and characteristics including credit quality, the remaining term to repayments of the principal and the currency in which the payments are made.	Level 2: Not applicable. Level 3: Underlying volatility	Level 2: Not applicable. Level 3: Significant increases/ decreases in this input in isolation would result in a higher or lower fair value

Level 3 Sensitivity to Changes in Unobservable Measurements

For financial assets assessed as Level 3, based on its review of the prices used, the Company believes that any reasonable change to the unobservable inputs used to measure fair value would not result in a significantly higher or lower fair value measurement at year end, and therefore would not have a material impact on its reported results.

Significant unobservable inputs are developed as follows:

Underlying Volatility

In the absence of implied volatility until the maturity and moneyness of the instrument, the best estimate is the use of extrapolated implied volatility or historical volatility. The inputs used are derived against other independent valuation sources and the reasonableness of the assumptions is evaluated as part of the process.

The reconciliation between opening and closing balances of Level 3 assets are presented in the table below:

	2024 £m	2023 £m
Opening balance	**57.4**	50.6
Unrealised gains/(losses)	**(2.3)**	(6.5)
Transfers into level 3	**1.1**	1.6
Transfers out of level 3	**-**	-
Purchases, sales, issues and settlements	**5.6**	11.7
Closing balance	**61.8**	57.4

4 Segmental Information

Disclosure of operating segments in these financial statements is consistent with reports provided to the Chief Operating Decision Maker ("CODM") which, in the case of the Group, has been identified as the Executive Committee of Hansard Global plc.

In the opinion of the CODM, the Group operates in a single reportable segment, that of the distribution and servicing of long-term investment products. New business development, distribution, and associated activities in relation to the Republic of Ireland ceased with effect from 30 June 2013. All other activities of the Group are continuing.

The Group's Executive Committee uses two principal measures when appraising the performance of the business: net issued compensation credit ("NICC") (weighted where appropriate by product line) and expenses. NICC is a measure of the value of new in-force business and top-ups on existing single premium contracts. NICC is the total amount of basic initial commission payable to intermediaries for business sold in a period and is calculated on each piece of new business. It excludes override commission paid to intermediaries over and above the basic level of commission.

The following table analyses NICC geographically and reconciles NICC to direct origination costs incurred during the year as set out in the Business and Operating Review section of this Annual Report and Accounts.

	2024 £m	2023 £m
Middle East and Africa	**1.7**	2.7
Latin America	**2.1**	2.4
Rest of the World	**1.7**	0.5
Far East	**0.1**	0.1
Net Issued Compensation Credit	**5.6**	5.7
Other commission costs paid to third parties	**3.2**	3.4
Enhanced unit allocations	**0.9**	1.0
Direct origination costs incurred during the year	**9.7**	10.1

Revenues and expenses allocated to geographical locations contained in sections 4.1 to 4.4 below reflect the revenues and expenses generated in or incurred by the legal entities in those locations.

4.1 Geographical Analysis of Fees and Commissions by Origin

	2024 £m	2023 £m
Isle of Man	**46.0**	43.1
Republic of Ireland	**2.2**	2.1
The Bahamas*	**0.6**	0.5
	48.8	45.7

* Hansard Worldwide, which is based in the Bahamas, fully reinsures its business to Hansard International. All external fees and commissions for Hansard Worldwide are therefore presented within the Isle of Man category. These amounted to £3.8m in 2024 (2023: £3.2m). The fees shown in the table above in respect of The Bahamas represent fees received by Hansard Worldwide from Hansard International.

4.2 Geographical Analysis of Profit Before Taxation

	2024 £m	2023 £m
Isle of Man	**6.5**	6.5
Republic of Ireland	**(1.6)**	(1.0)
The Bahamas	**0.4**	0.4
	5.3	5.9

4.3 Geographical Analysis of Gross Assets

	2024 £m	2023 £m
Isle of Man*	**1,283.1**	1,229.8
Republic of Ireland	**82.5**	87.0
The Bahamas	**1.7**	1.8
	1,367.3	1,318.6

* Includes assets held in the Isle of Man in connection with policies written in The Bahamas. As at 30 June 2023 these amounted to £240.6m (30 June 2023: £178.5m).

4.4 Geographical Analysis of Gross Liabilities

	2024 £m	2023 £m
Isle of Man	**1,033.8**	1,043.8
Republic of Ireland	**70.2**	73.3
The Bahamas	**242.5**	179.7
	1,346.5	1,296.8

5 Fees and Commissions

Fees are charged to the contract holders of investment contracts for contract administration services, investment management services, payment of benefits and other services related to the administration of investment contracts. Fees may be chargeable on either a fixed fee basis, a fee per transaction or as a percentage of assets under administration. Fees are recognised as revenue as the services are provided. Initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred in the balance sheet and amortised on a straight-line basis over the life of the relevant contract. These fees are accounted for on the issue of a contract and on receipt of incremental premiums on existing single premium contracts.

Regular fees charged to contracts are recognised on a straight-line basis over the period in which the service is provided. Transactional fees are recorded when the required action is complete.

Commissions receivable arise principally from fund houses with which investments are held. Commissions are recognised on an accruals basis in accordance with the relevant agreement.

	2024 £m	2023 £m
Contract fee income	**30.6**	28.1
Fund management charges	**13.4**	12.9
Commissions receivable	**4.8**	4.7
	48.8	45.7

Fund management charges and commissions receivable (37% of the total above (2023: 39%)) are a function of the level of assets under administration.

6 Investment Income

Investment income comprises dividends, interest, and other income receivable, realised and unrealised gains and losses on investments. Movements are recognised in the consolidated statement of comprehensive income in the period in which they arise. Dividends are accrued on the date notified. Interest is accounted for on a time proportion basis using the effective interest method.

	2024 £m	2023 £m
Interest income	**4.7**	3.5
Dividend income	**5.4**	4.7
Gains on realisation of investments	**25.7**	51.3
Movement in unrealised gains / (losses)	**83.7**	(15.0)
	119.5	44.5

7 Origination Costs

Origination costs include commissions, intermediary incentives, and other distribution-related expenditure (note 2.2). Origination costs which vary with, and are directly related to, securing new contracts and incremental premiums on existing single premium contracts are deferred to the extent that they are recoverable out of future net income from the relevant contract. Deferred origination costs are amortised on a straight-line basis over the life of the relevant contracts. Typical terms range between 6 years and 16 years. Origination costs that do not meet the criteria for deferral are expensed as incurred.

	2024 £m	2023 £m
Amortisation of deferred origination costs	**13.9**	13.5
Other origination costs	**2.2**	2.7
	16.1	16.2

8 Administrative and Other Expenses

Included in administrative and other expenses are the following:

	2024 £m	2023 £m
Auditors' remuneration:		
- Fees payable for audit services	**0.8**	0.7
- Fees payable for audit related services pursuant to legislation	**0.1**	0.1
- Fees payable for non-audit services	**-**	-
Employee costs (see note 9)	**11.5**	10.3
Directors' fees	**0.4**	0.4
Fund management fees	**5.1**	5.3
Renewal and other commission	**0.9**	0.9
Professional and other fees	**4.8**	4.2
Litigation fees and settlements	**2.2**	1.5
Credit loss allowance	**-**	0.1
Licences and maintenance fees	**4.1**	2.4
Insurance costs	**0.9**	0.9
Depreciation of property, plant and equipment	**1.0**	1.1
Communications	**0.2**	0.2

9 Employee Costs

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Group pays fixed pension contributions on behalf of its employees (defined contribution plans). Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

The Group operates an annual bonus plan for employees. An expense is recognised in the consolidated statement of comprehensive income when the Group has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

9.1 The aggregate remuneration in respect of employees (including sales employees and executive Directors) was as follows:

	2024 £m	2023 £m
Wages and salaries	**10.3**	9.7
Social security costs	**1.0**	0.8
Contributions to pension plans	**1.0**	1.0
	12.3	11.5

Total salary and other employee costs for the year are incorporated within the following classifications:

	2024 £m	2023 £m
Administrative and other expenses	**11.5**	10.3
Origination costs	**0.8**	1.2
	12.3	11.5

The above information includes Directors' remuneration (excluding non-executive Directors' fees).

9.2 The average number of employees during the year was as follows:

	2024 No.	2023 No.
Administration	**124**	119
Distribution and marketing	**14**	18
IT development	**44**	50
	182	187

10 Taxation

Taxation is based on profits and income for the period as determined with reference to the relevant tax legislation in the countries in which the Company and its subsidiaries operate. Tax payable is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Tax is recognised in the consolidated statement of comprehensive income except to the extent that it relates to items recognised in equity. Tax on items relating to equity is recognised in equity.

The corporation tax expense for the Group for 2024 was £0.1m (2023: £0.2m). Corporation tax is charged on any profits arising at the following rates depending on location of the company or branch:

Isle of Man	0% (2023: 0%)
Republic of Ireland	12.5% (2023: 12.5%)
Japan branch	23.2% (2023: 23.2%)
Labuan	24% (2023: 24%)
The Bahamas	0% (2023: 0%)

	2024 £m	2023 £m
Current year tax provisions	**0.1**	0.2
Adjustment to prior year tax provisions	**-**	-
	0.1	0.2

No deferred tax asset is currently being recorded in relation to losses arising in Hansard Europe.

There is no material difference between the current tax charge in the consolidated statement of comprehensive income and the current tax charge that would result from applying standard rates of tax to the profit before tax.

The OECD's Pillar II global minimum tax, based on the Global Anti-Base Erosion (GloBE) Model Rules, is not expected to have an impact on the Group, as the Group's total revenue is less than €750m.

11 Earnings Per Share

	2024	2023
Profit after tax (£m)	**5.2**	5.7
Weighted average number of shares in issue (millions)	**137.6**	137.6
Basic and diluted earnings per share in pence	**3.8**	4.1

The Directors believe that there is no material difference between the weighted average number of shares in issue for the purposes of calculating either basic or diluted earnings per share. Earnings under either measure is 3.8p per share (2023: 4.1p).

12 Dividends

Interim dividends payable to shareholders are recognised in the year in which the dividends are paid. Final dividends payable are recognised as liabilities when approved by the shareholders at the Annual General Meeting.

The following dividends have been paid by the Group during the year:

	Per share 2024 p	**Total 2024 £m**	Per share 2023 p	Total 2023 £m
Final dividend in respect of previous financial year	**2.65**	**3.6**	2.65	3.5
Interim dividend in respect of current financial year	**1.80**	**2.5**	1.80	2.4
	4.45	**6.1**	4.45	5.9

The Board has resolved to pay a final dividend of 2.65p per share on 14 November 2024, subject to approval at the Annual General Meeting, based on shareholders on the register on 4 October 2024.

13 Intangible Assets and Property, Plant and Equipment

Intangible Assets

The historical cost of computer software is the purchase cost and the direct cost of internal development. Computer software is recognised as an intangible asset.

	2024 £m	2023 £m
Intangible assets	**23.2**	19.9

Amortisation is calculated so as to amortise the cost of intangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned and is included in administration and other expenses in the consolidated statement of comprehensive income.

The economic lives used for this purpose are:

Computer software	3 to 15 years

The increase in computer software relates to capitalised costs associated with the development of a replacement policy administration system. Following the migration of the Group's policyholder book to the new system, amortisation commenced on 1st March 2024.The asset will be amortised over 15 years based on management's assessment of the useful economic life of the asset.

Computer Software	**2024 £m**	2023 £m
Costs as at 1 July	**20.7**	14.1
Capitalised additions	**3.8**	6.6
Cost as at 30 June	**24.5**	20.7
Accumulated amortisation at 1 July	**(0.8)**	(0.7)
Charge for the year	**(0.5)**	(0.1)
Accumulated amortisation as at 30 June	**(1.3)**	(0.8)
Net Book Value	**23.2**	19.9

The cost of computer software includes £13.3m of externally generated costs (2023: £11.2m) and £9.8m of internally generated costs (2023: £8.7m). £1.1m of amortisation currently relates to externally generated costs (2023: £0.8m) and £0.2m relates to internally generated costs (2023: £Nil)

Property, Plant and Equipment

Property, plant and equipment includes both tangible fixed assets and 'right of use assets' recognised in accordance with IFRS 16 'Leases'.

	2024 £m	2023 £m
Property, plant and equipment	**0.5**	0.4
Right of use assets	**2.1**	2.4
	2.6	2.8

Property, plant and equipment is stated at historical cost less depreciation and any impairment. The historical cost of property, plant and equipment is the purchase cost, together with any incremental costs directly attributable to the acquisition.

Depreciation is calculated so as to amortise the cost of tangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned and is included in administration and other expenses in the consolidated statement of comprehensive income.

The economic lives used for this purpose are:

Freehold property	50 years
Computer equipment	3 to 5 years
Fixtures and fittings	4 years

Right of use assets are depreciated over the useful life of the lease.

Property plant and equipment	**2024 £m**	2023 £m
Cost as at 1 July	**10.3**	10.7
Additions	**0.2**	-
Disposals	**-**	**(0.4)**
Cost as at 30 June	**10.5**	10.3
Accumulated depreciation as at 1 July	**(9.9)**	(9.9)
Charge for the year	**(0.1)**	-
Accumulated depreciation as at 30 June	**(10.0)**	(9.9)
Net Book Value	**0.5**	0.4

IFRS 16 – Leases

The right-of-use assets for property leases are measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments recognised immediately before the date of initial application, being the commencement date. The liabilities are measured at the present value of the remaining lease payments, discounted using an incremental borrowing rate. The weighted average incremental borrowing rate applied to the lease liabilities on 30 June 2024 was 7% (2023: 7%).

The Group leases various offices around the world to service its clients and operations. Rental contracts are typically made for periods of 1 to 15 years, incorporating break clauses where applicable. Lease terms are negotiated on an individual basis and contain differing terms and conditions. The lease agreements do not impose any covenants.

In determining the lease terms utilised in assessing the position under IFRS 16, management considers break clauses in leases, where appropriate. No potential future outflows exist on leases beyond the break clause (2023: £nil). During the prior year the Group made the decision to change their position on the likelihood of exercising the break clause for the leases at the Group's head office. The previous position assumed that these break clauses would be exercised. The Group now believes that the terms of the leases have become more favorable in the current high inflation environment, as well as the amount spent on infrastructure at the property means it is likely that the leases will continue past their break clause. As a result, the company recognised additions of £0.9m in both the right-of-use asset and lease liability as at 30 June 2023.

Leases (other than those classified as short-term leases or leases of low-value assets) are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and a finance cost. The finance cost is charged over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Short-term leases (those with a lease term or useful life of less than 12 months at inception) and leases of low value assets (comprising IT-equipment and small items of office furniture) are recognised on a straight-line basis as an expense in administration and other expenses in the consolidated statement of comprehensive income.

The recognition of the right-of-use asset represents an increase in the property, plant and equipment figure of £2.1m (30 June 2023: £2.4m). Lease liabilities relating to the right-of-use asset are included within other payables. The interest recognised on the lease liabilities in respect of the right of use asset was £0.1m (30 June 2023: £0.1m).

During the year ended 30 June 2021, the Group entered into a sub-lease for part of a building that is reported as a right-of-use asset. The group has classified the sub-lease as an operating lease, as it does not transfer substantially all of the risks and rewards incidental to the ownership of the sub-let asset. During the year ending 30 June 2024, the Group recognised rental income of less than £0.1m (2023: less than £0.1m).

	2024 £m	2023 £m
Right of use asset recognised 1 July	**2.4**	1.9
Additions during the period	**-**	0.9
Depreciation	**(0.3)**	(0.4)
Net book value of right of use asset as at 30 June	**2.1**	2.4

	2024 £m	2023 £m
Lease liability recognised 1 July	**2.9**	2.3
Additions during the period	**-**	0.9
Lease payments made during the period	**(0.4)**	(0.4)
Interest on leases	**0.2**	0.1
Lease liability recognised as at 30 June	**2.7**	2.9
Of which are:		
Current lease liabilities	**0.2**	0.2
Non-current lease liabilities	**2.5**	2.7

14 Deferred Origination Costs

Amortisation of deferred origination costs is charged within the origination costs line in the consolidated statement of comprehensive income.

Formal reviews to assess the recoverability of deferred origination costs on investment contracts are carried out at each balance sheet date to determine whether there is any indication of impairment. If there is any indication of irrecoverability or impairment, the asset's recoverable amount is estimated. Impairment losses are reversed through the consolidated statement of comprehensive income if there is a change in the estimates used to determine the recoverable amount. Such losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation where applicable, if no impairment loss had been recognised.

The amount of deferred origination costs amortised each year is determined by the estimated lives of the Group's products (note 2). Reducing the estimated life of the total portfolio by 1 year would increase the annual amortisation for the next financial year by £1.3m. Increasing the estimated life of the total portfolio by 1 year would reduce the annual amortisation for the next financial year by £1.1m. Offsetting movements would also arise in deferred income as outlined in note 18.

The movement in value over the financial year is summarised below.

	2024 £m	2023 £m
At beginning of financial year	**117.8**	122.5
Origination costs incurred and deferred during the year	**8.2**	8.7
Origination costs amortised during the year	**(13.9)**	(13.4)
	112.1	117.8

Carrying value	2024 £m	2023 £m
Expected to be amortised within one year	**11.6**	11.9
Expected to be amortised after one year	**100.5**	105.9
	112.1	117.8

15 Other Receivables

Other receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

	2024 £m	2023 £m
Commission receivable	**1.4**	1.4
Other debtors	**3.7**	2.3
Prepayments	**1.2**	1.2
	6.3	4.9
Estimated to be settled within 12 months	**6.3**	4.9
Estimated to be settled after 12 months	**-**	-
	6.3	4.9

Due to the short-term nature of these assets the carrying value is considered to reflect fair value.

16 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with a minimal cost to be converted to cash, typically with original maturities of three months or less, net of short-term overdraft positions where a right of set-off exists. In the below table, Money market funds includes all immediately available cash, other than specific short-term deposits.

	2024 £m	2023 £m
Money market funds and call bank deposits	**47.3**	46.8
Short-term deposits with credit institutions	**0.6**	5.4
	47.9	52.2

Cash and cash equivalents are recognised on receipt prior to investment to contract holder funds.

17 Financial Liabilities Under Investment Contracts

17.1 Investment Contract Liabilities, Premiums and Benefits Paid

17.1.1 Investment Contract Liabilities

Investment contracts consist of unit-linked contracts written through subsidiary companies in the Group. Unit-linked liabilities are measured at fair value by reference to the underlying net asset value of the Group's unitised investment funds, determined on a bid basis, at the balance sheet date.

The decision by the Group to designate its unit-linked liabilities at fair value through profit or loss is to eliminate a measurement inconsistency that would otherwise arise from measuring the investments at FVTPL and the contract liabilities at amortised cost.

17.1.2 Investment Contract Premiums

Investment contract premiums are not included in the consolidated statement of comprehensive income but are reported as deposits to investment contracts and are included in financial liabilities in the balance sheet. On existing business, a liability is recognised at the point the premium falls due. The liability for premiums received on new business is deemed to commence at the acceptance of risk.

17.1.3 Benefits Paid

Withdrawals from policy contracts and other benefits paid are not included in the consolidated statement of comprehensive income but are deducted from financial liabilities under investment contracts in the balance sheet. Benefits are deducted from financial liabilities and transferred to amounts due to investment contract holders based on notifications received, when the benefit falls due for payment or, on the earlier of the date when paid or when the contract ceases to be included within those liabilities.

17.2 Movement in Financial Liabilities Under Investment Contracts

The following table summarises the movement in liabilities under investment contracts during the year:

	2024 £m	2023 £m
Deposits to investment contracts	**108.3**	116.3
Withdrawals from contracts and charges	**(173.3)**	(147.7)
Change in provisions for investment contract liabilities	**114.4**	40.6
Movement in year	**49.4**	9.2
At beginning of year	**1,101.5**	1,092.3
	1,150.9	1,101.5

	2024 £m	2023 £m
Contractually expected to be settled within 12 months	**37.0**	43.4
Contractually expected to be settled after 12 months	**1,113.9**	1,058.1
	1,150.9	1,101.5

The change in provisions for investment contract liabilities includes dividend and interest income and net realised and unrealised gains and losses on financial investments held to cover financial liabilities. Dividend income, interest income and gains and losses are accounted for in accordance with note 6

17.3 Investments Held to Cover Liabilities Under Investment Contracts

The Group classifies its financial assets into the following categories: financial investments and trade receivables. Financial investments consist of units in collective investment schemes, equity securities, fixed income securities and deposits with credit institutions. Collective investment schemes, equity securities and fixed income securities are designated at fair value through profit or loss. Deposits with credit institutions are designated at amortised cost.

The decision by the Group to designate its financial investments at fair value through profit or loss reflects the fact that the investment portfolio is managed, and its performance evaluated, on a fair value basis.

The Group recognises purchases and sales of investments on trade date. Investment transaction costs are written off in administration expenses as incurred.

All gains and losses derived from financial investments, realised or unrealised, are recognised within investment income in the consolidated statement of comprehensive income in the period in which they arise.

The value of financial assets at fair value through profit or loss that are traded in active markets (such as trading securities) is based on quoted market prices at the balance sheet date. The quoted market price for financial assets held by the Group is the current bid price. Investments in funds are valued at the latest available net asset valuation provided by the administrators or managers of the funds and companies, unless the Directors are aware of good reasons why such valuations would not be the most appropriate or indicative of fair value. Where necessary, the Group uses other valuation methods to arrive at the stated fair value of its financial assets, such as recent arms' length transactions or reference to similar listed investments.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Loans and receivables consist, primarily, of contract fees receivable, long-term cash deposits (i.e. with an original maturity duration in excess of three months) and cash and cash equivalents.

The following investments, other assets and liabilities are held to cover financial liabilities under investment contracts. They are included within the relevant headings on the condensed consolidated balance sheet.

	2024 **£m**	2023 £m
Equity securities	**78.9**	52.0
Investments in collective investment schemes	**937.5**	915.4
Fixed income securities, bonds and structured notes	**70.6**	58.7
Deposits and money market funds	**64.3**	77.4
Total assets	**1,151.3**	1,103.5
Other payables	**(0.4)**	(2.0)
Financial investments held to cover financial liabilities	**1,150.9**	1,101.5

The other receivables and other payables fair value approximates amortised cost.

17.4 Amounts Due to Investment Contract Holders

Where financial liabilities under investment contracts mature or are redeemed by contact holders, such amounts payable are recorded as amounts due to investment contract holders.

18 Deferred Income

Fees charged for services related to the management of investment contracts are recognised as revenue as the services are provided. Initial fees which exceed the level of recurring fees and relate to the future provision of services are deferred. These are amortised over the anticipated period in which services will be provided. The recognition of balances in the deferred income reserve is based on actuarial assumptions regarding the estimated life of each policy. These actuarial assumptions are complex in nature and are subject to estimation uncertainty (note 2). The actuarial assumptions are reviewed regularly by the Appointed Actuary.

The amount of deferred income amortised each year is determined by the estimated lives of the Group's products. Reducing the estimated life of the total portfolio by 1 year would increase the annual amortisation for the next financial year by £1.6m. Increasing the estimated life of the total portfolio by 1 year would reduce the annual amortisation for the next financial year by £1.4m. Offsetting movements would also arise in deferred income as outlined in note 14.

The movement in value of deferred income over the financial year is summarised below.

	2024 **£m**	2023 £m
At beginning of financial year	**144.8**	145.1
Income received and deferred during the year	**12.7**	16.5
Income amortised and recognised in contract fees during the year	**(17.3)**	(16.8)
At the end of financial year	**140.2**	144.8

Carrying value	**2024** **£m**	2023 £m
Expected to be amortised within one year	**15.0**	15.1
Expected to be amortised after one year	**125.2**	129.7
	140.2	144.8

19 Other Payables

Other payables are initially recognised at fair value and subsequently measured at amortised cost. They are recognised at the point where service is received but payment is due after the balance sheet date.

	2024 **£m**	2023 £m
Commission payable	**1.2**	1.4
Other creditors and accruals	**11.7**	9.5
Lease liabilities of which:		
Current lease liabilities	**0.2**	0.2
Non-current lease liabilities	**2.5**	2.7
	15.6	13.8

20 Provisions

Provisions represent amounts to settle a number of the claims referred to in Note 26 'Contingent Liabilities' where it is economically beneficial to do so. Such provisions are calculated where there is an established pattern of settlement for that grouping of claims. The following table reflects the movement in the provision during the period under review.

	2024	2023
	£m	£m
Settlement provision as at 1 July	**0.1**	0.2
Additional provisions made in the period	**0.4**	-
Released from the provision for settlements	**-**	(0.1)
Settlement provision as at 30 June	**0.5**	0.1

Further information outlined within IAS 37.85 is not disclosed on the basis that it may prejudice the Company's position.

With the exception of the lease liabilities shown in note 13, and the provisions referred to above, all other payable balances, including amounts due to contract holders, are deemed to be current. Due to the short-term nature of these payables the carrying value is considered to reflect fair value.

21 Capital Management

It is the Group's policy to maintain a strong capital base in order to:

- satisfy the requirements of its contract holders, creditors and regulators.
- maintain financial strength to support new business growth and create shareholder value.
- match the profile of its assets and liabilities, taking account of the risks inherent in the business; and
- generate operating cash flows to meet dividend requirements.

Within the Group each subsidiary company manages its own capital. Capital generated in excess of planned requirements is returned to the Company by way of dividends. Group capital requirements are monitored by the Board.

The Company monitors capital on two bases:

- the total shareholder's equity, as per the balance sheet; and
- the capital requirement of the relevant supervisory bodies, where subsidiaries are regulated.

The Group's policy is for each company to hold the higher of:

- the Company's internal assessment of the capital required; or
- the capital requirement of the relevant supervisory body, where applicable.

There has been no material change in the Group's management of capital during the period. The Group continued to perform additional modelling around risks arising from the current geopolitical position and global economic conditions, and to give consideration to emerging market practice and regulatory expectations around capital conservation. All regulated entities within the Group exceed significantly the minimum solvency requirements at the balance sheet date.

The Group's lead regulator, the Isle of Man FSA, monitors capital requirements for the Group as a whole. The insurance subsidiaries are directly supervised by their local regulators. The lead regulator's approach to the measurement of capital adequacy is primarily based on monitoring the relationship of the Solvency Capital Requirement ('SCR') to regulatory capital. All regulated entities within the Group exceed the minimum solvency requirements at the balance sheet date. The capital held within Hansard Europe is considered not to be available for dividend to Hansard Global plc until such time as the legal cases referred to in note 26 are substantially resolved.

22 Share Capital

	2024	2023
	£m	£m
Authorised:		
200,000,000 ordinary shares of 50p	**100.0**	100.0
Issued and fully paid:		
137,557,079 (2023: 137,557,079) ordinary shares of 50p	**68.8**	68.8

No shares (2023: nil) were issued or bought back in the year.

23 Other Reserves

Other reserves comprise the merger reserve arising on the acquisition by the Company of its subsidiary companies on 1 July 2005, the share premium account and the share save reserve. The merger reserve represents the difference between the par value of shares issued by the Company for the acquisition of those companies, compared to the par value of the share capital and the share premium of those companies at the date of acquisition.

	2024 £m	2023 £m
Merger reserve	**(48.5)**	(48.5)
Share premium	**0.1**	0.1
Share save reserve	**0.1**	0.1
Reserve for own shares held within EBT	**(0.3)**	(0.2)
	(48.6)	(48.5)

Included within other reserves is an amount representing 1,257,000 (2023: 557,000) ordinary shares held by the Group's employee benefit trust ('EBT') which were acquired at a cost of £0.5m (see note 24). The ordinary shares held by the trustee of the Group's employee benefit trust are treated as treasury shares in the consolidated balance sheet in accordance with IAS 32 ''Financial Instruments: Presentation".

This reserve arose when the Group acquired equity share capital under its EBT, which is held in trust by the trustee of the EBT. Treasury shares cease to be accounted for as such when they are sold outside the Group, or the interest is transferred in full to the employee pursuant to the terms of the incentive plan.

24 Equity Settled Share-Based Payments

The Company has established a number of equity-based payment programmes for eligible employees. The fair value of expected equity-settled share-based payments under these programmes is calculated at date of grant using a standard option-pricing model and is amortised over the vesting period on a straight-line basis through the consolidated statement of comprehensive income. A corresponding amount is credited to equity over the same period.

At each balance sheet date, the Group reviews its estimate of the number of options expected to be exercised. The impact of any revision in the number of such options is recognised in the consolidated statement of comprehensive income so that the charge to the consolidated statement of comprehensive income is based on the number of options that vest. A corresponding adjustment is made to equity.

The estimated fair value of the schemes and the imputed cost for the period under review is not material to these financial statements.

24.1 SAYE Programme

This is a standard scheme approved by the Revenue authorities in the Isle of Man that is available to all employees where individuals may make monthly contributions over three or five years to purchase shares at a price not less than 80% of the market price at the date of the invitation to participate.

At the date of this report, the following options remain outstanding under each tranche:

Scheme year	**2024 No. of options**	2023 No. of options
2018	**-**	**29,031**

A summary of the transactions in the existing SAYE programmes during the year is as follows:

	2024 No. of options	**2024** Weighted average exercise price (p)	2023 No. of options	2023 Weighted average exercise price (p)
Outstanding at the start of year	**29,031**	**62**	78,779	65
Granted	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Forfeited	**(29,031)**	**62**	(49,748)	66
Outstanding at end of year*	**-**	**-**	29,031	62

There were no new options granted during the current financial year.

24.2 Incentive Plan Employee Benefit Trust

An Employee Benefit Trust was established in February 2018 to hold shares awarded to employees as an incentive on a deferred basis. Shares are granted under the scheme at fair value, which is based on the market value of the shares on that date. Shares granted under the scheme are purchased by the Trust in the open market and held until vesting. Awards made under the scheme would normally vest after three years.

Share Awards	**2024** No. of Shares	2023 No. of Shares
Outstanding at start of period	**601,684**	-
Granted	**463,823**	631,446
Forfeited	**(64,608)**	(29,762)
Vested	**(74,899)**	-
Outstanding at the end of period	**926,000**	601,684

The Trust has been funded by way of a loan, and as at 30 June 2024 the outstanding balance on the loan was £554,000 (30 June 2023: £199,000). As at 30 June 2024 the Trust held 1,257,000 shares (2023: 557,000). 74,899 shares vested during the year ended 30 June 2024 (2023: none) and have not yet been transferred.

Shares held by the Trust	**2024** No. of Shares	2023 No. of Shares
Outstanding at start of period	**557,000**	12,000
Granted	**700,000**	545,000
Forfeited	**-**	-
Vested	**-**	-
Outstanding at end of period	**1,257,000**	557,000

During the period the expense arising from share-based payment transactions was £0.1m (2023: £0.05m).

25 Related Party Transactions

25.1 Intra-Group Transactions

Various subsidiary companies within the Group perform services for other Group companies in the normal course of business. The financial results of these activities are eliminated in the consolidated financial statements.

25.2 Key Management Personnel Compensation

Key management consists of 21 individuals (2023: 20), being members of the Group's Executive Committee, executive Directors of direct subsidiaries of the Company and the Non-executive Directors of both the Group and subsidiary companies

The aggregate remuneration paid to key management during the year-ended 30 June was as follows:

	2024 £m	2023 £m
Short-term employee benefits	**2.1**	2.5
Post-employment benefits	**0.3**	0.2
Total	**2.4**	2.7

There were no outstanding amounts as at 30 June 2024 (2023: nil).

The total value of investment contracts issued by the Group and held by key management is nil (2023: nil).

25.3 Transactions of Controlling Shareholder

Dr L S Polonsky is regarded as the controlling shareholder of the Group, as defined by the Listing Rules of the Financial Conduct Authority. In the year ending 30 June 2024 there were no transactions with Dr Polonsky (2023: nil).

25.4 Incentive Plan Employee Benefit Trust

An Employee Benefit Trust was established in February 2018 to hold shares awarded to employees as an incentive on a deferred basis. The Trust has been funded by way of a loan, and as at 30 June 2024 the outstanding balance on the loan was £554,000 (30 June 2023: £199,000. As at 30 June 2024 the Trust held 1,257,000 shares (2023: 557,000).

26 Contingent Liabilities

26.1 Litigation

The Group does not and has never given any investment advice. Investment decisions are taken either by the contract holder directly or through a professional intermediary appointed by the contract holder. Contract holders bear the financial risk relating to the investments underpinning their contracts, as the policy benefits are linked to the value of the assets. Notwithstanding the above, financial services institutions are frequently drawn into disputes in cases where the value and performance of assets selected by or on behalf of contract holders fails to meet their expectations. At the balance sheet date, a number of fund structures remain affected by liquidity or other issues that hinder their sales or redemptions on normal terms with a consequent adverse impact on policy transactions.

As reported previously, the Group has been subject to a number of complaints in relation to the selection and performance of assets linked to contracts. The Group has been served with a number of writs arising from such complaints and other asset-related issues. Most of the writs relate to historic business written prior to the closure to new business of Hansard Europe in 2013, with a minimal number relating to Hansard International Limited. Most of the cases have arisen in Italy, with a smaller number in Belgium and Germany.

As at 30 June 2024, the Group had been served with cumulative writs with a net exposure totalling €23.8m, or £20.2m in sterling terms (30 June 2023: €26.1m / £22.4m) arising from contract holder complaints and other asset performance-related issues. The primary reason for the decrease in contingent liabilities is due to a case with a potential exposure of approximately £1.4m now considered to be remote and thus outside the scope of a contingent liability, as well as a reduction in the number of German cases.

During the year, the Group successfully defended 8 cases with net exposures of approximately £1.3m, 5 of which may be appealed by the plaintiffs (2023: successfully defended 15 cases with net exposures of £1.9m). These successes continue to affirm confidence in the Group's legal arguments.

Our policy is to maintain contingent liabilities even where we win cases in the court of first instance if such cases have been subsequently appealed.

We have previously noted that we expect a number of our claims to ultimately be covered by our Group insurance cover. During the year we recorded £0.7m (2023: £0.1m) in total recoveries in relation to costs paid by the Group. We expect such reimbursement to continue during the course of that litigation.

While it is not possible to forecast or determine the final results of pending or threatened legal proceedings, based on the pleadings and advice received from the Group's legal representatives, the Directors believe that the Group has strong defences to such claims. Notwithstanding this, there may be circumstances where in order to avoid the expense and distraction of protracted litigation the Board may consider it in the best interests of the Group and its shareholders to reach a commercial resolution with regard to certain of these claims. Such cases totalled less than £0.4m (2023: less than £0.1m) during the period. A provision of £0.5m (2023: £0.1m) has been provided where based on past experience it is expected that future settlements may be reached. Where an established pattern of settlement is established for any grouping of claims, a provision for expected future settlements is made in line with IAS 37, to the extent that they can be reliably estimated. This is outlined in Note 20.

It is not possible at this time to make any further reliable estimates of liability. Accordingly, no further provisions have been made beyond those noted above.

Between 30 June 2024 and the date of this report, there have been no material developments.

26.2 Isle of Man Policyholders' Compensation Scheme

The Group's principal subsidiary, Hansard International is a member of the Isle of Man Policyholders' Compensation Scheme governed by the Life Assurance (Compensation of Policyholders) Regulations 1991. The objective of the Scheme is to provide compensation for policyholders should an authorised insurer be unable to meet its liabilities to policyholders. In the event of a levy being charged by the Scheme members, Hansard International would be obliged to meet the liability arising at the time. The maximum levy payable in accordance with the regulations of the Scheme in respect of the insolvency of the insurer is 2% of long-term business liabilities. Hansard International's products include a clause in their terms and conditions permitting it to recover any monies paid out under the Scheme from contract holders.

27 Foreign Exchange Rates

The Group's functional currency is pounds sterling, being the currency of the primary economic environment in which the Group operates. The Group's presentational currency is also pounds sterling.

Foreign currency transactions are translated into sterling using the applicable exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date, and the gains or losses on translation are recognised in the consolidated statement of comprehensive income.

Non-monetary assets and liabilities that are held at historical cost are translated using exchange rates prevailing at the date of transaction; those held at fair value are translated using exchange rates ruling at the date on which the fair value was determined.

The closing exchange rates used by the Group for the conversion of significant consolidated balance sheet items to sterling were as follows:

	2024	2022
US Dollar	**1.26**	1.27
Japanese Yen	**203**	184
Euro	**1.18**	1.17

28 Events After the Reporting Period

This report for the year ended 30 June 2024 was approved for issue on 25 September 2024. No material events have occurred between the reporting date and the issue date that require disclosure under IAS 10.

Hansard Global plc
Parent Company Statement of Changes in Equity for the Year Ended 30 June 2024

	Share capital £m	Other reserves £m	Retained earnings £m	Total £m
At 1 July 2022	68.8	0.2	15.4	**84.4**
Profit and total comprehensive income for the year after taxation	-	-	6.2	**6.2**
Transactions with owners				
Dividends paid	-	-	(5.9)	**(5.9)**
At 30 June 2023	**68.8**	**0.2**	**15.7**	**84.7**

	Share capital £m	Other reserves £m	Retained earnings £m	Total £m
At 1 July 2023	68.8	0.2	15.7	**84.7**
Profit and total comprehensive income for the year after taxation	-	-	5.2	**5.2**
Transactions with owners				
Dividends paid	-	-	(6.1)	**(6.1)**
At 30 June 2024	**68.8**	**0.2**	**14.8**	**83.8**

The notes on pages 110 to 115 form an integral part of these financial statements.

Hansard Global plc
Parent Company Balance Sheet
as at 30 June 2024

	Notes	2024 £m	2023 £m
Assets			
Fixed assets			
Intangible assets	6	**23.2**	19.9
Property, plant and equipment	7	**0.3**	0.4
Investment in subsidiary companies	4	**72.5**	72.5
Current assets			
Cash and cash equivalents		**2.4**	0.1
Amounts due from subsidiary companies	5	**-**	1.4
Other receivables		**0.4**	0.7
Total assets		**98.8**	95.0
Liabilities			
Other payables		**2.0**	1.7
Amounts due to subsidiary companies	5	**13.0**	8.6
Total liabilities		**15.0**	10.3
Net assets		**83.8**	84.7
Shareholders' equity			
Called up share capital	8	**68.8**	68.8
Share premium		**0.1**	0.1
Retained earnings		**14.8**	15.7
Share based payments reserve		**0.1**	0.1
Total shareholders' equity		**83.8**	84.7

The notes on pages 110 to 115 form an integral part of these financial statements.

The parent company financial statements on pages 107 to 109 were approved by the Board on 25 September 2024 and signed on its behalf by:

Thomas Morfett
Director

David Peach
Director

Hansard Global plc
Parent Company Cash Flow Statement for the Year Ended 30 June 2024

	2024 £m	2023 £m
Cash flow from operating activities		
Profit before tax for the year	**5.2**	6.2
Adjustments for:		
Dividends received	**(14.3)**	(11.5)
Movement in share based payments reserve	**-**	-
Changes in operating assets and liabilities		
Increase in amounts due to subsidiaries	**5.8**	6.4
Decrease / (increase) in debtors	**0.3**	(0.2)
Increase / (decrease) in creditors	**0.3**	(0.4)
Cash flow (used in) / generated from operations	**(2.7)**	0.5
Cash flows from investing activities		
Dividends received	**14.3**	11.5
Purchase of intangible assets	**(3.2)**	(6.1)
Cash flows from investing activities	**11.1**	5.4
Cash flows from financing activities		
Dividends paid	**(6.1)**	(5.9)
Cash flows used in financing activities	**(6.1)**	(5.9)
Net increase in cash and cash equivalents	**2.3**	-
Cash and cash equivalents at beginning of year	**0.1**	0.1
Cash and cash equivalents at year end	**2.4**	0.1

The notes on pages 110 to 115 form an integral part of these financial statements.

Notes to the Parent Company Financial Statements

1. General Information

Hansard Global plc ("the Company") is a limited liability company, and is incorporated and domiciled in the Isle of Man. The registered office of the company is 55 Athol Street, Douglas, Isle of Man, IM99 1QL. The Company is listed on the London Stock Exchange.
The principal activity of the Company is to act as the holding company of the Hansard group of companies ("the Group").
The Company has its primary listing on the London Stock Exchange.

2. Significant Accounting Policies

2.1 Basis of Preparation

The individual financial statements of the Company have been prepared on a going concern basis in compliance with United Kingdom Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Isle of Man Companies Acts 1931 to 2004. They are prepared under the historical cost convention. In accordance with the provisions of the Isle of Man Companies Act 1982 the Company has not presented its own profit and loss account. The Company's profit for the year ended 30 June 2024, including dividends received from subsidiaries, was £5.2m (2023: £6.2m).

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2.2 Investment Income

Investment income includes interest and dividends. Interest is accounted for on an accruals basis. Dividends are accrued on an ex-dividend basis.

2.3 Dividends Payable

Dividends payable to shareholders are recognised in the year in which the dividends are approved. These amounts are recognised in the statement of changes in equity.

2.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered net of returns, discounts and rebates allowed by the Company, and value added taxes.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The Company recognises revenue when the services are rendered, the amount of revenue can be measured reliably, and it is probable that future economic benefits will flow to the Company.

2.5 Employee Benefits

The Company provides a range of competitive benefits to employees in line with local legislation for the jurisdiction in which they are based. Our Head Office proposition includes private health insurance with the option to include family members, permanent health insurance, death in service scheme, annual bonus arrangements, and non-contributory pension plans which can be further enhanced via salary sacrifice arrangements.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

The Company operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

2.6 Investments in Subsidiaries
Investments in subsidiary companies are held at cost, adjusted for any impairment.

2.7 Foreign Currencies
The Company's presentational and functional currency is pounds sterling, being the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are translated into sterling using the approximate exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date and the gains or losses on translation are recognised in the profit and loss account.

2.8 Property, Plant and Equipment
Property, plant and equipment is stated at historic purchase cost less accumulated depreciation.

The cost of property, plant and equipment is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal rates used for this purpose are:

Freehold property	50 years
Computer equipment	3 years
Fixtures and fittings	4 years

2.9 Intangible Assets
Intangible fixed assets are stated at historic purchase cost less accumulated amortisation. The cost of intangible assets is their purchase cost, together with any incidental costs of acquisition. Amortisation is calculated so as to write off the cost of intangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The intangible asset represents a new suite of IT systems, brought into use on 1 March 2024. Amortisation commenced from that date, with the cost being amortised over 15 years, which is deemed to be the useful economic life of the asset.

2.10 Cash and Cash Equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with a minimal cost to be converted to cash, typically with original maturities of three months or less, net of short-term overdraft positions where a right of set-off exists.

2.11 Financial Instruments
The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial Assets

Basic financial assets, including trade and other receivables, (i.e., debtors and amounts due from group undertakings) and cash at bank, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial Liabilities

Basic financial liabilities, including accruals and other creditors, and amounts due to group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

2.12 Operating Lease Assets

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

2.13 Share Capital

Ordinary shares are classified as equity.

2.14 Related Parties

The Company discloses transactions with related parties which are not wholly owned by the same group. It does not disclose transactions with members of the same group that are wholly owned.

3. Critical Accounting Estimates and Judgements in Applying Accounting Polices

Estimates, assumptions and judgements are used in the application of accounting policies in these financial statements. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. Estimates, assumptions and judgements are evaluated continually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from assumptions and estimates made by management.

There are no areas in which the Company applies significant accounting estimates or assumptions.

4. Investments in Subsidiary Companies

The following schedule reflects the Company's subsidiary companies at the balance sheet date and at the date of this report. All companies are wholly owned and incorporated in the Isle of Man, except where indicated.

Subsidiary Company
Hansard International Limited
Hansard Worldwide Limited (incorporated in The Bahamas)
Hansard Europe Designated Activity Company (incorporated in the Republic of Ireland)
Hansard Development Services Limited
Hansard Administration Services Limited

The holding value of the Company's investment in its subsidiaries is assessed annually for evidence of impairment. This assessment considers, among other factors, the cost versus carrying value of the investment, future dividend flows, going concern and the Value of In-Force of the Company's subsidiaries in order to confirm there are no indicators of impairment identified.

5. Amounts Due/due to from Subsidiary Companies

The Company and various subsidiary companies within the Group perform services for other Group companies in the normal course of business. All balances are unsecured, interest free and repayable on demand.

6. Intangible Assets

The historical cost of computer software is the purchase cost and the direct cost of internal development. Computer software is recognised as an intangible asset.

	2024 £m	2023 £m
Cost as at 1 July	**19.9**	13.3
Additions	**3.8**	6.6
Amortisation	**(0.5)**	-
Cost as at 30 June	**23.2**	19.9

The asset was brought into use as at 1 March 2024 and will be amortised over 15 years based on management's assessment of the useful economic life of the asset.

The cost of computer software includes £13.6m of externally generated costs (2023: £11.2m) and £10.1m of internally generated costs (2023: £8.7m). Amortisation includes £0.3m of externally generated costs (2023: £Nil) and £0.2m of internally generated costs (2023: £Nil).

7. Property, Plant and Equipment

Depreciation is included in the profit and loss account and calculated in line with the accounting policy published above.

Carrying Values	2024 £m	2023 £m
Property, plant and equipment	**0.3**	0.4

Property, plant and equipment is stated at historical cost less depreciation and any impairment. The historical cost of property, computer equipment and fixtures & fittings is the purchase cost, together with any incremental costs directly attributable to the acquisition.

Depreciation is calculated so as to amortise the cost of tangible assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned and is included in administration and other expenses in the statement of comprehensive income.

The carrying amount, residual value and useful life of the Company's plant and equipment is reviewed annually to determine whether there is any indication of impairment, or a change in residual value or expected useful life. If there is any indication of impairment, the asset's carrying value is revised.

The economic lives used for this purpose are:

Fixtures & fittings 4-10 years

Fixtures and fittings	2024 £m	2023 £m
Cost as at 1 July	**1.2**	0.4
Addition	**-**	-
Cost as at 30 June	**1.2**	1.2
Accumulated Depreciation as at 1 July	**(0.8)**	(0.7)
Charge for the year	**(0.1)**	(0.1)
Accumulated depreciation as at 30 June	**(0.9)**	(0.8)
Net Book Value	**0.3**	0.4

8. Share Capital

	2024 £m	2023 £m
Authorised:		
200,000,000 ordinary shares of 50p	**100.0**	100.0
Issued and fully paid:		
137,557,079 (2022: 137,557,079) ordinary shares of 50p	**68.8**	68.8

During the year no shares were issued or bought back (2023: nil).

The Company has previously received clearance from the London Stock Exchange to list a maximum of 1,200,000 shares necessary to meet its obligations to employees under the terms of the employee share save (SAYE) scheme. As at 30 June 2024 924,123 shares remained available for listing (2023: 924,123).

9. Related Party Transactions

The company has wholly owned subsidiaries as referred to in Note 4. Dr L S Polonsky is regarded as the controlling shareholder of the Group, as defined by the Listing Rules of the Financial Conduct Authority.

During the year fees totalling £0.3m (2023: £0.3m) were paid to Non-executive Directors.

The aggregate remuneration paid to key management of the Company for the year ended 30 June was as follows:

	2024 £m	2023 £m
Salaries, wages and bonuses	**1.7**	1.8

10. Equity Settled Share-based Payments

10.1 SAYE Programme

Shareholders have approved a Save as You Earn ("SAYE") share save program for employees. The scheme is a standard SAYE plan, approved by the Revenue Authorities in the Isle of Man and is available to eligible employees. Under the terms of the scheme, individuals can invest up to £500 per month for a three or five-year period to purchase shares at a price not less than 80% of the market price on the date of the invitation to participate.

The scheme can be operated annually, with the option price and awards criteria normally being established in February. No scheme was issued during the years ended 30 June 2021 to 30 June 2024. The estimated fair value of the schemes and the imputed cost for the period under review is not material to these financial statements.

Details are available in note 24 to the consolidated financial statements

10.2 Incentive Plan Employee Benefit Trust

An Employee Benefit Trust was established in February 2018 to hold shares awarded to employees as an incentive on a deferred basis. Shares awarded under the scheme are purchased by the Trust in the open market and held until vesting. Awards made under the scheme would normally vest after three years. The shares are granted at fair value which is based on the market value of the shares on that date.

Share Awards	**2024 No. of Shares**	2023 No. of Shares
Outstanding at start of period	**601,684**	-
Granted	**463,823**	631,446
Forfeited	**(64,608)**	(29,762)
Vested	**(74,899)**	-
Outstanding at end of period	**926,000**	601,684

The Trust has been funded by way of a loan and as 30 June 2024 the outstanding balance on the loan was £554,000 (30 June 2023: £223,000). As at 30 June 2024 the Trust held 1,257,000 shares (2023: 557,000). 74,899 shares vested during the year ended 30 June 2024 (2023: none) and have not yet been transferred.

Notes to the Parent Company Financial Statements
continued

Shares Held by the Trust	**2024** **No. of Shares**	2023 No. of Shares
Outstanding at start of period	**557,000**	12,000
Granted	**700,000**	545,000
Forfeited	**-**	-
Transferred following vesting	**-**	-
Outstanding at end of period	**1,257,000**	557,000

During the period the expense arising from share-based payment transactions was £0.1m (2023: £0.05m).

11. Events After the Reporting Period

This report for the year ended 30 June 2024 was approved for issue on 25 September 2024. No material events have occurred between the reporting date and the issue date that require disclosure under IAS 10.

Other Information

Risk Based Solvency Capital

A) Risk Based Solvency Capital Position

The Group is subject to the Isle of Man Insurance (Group Supervision) Regulations 2019.

It has adopted the default consolidated accounts method ("Method 1") to calculate the Group Solvency Capital Requirement ("SCR") and Own Funds as required by these regulations. The solvency position as 30 June 2024 has been reported below on this basis.

The Group shareholder Risk Based Solvency surplus at 30 June 2024 was £39.4m (30 June 2023: £44.6m), before allowing for payment of the 2024 final ordinary dividend.

All Risk Based Solvency and related data presented in this section is subject to change prior to submission to regulatory authorities.

Group Risk Based Solvency capital position	**30 June 2024 Total £m**	30 June 2024 Total £m
Own Funds	**119.6**	124.9
Solvency Capital Requirement	**80.2**	80.3
Free assets	**39.4**	44.6
Solvency ratio (%)	**149%**	156%

All Own Funds are considered Tier 1 capital.

The following compares Own Funds as at 30 June 2024 and 30 June 2023:

	30 June 2024 Own Funds £m	30 June 2024 Own Funds £m
Value of In-Force	**110.8**	124.4
Risk Margin	**(12.6)**	(24.9)
Net Worth	**21.0**	25.4
Total	**119.6**	124.9

B) Analysis of Movement in Group Solvency Surplus

A summary of the movement in Group Solvency Surplus from £44.6m at 30 June 2023 to £39.4m at 30 June 2024 is set out in the table below.

		£m
Risk Based Solvency surplus at 30 June 2023		**44.6**
Operating experience		**(5.5)**
Investment performance		**5.3**
Changes in assumptions		**0.9**
Impact of dividends paid		**(5.5)**
Foreign exchange		**(0.4)**
Risk Based Solvency surplus at 30 June 2024		**39.4**

Other Information

The movement in Group Risk Based Solvency surplus the 2024 financial year was the result of dividends paid, operating experience and negative exchange rate movements, offset by changes in assumptions and positive investment market performance. The change in assumptions captures the impact of the recent change to the Risk Margin calculation methodology implemented by the IOMFSA.

New business written had a negative £4.4m impact on solvency surplus for the period.

C) Analysis of Group Solvency Capital Requirement

The analysis of the Group's Solvency Capital Requirement ("SCR") by risk type is as follows:

Split of the Groups Solvency Capital Requirement* Risks	**30 June 2024 % of SCR**	30 June 2023 % of SCR
Market		
Equity	**46%**	44%
Currency	**12%**	14%
Insurance		
Lapse	**48%**	50%
Expense	**19%**	17%
Default	**2%**	2%
Operational	**19%**	18%

* Figures are the capital requirements prior to diversification benefits expressed as a percentage of the final diversified SCR.

D) Reconciliation of IFRS Equity to Group Risk Based Solvency Shareholder Own Funds

	30 June 2024 £m	30 June 2023 £m
IFRS shareholders' equity	**20.4**	21.8
Elimination of DOC	**(112.1)**	(117.8)
Elimination of DIR	**140.2**	144.8
Value of In-Force	**110.8**	124.4
Liability valuation differences*	**(3.4)**	(3.5)
Impact of risk margin	**(12.6)**	(24.9)
Other**	**(24.1)**	(19.9)
Risk Based Solvency Shareholder Own Funds	**119.6**	124.9

* Liability valuation differences relate to additional provisions made for risk-based capital purposes, notably for contingent liabilities.
** Other is related to Intangible Assets not recognised on the solvency balance sheet.

E) Sensitivty Analysis

The sensitivity of the Own Funds of the Group and of the Group's life insurance subsidiaries to significant changes in market conditions is as follows:

	30 June 2024 Group £m	30 June 2023 Group £m
Own Funds	**119.6**	124.9
Impact of:		
10% instantaneous fall in equity markets	**(8.3)**	(8.6)
100 basis points decrease in interest rates	**(0.4)**	(0.8)
10% increase in expenses	**(7.2)**	(7.4)
1% increase in expense inflation	**(4.6)**	(5.3)
10% strengthening of sterling	**(9.6)**	(11.5)

Glossary

Annualised Premium Equivalent ("APE")

An industry measure of insurance new business sales. It is calculated as the sum of regular premiums and 10% of single premiums written in the year.

Assets Under Administration ("AUA")

A measure of the total assets that the Group administers on behalf of contract holders, who have selected an external third party investment manager.

Compensation Credit ("CC")

The Group's prime indicator of calculating new business production, weighted where appropriate. This indicates the relative value of each piece of new business and is used, therefore, in the calculation of commission payable.

Corporate Governance Code ("the Code")

The UK Corporate Governance Code sets out guidance in the form of principles and provisions on how companies should be directed and controlled to follow good governance practice. The Financial Reporting Council requires companies listed in the UK to disclose how they have applied principles of the Code and whether they have complied with its provisions throughout the accounting year. Where the provisions have not been complied with, companies must provide an explanation for this.

Covered Business

The in-force business of the Group, including all contracts issued by the Group's life insurance subsidiaries and subsidiaries providing administration, distribution and other services, as at the valuation date. It excludes the value of any future new business that the Group may write after the valuation date.

Deferred Origination Costs ("DOC")

The method of accounting whereby origination costs of long-term business are deferred in the balance sheet as an asset and amortised over the life of those contracts. This leads to a smoothed recognition of up front expenses instead of the full cost in the year of sale.

Deferred Income ("DIR")

The method of accounting whereby front end fees that relate to services to be provided in future periods are deferred in the balance sheet as a liability and amortised over the life of those contracts. This leads to a smoothed recognition of up front income instead of the full income in the year of sale.

Discounting

The reduction to present value at a given date of a future cash transaction at an assumed rate, using a discount factor reflecting the time value of money.

Earnings Per Share ("EPS")

EPS is a commonly used financial metric which can be used to measure the profitability and strength of a company over time. EPS is calculated by dividing profit by the number of ordinary shares. Basic EPS uses the weighted average number of ordinary shares outstanding during the year. Diluted EPS adjusts the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, for example share awards and share options awarded to employees.

Economic Assumptions

Assumptions in relation to future interest rates, investment returns, inflation and tax.

Enterprise Risk Management ("ERM") Programme.

The Framework of governance, risk management and internal control arrangements implemented by the Group to promote identification, monitoring and management of existing and emerging risks.

Group

Hansard Global plc and its subsidiaries.

Growth Investment Spend

Costs we incur investing in the future of our business, including technology to support our growth.

Independent Financial Advisors ("IFAs")

A person or organisation authorised to give advice on financial matters and to sell the products of financial service providers. Outside the UK IFAs may be referred to by other names.

In-force

Long-term business which has been written before the period end and which has not terminated before the period end.

International Financial Reporting Standards ("IFRS")

International Financial Reporting Standards are accounting standards issued by the International Accounting Standards Board ("IASB"). The Group's consolidated financial statements are required to be prepared in accordance with IFRS as adopted by the United Kingdom to allow comparable reporting between companies.

IFRS Equity Per Share

Total IFRS equity divided by the diluted number of issued shares at the end of the period.

Glossary

Key Performance Indicators ("KPI")

This is one of a number of measures by reference to which the development, performance or position of the business can be measured effectively.

Maintenance Expenses

Expenses related to the servicing of the in-force book of business (including investment and termination expenses and a share of overheads).

Net Worth

The market value of the shareholders' funds, determined on an IFRS basis, adjusted to exclude certain assets such as the deferred origination costs and liabilities such as deferred income and to add back any non-admissible assets. This has been adjusted for statutory reserves on the "Own Funds" basis.

New Business Contribution ("NBC")

The expected present value of all future cash flows attributable to shareholders from new business. NBC is calculated after the effect of any frictional costs. Unless otherwise stated, it is also quoted net of tax. It is calculated at point of sale. NBC is shown after allowing for the cost of required capital, calculated on the same basis as in-force business.

New Business Margin ("NBM")

NBC expressed as a percentage of PVNBP. This measures whether new business written is adding value or eroding value. It is a measure of profitability (not profit), comparing the expected profit (or losses) with the value of expected premiums.

New Business Strain ("NBS")

Costs involved in acquiring new business (such as commission payments to intermediaries, expenses and reserves) affecting the insurance company's financial position at that point and where all of the income from that new business (including premiums and investment income) has not yet been received and will not be received until a point in the future. To begin with, therefore, a strain may be created where cash outflows exceed inflows.

Origination Costs

Expenses related to the procurement and processing of new business written including a share of overheads. Sometimes known as acquisition costs.

Own Funds

Those funds as defined under Solvency II, comprising Basic Own Funds and Ancillary Own Funds. Basic Own Funds consist of the excess of assets over liabilities as valued in accordance with Solvency II rules. Ancillary Own Funds consist of items other than Basic Own Funds which can be called up to absorb losses such as unpaid share capital or letters of credit and guarantees. The Group does not have any such Ancillary Own Funds.

Present Value of New Business Premiums ("PVNBP")

The industry measure of insurance new business sales under the European Embedded Value methodology. It is calculated as 100% of single premiums plus the expected present value of new regular premiums.

Regular Premium

A regular premium contract (as opposed to a single premium contract), is one where the contract holder agrees at inception to make regular payments throughout the term of the contract.

Risk Based Solvency

Solvency calculated according to the Isle of Man Insurance (Long-term business Valuation and Solvency) Regulations 2021. A solvency regime designed to be capable of a positive Solvency II equivalence assessment.

Risk Discount Rate

The present value of a future cash amount depends on its currency and the time until it will become available. The present value is determined using a discount rate that reflects currency and timing. Discount rates are set based on swap rates for the relevant currency determined at year-long intervals for amounts in GBP, EUR, USD and JPY up to year 30, and the year 30 rate thereafter. This covers over 95% of the future expected cash amounts by funds under management: other currencies are assumed to be subject to the GBP rate. Year 1 rates are used to unwind the existing business and are shown separately in the disclosures.

Single Premium

A single premium contract (as opposed to a regular premium contract (see above)), involves the payment of one premium at inception with no obligation for the contract holder to make subsequent additional payments.

Solvency II

The EU-wide regulatory regime which aims to more closely align solvency capital to an insurer's risk profile. It came into force on 1 January 2016.

Unit-linked Policy

A policy where the benefits are determined by reference to the investment performance of a specified pool of assets referred to as the unit-linked fund.

Value of In-Force ("VIF")

The present value of expected future shareholder profits less the present value cost of holding capital required to support the in-force business.

Financial Calendar

Financial Calendar for the financial year ending 30 June 2025

Annual General Meeting	13 November 2024
Payment date for final dividend	14 November 2024
Publication of half-yearly results	6 March 2025
Declaration of interim dividend	6 March 2025
Ex-dividend date for interim dividend	13 March 2025
Record date for interim dividend	14 March 2025
Payment of interim dividend	24 April 2025
Announcement of results for the year ended 30 June 2024	25 September 2025
Declaration of final dividend	25 September 2025
Ex-dividend date for final dividend	2 October 2025
Record date for final dividend	3 October 2025
Annual General Meeting	5 November 2025
Payment date for final dividend	13 November 2025

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