

Governance

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Chairman's introduction to Governance

The Governance section of the Annual Report explains Bupa's governance arrangements and how the Board and its Committees have operated and performed their duties throughout 2024 and to the date of this Report

"Having strong and robust governance arrangements is the foundation to Bupa's purpose, values, strategy and our culture."

Roger Davis,
Chairman



The Board and its Committees have continued to provide oversight of the Group, its management and its businesses throughout 2024 and up to the date of this report.

We have provided the direction, support and challenge, as appropriate, in accordance with our governance arrangements and the expectations of our Association Members and other stakeholders. We have continued to set the cultural tone to support Bupa's purpose and values, how we conduct ourselves and our performance, and to ensure our people and partners understand and apply this in everything we do.

An overview of the main activities of the Board during 2024 are set out on [page 76](#) of the Corporate Governance report and the key activities of each Board committee during 2024 are set out in their respective reports in this section.

Board changes

During 2024 there were a number of Board changes and announcements.

Aligned with our succession plans and activities, we were pleased to welcome Simon Blair and Clare Bousfield to the Board during January 2024, strengthening the Board's financial and risk management skills and increasing the level of healthcare and financial services experience.

Simon was appointed as a member of the Board's Audit, Remuneration and Risk Committees following his appointment and Clare was appointed as a member of the Audit and Risk Committees. Their full biographies can be found in 'Board of Directors' that follows ([pages 65 to 67](#)).

Simon then took over the role of Risk Committee Chair in April following receipt of regulatory approval. We are very grateful to Paul Evans for stepping in as Interim Chair of the Risk Committee from November 2023 to March 2024, at what was a very busy time of Bupa's governance cycle.

Gunjan Bhow retired from the Board in April 2024 in order to focus on his other business commitments. We thank him for his contribution to the Board during his time with us, particularly in relation to the development of our digital strategy, and we wish him well in his future endeavours.

Board focus for 2025

In 2025 the Board will spend considerable time overseeing the transition from our 3x6 Strategy to our new 3x100 Strategy, explained in the Strategic Report.

To support its oversight of the implementation and delivery of the new 3x100 Strategy, the Board will continue to focus on digital technology development, including artificial intelligence and healthcare technology.

We will also be focused on the refreshed sustainability strategy for Bupa. Sustainability was previously a strategic pillar under the 3x6 Strategy, but from 2025 there will be a distinct but complementary sustainability strategy reflective of its importance to Bupa and the Board.

As you would expect, the Board will also continue to keep succession planning as a key area of focus in 2025. It is important we ensure orderly, phased transitions to maintain a strong Board whilst also refreshing our skills and experience to support Bupa's strategy and growth ambitions.

Chair succession

I was delighted that Bupa has appointed Don Robert as my successor, following a robust and thorough selection process led by Cath Keers, our Senior Independent Director (SID). The process leading to Don's appointment is covered in detail on [page 77](#). His outstanding experience will provide the Board with the leadership required to support the continued transformation of the Group. As you would expect, we have begun a programme of induction activities, to ensure a smooth handover to Don, who will take over as Board Chair when I retire in May.

I have been honoured to serve as Chairman of Bupa since 2019. I am proud of the significant strategic progress Bupa has made during my time as Chairman, combined with improved financial performance and a strong focus on delivering the best experience for our customers. I would like to thank everyone at Bupa for their hard work, care and commitment, which has provided the strong foundations for our success as an organisation. I am confident that Bupa will go from strength to strength.

Roger Davis
Chairman

Board of Directors

Committee key

■ Committee Chairman	Re Remuneration
A Audit	Ri Risk
N Nomination & Governance	S Board Sustainability



Roger Davis
Chairman

Appointed: 2015, Chair 2019

Committees: **N** **Re**

Board skills and experience

Roger brings extensive international business, risk management and regulatory experience from a wide-ranging executive career in financial services. In his executive career he held roles at Robert Fleming (in equity sales, corporate broking, and investment banking) and Barclays plc, becoming executive director and Head of UK Banking.

Career

He also brings previous non-executive and chairman experience from his roles as Chairman of Sainsbury's Bank and as a non-executive director of Experian plc, where he also chaired the remuneration committee.

Other appointments

Chairman of Global RadioData Communications and as a non-executive director of ABM Communications Limited.



Iñaki Ereño
Group Chief Executive Officer

Appointed: 2021

Committees: **S**

Board skills and experience

Iñaki joined Bupa in 2005 and, prior to his appointment as Group Chief Executive Officer, gained a deep knowledge of the business through roles as CEO of Sanitas and of the ELA Market Unit, putting him in a strong position of knowledge and experience.

Career

Prior to Bupa, he held senior positions at the Telefonica Group and Carrefour as well as founding an online start-up. Iñaki has a degree in law and an MBA from IESE Business School.

Other appointments

No external appointments.



James Lenton
Group Chief Financial Officer

Appointed: 2021

Committees:

Board skills and experience

James brings significant experience in financing, capital allocation and business transformation, including steering organisations through periods of substantial change.

Career

His previous roles included Chief Financial Officer of Hammerson plc, a FTSE 250 owner and manager of properties with a European portfolio, Chief Financial Officer of AIG's European Group, and Partner at EY.

Other appointments

No external appointments.



Cath Keers
Senior Independent Director

Appointed: 2019

Committees: **N** **Re** **S**

Board skills and experience

Cath brings valuable digital consumer expertise to the Bupa Board, with significant professional and leadership experience across retail, consumer, digital and technology sectors from small to large, listed businesses, and considerable experience chairing remuneration committees.

Career

She has previously held executive roles as Chief Marketing Officer at The Sage Group plc and Telefonica O2 Holdings Limited. Cath chaired Tesco Mobile Limited, Trustedhousesitters Group Limited and Ustwo Limited, a digital design and gaming business and was a non-executive director of Royal Mail plc and Telefonica Europe. She has also been a non-executive director and Chair of the Remuneration Committee of Funding Circle Holdings plc, Home Retail Group plc and Liverpool Victoria Friendly Society Limited, and a member of the remuneration committee while a non-executive director of The Sage Group plc.

Other appointments

No external appointments.



Don Robert, CBE
Non-Executive Director

Appointed: 2025

Committees: **N**

Board skills and experience

Don has a strong track record in global financial services, international business and mergers and acquisitions. He has a deep understanding of technology, data and analytics and significant executive and non-executive listed board experience.

Career

He spent 18 years at the global financial data, analytics and technology group, Experian plc, where he latterly served as Chairman. Prior to that he was Group Chief Executive and CEO of its North American business. Don has served in a variety of senior roles including Chair of the US Consumer Data Industry Association, Senior Independent Director of Compass Group plc, and Chair of video games services company, Keywords Studios plc. He also served as a Technology Advisor to the Bank of England and was a Non-Executive Director of the Court of Directors of the Bank of England.

Other appointments

Chairman of London Stock Exchange Group, Founding Partner of Corten Capital and Chair of Ekco, Chair of Council, The London School of Hygiene & Tropical Medicine, Non-Executive Director Validis Group Holdings Limited and FlexCharge, Visiting Fellow at Oxford University and Honorary Group Captain, Royal Air Force.

Board of Directors continued



Simon Blair
Non-Executive
Director

Reappointed: 2024

Committees: **A Ri Re**

Board skills and experience

Simon brings extensive international financial services experience from a career spent in the health care and financial services industries. His past governance experience includes non-executive directorships of three banks and three insurance companies across four countries.

Career

He has previously held a number of senior roles over ten years at Commonwealth Bank of Australia (CBA), including Group Executive, International Financial Services and Managing Director and CEO of Sovereign Assurance Company Limited. Before joining CBA, he was Chief Operating Officer of Medibank Private in Australia and CEO of Australia's largest hospital group. He has also been CEO of two other large healthcare companies in New Zealand and Australia and previously held executive roles in both the World Bank and the IFC based in Washington DC. He was also a non-executive director for Bupa from 2016-2019.

Other appointments

Currently chair of the board of Bupa's subsidiary in Chile, Bupa Chile S.A.



Clare Bousfield
Non-Executive
Director

Appointed: 2024

Committees: **A Ri**

Board skills and experience

Clare brings deep UK financial services expertise from former roles at M&G Plc, where she served as both Group CFO and latterly CEO, Retail & Savings, and as CEO, Insurance for Prudential UK & Europe.

Career

She started her career at PwC and has previously served as a non-executive director and audit committee chair of RSA Insurance Group plc, a board member of the Association of British Insurers and held senior roles at Aegon and Swiss Re Group.

Other appointments

Non-executive director and chair of the audit and risk committee of IVC Evidensia, a non-executive director of Legal & General Group Plc, Recipharm AB and Nucleus Financial.



Sally Clark
Non-Executive
Director

Appointed: 2022

Committees: **A Ri Re**

Board skills and experience

Sally has significant experience in internal audit and risk management in financial services.

Career

She has previously held executive roles at JPMorgan and RBS and, most recently, as Chief Internal Auditor at Barclays. She was a council member and Deputy President of the Chartered Institute of Internal Auditors and chaired the committee rewriting the Code of Practice for the IA profession.

Other appointments

Non-executive director and chair of the audit committee at Citigroup Global Markets Limited, and a non-executive director of AIB Group (UK) Plc and two fintech companies, Acin Limited and Kore Labs Limited.



Paul Evans
Non-Executive
Director

Appointed: 2018

Committees: **A N Ri**

Board skills and experience

Paul provides health insurance expertise from his executive career, where he held various senior roles and been Group Chief Executive Officer of AXA's global Life, Savings and Health businesses.

Career

Previously he has held roles at PricewaterhouseCoopers LLP, as Chairman of the Association of British Insurers and as a non-executive director of Swiss Re Europe SA and Swiss Re International SE.

Other appointments

Chair of Allianz Insurance, LV General Insurance and Petplan (collectively Allianz Holdings) and a member of the board of M&G plc. Within Bupa, he is a non-executive director of Bupa's UK regulated insurance subsidiaries and a member of the CEO Advisory Oversight Committee of the BGIUK Market Unit.



**Michael Hawker
AM**
Non-Executive
Director

Appointed: 2019

Committees: **A Re S**

Board skills and experience

Mike has considerable knowledge and global experience of financial services and risk management, gained from his significant experience in the banking and insurance sectors around the world, both in an executive and non-executive capacity.

Career

Previously he has been a non-executive director of Macquarie Group, Aviva PLC and Westpac Banking Corporation, Chairman of the Insurance Council of Australia, and CEO and managing director of Insurance of Australia Limited. He was also previously a director of Washington H Soul Pattinson Pty Company Ltd and Altium Limited. He was made a 'Member of the Order of Australia' for services to the community in 2010.

Other appointments

Non-executive director of the ASX-listed Vicinity Centres Limited, Allianz Australia and of a number of non-profit organisations, including the Museum of Contemporary Art in Sydney. He is also a non-executive director and Deputy Chairman of Bupa's Australia and New Zealand business and is a member of its audit, remuneration, risk and technology committees.

Board of Directors continued



Pia Heidenmark Cook
Non-Executive Director

Appointed: 2022

Committees: N S

Board skills and experience

Pia has considerable corporate ESG and sustainability expertise, as well as innovation and transformation experience from a significant executive career leading sustainability strategies in large corporates, as well as managing large multinational teams.

Career

Pia has previously held roles as Head of Sustainability, Retail & Expansion, then Chief Sustainability Officer at Ingka Group (IKEA), and prior to that Vice President of Corporate Social Responsibility at Rezidor Hotel Group and Co-chair of The Retailers' Environmental Action Programme.

Other appointments

Non-executive director and member of the audit and nominating and corporate governance committees of Origin Materials Inc (US) and Max Burgers AB (Sweden), Senior Adviser at Teneo (ESG and Sustainability team) and Eurozeo Planetary Impact Fund. She is also chairman to the Advisory Board of the Do Group (Germany), and a member of the Advisory Board of the Boards Impact Forum (Nordic chapter of the Climate Governance Initiative (in collaboration with the World Economic Forum)).



Matías Rodríguez Inciarte
Non-Executive Director

Appointed: 2019

Committees: A Ri

Board skills and experience

Matías brings significant experience of Spanish financial services, risk management and government to the Board.

Career

He has previously held roles in the Spanish civil service and as a Minister in the Spanish Government, and executive roles at Banco Santander S.A., including as Executive Vice President and Chief Financial Officer, and Vice Chairman and Head of Risk Management.

Other appointments

Chairman of Union de Creditos Inmobiliarios, S.A., E.F.C., a non-executive director of Financiera El Corte Ingles E.F.C., S.A., both credit institutions, and an independent director of Financiera Ponferrada S.A. Sicav, a Spanish investment fund. He is also Head of Santander Universities, a Department of Banco Santander, and in charge of Santander's Program with Universities. He is also chairman of Sanitas S.A. de Seguros, Bupa's Spanish health insurance business, a member of its audit and risk committees, and is a chair of the ELA Market Unit



Professor Melvin Samsom
Non-Executive Director

Appointed: 2019

Committees: N Ri S

Board skills and experience

Melvin has substantial international research, clinical and management experience from his career in gastroenterology and as a hospital chief executive.

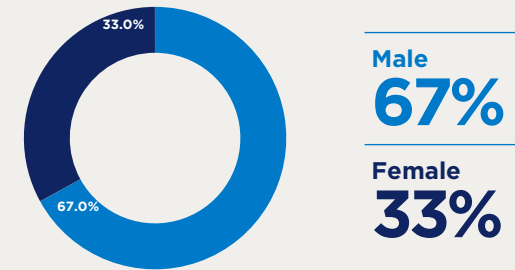
Career

He has previously held roles as Chief Medical Officer and Chief Executive of Radboud University Medical Center, and Chief Executive of Karolinska University Hospital in Sweden. He has also been Vice-Chairman of the Dutch Federation of University Medical Centers, Chairman of the Dutch Gastroenterology Society, Chairman of the Supervisory Board of Stockholm Care AB, a member of the Supervisory Board for TIAS School for Business and Society, as well as a senior advisor to Saudi Arabia and Sector Head of Health, Wellbeing and Biotech for NEOM in Saudi Arabia.

Other appointments

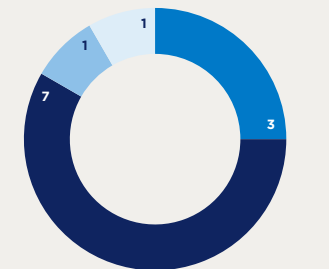
Chair of the Supervisory Board of Oncode Institute, Senior International Advisor to KPMG Advisory, and Professor at the Radboud University Medical Center in the Netherlands.

Gender breakdown at 31 December 2024 (%)



■ Male
■ Female

Tenure breakdown at 31 December 2024 (years)



■ 0-2yrs ■ 6-8yrs
■ 3-5yrs ■ 9+yrs

Corporate Governance Report

Corporate Governance statement

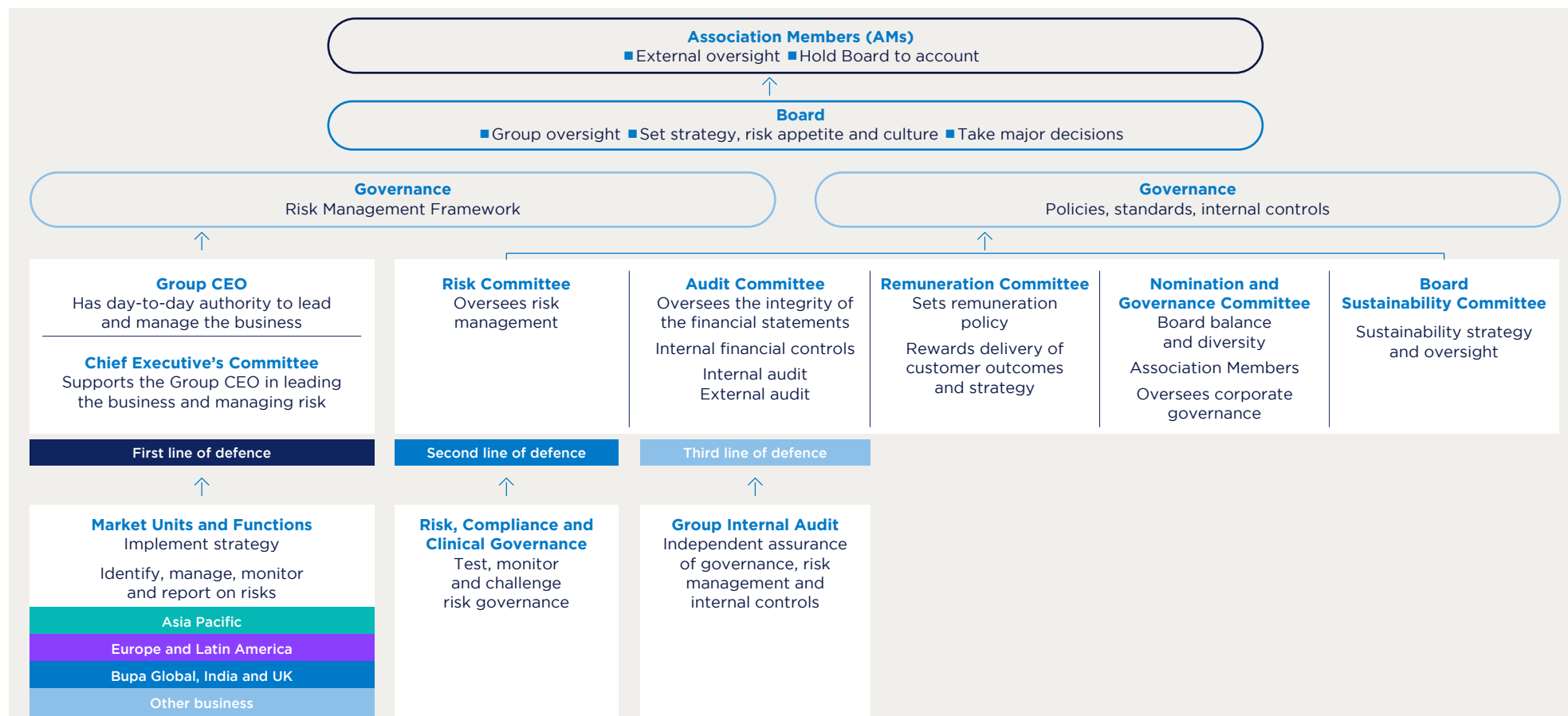
The Company meets the thresholds of the UK Companies Act 2006 to apply a corporate governance code. It also has subsidiaries that are regulated under various financial services regimes and have securities listed on the London Stock Exchange, National Stock Exchange of India Ltd and Bombay Stock Exchange. Bupa has therefore chosen to apply the FRC's UK Corporate Governance Code 2018 (the Code) to the extent it is appropriate and relevant given it is a company limited by guarantee without shareholders. The Code is publicly available at www.frc.org.uk.

This Corporate Governance report explains Bupa's corporate governance arrangements, how it has applied the principles and provisions of the Code, and explains areas of the Code where

it has departed from them. These areas of departure relate to Code principles and provisions that can only be applied in a relevant way by companies with shares and shareholders; because the Company is a private company limited by guarantee without shareholders, it does not comply with them.

Our Governance structure

Bupa's governance structure is set by the Board and supports its systems of controls and risk management for the Group to ensure the Group is operated and is managed in the most effective and responsible way in accordance with our purpose and corporate values.



Corporate Governance Report continued

Association Members

As a private company limited by guarantee, Bupa has Association Members and not shareholders, as explained earlier in the Section 172 and Engagement Statement. These Association Members perform a governance and oversight role, undertaking many of the activities that would be performed by shareholders as custodians of the Company. These activities include voting on resolutions at the Company's Annual General Meeting that shareholders of a UK public listed company would typically be asked to approve.

Bupa's Association Members are eminent individuals in their own field, coming from a diverse range of sectors that include international businesses with an emphasis on insurance and financial services, healthcare, academia, Non-Government Organisations, regulatory and public services.

A substantial majority of the Association Members are independent of Bupa and have been selected by the Board due to their significant recent and relevant knowledge and experience related to the markets in which Bupa operates and their capacity to contribute. They are appointed in accordance with the Company's Articles of Association and normally serve for a term of ten years, which can be extended for further terms of five years.

Board Leadership and company purpose

The Board

The Board is collectively responsible for promoting the long-term success and sustainability of Bupa, generating and preserving value for the benefit of all our stakeholders, and making a positive contribution to the societies we operate in. It sets Bupa's values, risk appetite and strategy, which determine our corporate culture and guide Bupa's people and business in how we operate. While the Board may appoint Directors during the year, their appointment is confirmed by Association Members, who elect new Directors at the Company's next Annual General Meeting following their initial appointment. In accordance with the Code, they, together with all existing Directors, are then subject to annual re-election by the Association Members at every Annual General Meeting.

There is a Schedule of Matters Reserved for the Board that sets out the Board's role and responsibilities and those responsibilities which it delegates. It covers setting Bupa's strategy and risk appetite, overseeing management's implementation of the strategy, establishing, and monitoring its systems of control and risk management, ensuring Bupa's culture aligns with its purpose and values, management of its capital and resources, approval of major transactions, Group structure changes and significant expenditure. The document is reviewed annually and published on www.bupa.com/about-us/governance. Through these activities the Board has regard to its stakeholders and engages within them regularly. Details of its considerations and engagement through 2024 are disclosed on [pages 49 to 55](#) in the Section 172 and Engagement Statement.

Board committees

The Board has established five standing Board Committees to which it has delegated certain activities, to ensure that there is sufficient time for oversight and challenge on the matters within their respective remits and to allow the Board to focus on key strategic matters and decisions. Whilst it has delegated certain activities, the Board remains collectively responsible. The roles and activities of its Audit Committee, Nomination and Governance Committee, Risk Committee, Remuneration Committee and Sustainability Committee are set out in their respective reports included later on [pages 77 to 96](#).

The Board has also established a small number of Board committees which would be stood up to manage specific contingencies effectively in the event of specific circumstances arising. These are not currently operational, nor were they at any time during 2024 and to the date of this report

Executive governance

The Board has delegated specific matters and levels of authority to the Group Chief Executive Officer (CEO) in order to undertake the day-to-day leadership and running of the Group. He has authority to sub-delegate elements of this authority to the business and Group functions and is supported in his role by his executive management team and the Chief Executive's Committee (CEC). The Chief Executive's Committee drives the performance of the business and delivery of the strategy. It currently comprises the Group CEO and the Group's CFO, Chief Brand and External Communications Officer, Chief New Technologies Officer, Chief Legal Officer, Chief Medical Officer, Chief Sustainability and People Officer, Chief Risk Officer (Group CRO), the Chief Audit Officer, the Group Company Secretary and the three Market Unit CEOs.

Three Lines Model

The three lines model provides accountability, monitoring and assurance over the operations of the Group to manage its risk. Further details, including on Group Internal Audit, are set out in on [pages 73 to 74](#).

Conflicts of Interest

Each Director is required to notify the Company as soon as possible of any actual or potential conflicts of interest, and all Directors have complied with this requirement during the year. The Nomination and Governance Committee has delegated authority to review actual or potential conflicts and the Group Company Secretary carries out an annual review of the Board's conflicts register. In the event of an authorised potential or actual conflict, the Director is required to recuse themselves from discussions and voting on any matter they may be conflicted on.

Board composition and division of responsibilities

Board composition

The Board currently comprises 13 directors, consisting of a Non-Executive Chairman, two Executive Directors and ten independent NEDs (including the Chair-elect, Don Robert CBE). Details of each Director are set out in Board of Directors on [pages 65 to 67](#).

Division of responsibilities

Certain specific roles have been allocated to Directors on the Board and are described below. Consistent with the Code, the roles of the Chairman and Group CEO are separate and distinct. For more information, see our division of responsibilities: www.bupa.com/company/about-us/governance

Corporate Governance Report continued

Chairman

The Chairman is responsible for leading the Board and ensuring its focus on strategic matters, overseeing the Group's business, and setting high governance standards. He plays a pivotal role in fostering the effectiveness of the Board and individual Directors, inside and outside the boardroom. He is also responsible for ensuring effective communication with the Association Members, acting as a sounding board for the Group CEO and representing the Group externally. With the support of the Group Company Secretary, he ensures the Board receives accurate, timely and clear information.

Roger Davis was appointed as Chairman from 1 January 2019, having been an independent Non-Executive Director since July 2015. He was reappointed by the Board for a further three-year term as Chairman from 1 January 2022, and during 2024 his tenure was extended to May 2025. The Board was satisfied he met the independence criteria in the Code at the time of his appointment as Chair, and following a reduction in external appointments the Board was satisfied his current external appointments do not hinder him from providing sufficient time to discharge his duties at Bupa. Details of his other appointments are set out in his biography on [page 65](#).

In the 2023 Annual Report, the Board indicated that it had begun a search for Roger's successor when he retires from the Board. Therefore, whilst Roger remained as Chair beyond the ninth anniversary of his first appointment to the Board, at that time the search for his successor was already underway. Accordingly, the Board was comfortable with the limited period Roger's tenure would exceed nine years on the Board whilst the right candidate was found, regulatory approval was obtained, and a smooth handover took place. The Board announced on 5 November 2024 that, subject to regulatory approval, Don Robert CBE would succeed Roger as Chair, with the expectation he would take over the role in May 2025. Don Robert was appointed to the Board on 27 February 2025 as Chair-elect, following receipt of regulatory approval to be the next Chair of the Board. The Board was satisfied that Mr Robert met the independence criteria in the Code at the time of his appointment as Chair-elect. The Board was also satisfied his current external appointments do not hinder him from providing sufficient time to his expected duties at Bupa. Details of his other appointments are set out in his biography on [page 65](#). The details of the selection and appointment process is set out on [page 77](#).

Group CEO

As set out above, the Group CEO, Iñaki Ereño, is responsible for the day-to-day leadership and management of the business, aligned with Bupa's purpose and values, and within the risk appetite and strategy set by the Board. Iñaki has been given specific delegated authorities by the Board that are documented in the 'Matters Reserved to the Board' and Delegated Authority Framework.

Senior Independent Director

Cath Keers is the Senior Independent Director (SID). She acts as a conduit for Directors and Association Members who may have concerns that have not been resolved through other channels, acts as a sounding board for the Chairman and Group CEO and leads the annual performance review for the Chairman. During the year she led the Chair Selection Committee and the recruitment process for the appointment of the new Chair.

Non-Executive Directors

The NEDs provide an independent perspective, check and challenge to Bupa. They hold management to account for decisions, performance, and implementation of strategy within the Group's governance structure and risk appetite. They are appointed by the Board, upon the recommendation of the Nomination and Governance Committee, by way of a Letter of Engagement for an initial three-year term, which may be extended to a second three-year term, followed by up to three further one-year terms to support a phased succession plan and the regular refreshment of the Board.

Independence

The Board comprises a majority of independent directors. All current NEDs were deemed independent upon appointment and are reviewed annually against the independence criteria in the Code by the Nomination and Governance Committee prior to recommending they are eligible for appointment or reappointment at the Company's Annual General Meeting.

Time commitment

The Board sets out the expected time commitment for NEDs to ensure they can devote sufficient time to perform their role effectively. The Nomination and Governance Committee assesses NEDs on appointment with particular regard to other appointments and roles external to Bupa and undertakes an annual review of their external commitments.

Group Company Secretary

The Group Company Secretary provides governance advice and support to the Board, ensuring adherence to Bupa's governance requirements and Articles of Association, and that it has the information and resources to function effectively and efficiently. He assists with the performance review of the Board and its Committees, NED succession planning and appointment, NED inductions and training, engagement with Association Members, and the arrangements for the Annual General Meeting.

Corporate Governance Report continued

Board Skills, Succession and Evaluation

Board Skills and Experience

The composition of the Board is kept under review to ensure it has the currently and foreseeably required skills and expertise needed in relation to the delivery of Bupa's purpose and strategy, including experience of its businesses and operating markets, and that diversity of thought and a range of different attributes and backgrounds are represented. The skills and expertise required are captured in a skills matrix that is regularly reviewed and considered by the Board's Nomination and Governance Committee on its behalf.

The current Board skills matrix for NEDs, including the Chair, at the end of 2024 is as follows:

Board skills as at 31 December 2024

Proportion of the Board (%)

Board and Committee oversight skills

Leadership, Strategy & Development

100

Audit & Financial Reporting

80

Risk Management

90

Operational Skills and Experience

Financial Services Sector

80

Healthcare Sector

60

Customer Centricity

100

People, Talent Management & Remuneration

60

International Commercial Experience

90

Innovation and Emerging Technology

40

Commercial and Business Acumen

80

Sustainability

60

During 2024 the format of the skills matrix was redesigned, with greater clarity between Board and Committee oversight skills required of the NEDs, and their areas of operational experience. With the appointment of Simon Blair and Clare Bousfield we strengthened both the financial reporting and financial services experience on the Board, as well as improved the healthcare expertise. A focus for 2025 will be to consider how best to enhance the skills of the Board in relation to digital transformation.

Board Diversity statement

Bupa has a Board Diversity Policy which is available on www.bupa.com/about-us/governance. The policy requires all Board appointments to be made on merit and objective criteria reflecting the skills, knowledge and experience required for a balanced and effective board, but does not contain targets. Bupa considers diversity includes race, social, educational and professional background, disability, gender, sexual orientation, religion, belief and age, culture, personality, work style, and cognitive and personal strengths.

Diversity of thought includes providing a different perspective, and the Board seeks candidates that represent our customers and people and who can understand and relate to the societies and markets we serve and Bupa's businesses. When looking for Board or senior executives, Bupa uses search and selection agencies that are all signatories to the Voluntary Code of Conduct for Executive Search Firms, to ensure candidates are sought from as wide a pool as possible.

Bupa voluntarily discloses on a comply or explain basis against FCA Listing Rules targets of: 40% of the board should be women, at least one board member in a senior board position should be a woman, and there should be at least one board member from a non-White ethnic minority background. The numerical data and disclosures for the Company's Board and executive team are collected from the information provided by the individuals upon appointment and are set out and explained below. For details on diversity and inclusion in relation to our people, please refer to 'Our People and Culture' on [pages 29 to 32](#).

Table 1: Reporting table on sex/gender representation as at 31 December 2024

	Number of Board members	Percentage of Board	Number of senior positions on the Board (Chair, CEO, CFO and SID)	Number in executive management	Percentage of executive management
Men	8	67%	3	9	64%
Women	4	33%	1	5	36%
Other	-	-	-	-	-
Not specified/ prefer not to say	-	-	-	-	-

At the end of 2024 the Board comprised 12 members following the appointment during the year of Clare Bousfield and Simon Blair and the retirement of Gunjan Bhow. These changes marginally increased representation of women on the Board to 33% compared with 31 December 2023 (27%) but did not meet the Listing Rules target of 40%. The Company did meet the target for at least one woman in a senior board position, through Cath Keers being Senior Independent Director.

Corporate Governance Report continued

Table 2: Reporting table on ethnicity representation as at 31 December 2024

	Number of Board members	Percentage of Board	Number of senior positions on the Board (Chair, CEO, CFO and SID)	Number in executive management	Percentage of executive management
White British or other White	12	100%	4	13	93%
Mixed/Multiple ethnic groups	-	-	-	-	-
Asian/Asian British	-	-	-	-	-
Black/African/Caribbean/Black British	-	-	-	1	7%
Other	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

Following the retirement of Gunjan Bhow during 2024, the Board ceased to meet the ethnic diversity target in the FCA's Listing Rule 6.6.6R(9) that at least one member of the Board is from a non-White minority ethnic background, and this remained the case at 31 December 2024. As detailed above, the Board Diversity Policy takes a broad view of diversity and, as such, the Company continues to have a diverse, international Board representing the culture of Bupa's key geographic markets, with a majority of Directors from non-UK backgrounds.

As stated above, the Board has not set diversity targets per se but is nevertheless committed to achieving greater gender and minority ethnic diversity representation on the Board. It continues to seek opportunities to address this through succession planning and Board refreshment activities and always encourages the broadest candidate pool with the requisite skills and experience to apply. This commitment had been confirmed in the Board's briefings and specifications to search agencies.

Board succession

The Board maintains board succession plans that consider length of service, skills and experience of the current Directors, Board roles and requirements, and any foreseeably required future skills and experience. The plans are regularly reviewed by the Board and its Nomination and Governance Committee to ensure there is a phased replacement of NEDs who are reaching the end of their tenure. This ensures there is continuity on the Board and maintains the appropriate balance of skills and experience on the Board and its Committees during refreshment and any handovers required. As the Board is refreshed, it seeks to address any skill and experience gaps and diversity targets.

The Board also reviews the succession plans for senior executives to ensure that Bupa maintains a strong bench and pipeline of diverse executive talent within the business and its functions.

Induction and training

On appointment, all Directors are provided with a comprehensive induction to the Group. They are provided with all relevant Board and corporate information, access to all the Company's minutes and past Board papers, constitutional and performance documents and meet with members of the Board, Group, and relevant Market Unit executive teams to ensure they have all the knowledge required and establish key relationship early. Visits are also arranged to Bupa's sites in the UK and overseas.

All Directors are required to keep up to date on matters and developments relevant to Bupa and their role(s). Management and, where appropriate, external advisers provide regular briefings on developments in the Market Units, and topical matters. During 2024, members of the Board participated in briefings on each of the Market Units, general artificial intelligence developments, the use of data and artificial intelligence within Bupa, and economic capital modelling. Briefings on technical issues and developments were also provided when required to individual Directors to support them in their roles.

During the year NEDs also visited Bupa's business locations in the UK, Poland, Türkiye and Australia with the executive directors or members of the executive team.

Board and Committee performance

Progress on 2023 evaluation actions

The Board is satisfied with the progress it made on its actions identified for 2024, including Board succession (in particular, the Board Chair search and the appointment of Simon Blair as Board Risk Committee Chair), deep dives on business disruption risks and strategic risks, reviewing the governance cadence of Board and Committee meetings and training in artificial intelligence, medical technology and digital.

During 2024, the Chair Selection Committee established in 2023 oversaw the Board Chair succession process, which was successfully concluded in November 2024. A report from the Committee is on [page 77](#). The Board received briefings on the requested risk and training topics from both internal and external experts. These assisted with the Board's work on the development of the new 3x100 Strategy.

Corporate Governance Report continued

The Board and Committee meeting cadence was reviewed and refined to ensure the required oversight, business needs and regulatory expectations were continued to be addressed. The number of Board meetings in 2024 was reduced by one.

2024 performance review

An internally-facilitated performance review was undertaken for the Board and Board committees in respect of 2024. In line with the UK Corporate Governance Code, the Board conducts an externally-facilitated performance review every three years, and the next one will be due in 2025.

The Board evaluation and the evaluations of each Board Committee were very strong and indicated that they all were effective. For the Board, positive feedback was received on the process and engagement relating to the development and approval of the Group's new 3x100 Strategy, the level of confidence in the strategy and the Group CEO's ability to execute it, the support and information provided to the Board to perform its duties, and the coverage of talent and culture, including management succession planning. The leadership of the Board continued to be scored very highly. Comments were made on ensuring the optimal balance between financial performance and doing good for customers and other stakeholders, in pursuance of delivering the Company's purpose. Some Directors believed there was further scope to refine the cadence of governance meetings and optimise the use of Board time, Committee time and pre-briefings. The Board was comfortable overall with its current composition, but the ongoing need to provide effective oversight of the strategy indicated that greater representation of digital/technology, retail/consumer and healthcare skills and expertise would all be important factors in future Board recruitment.

Directors were also interested in receiving more training and briefings in the areas of healthcare technology, artificial intelligence and sustainability. Lastly, the evaluation was used as an additional means of gathering suggestions and advice for the new Chair, when he takes over in May, and the outputs were shared with him by the Senior Independent Director.

Areas for focus in 2025 were identified for the Board and each of its Committees and these can be found at the end of this report for the Board, and at the end of each respective Committee report that follows.

Audit, risk, and internal control

Risk management system

Bupa has a Risk Management Framework that follows the 'three lines' approach to risk, which is common in financial service organisations. It is intended to ensure appropriate governance is in place, risk appetite is set for key areas of business and risk, effective controls are in place to either eliminate or mitigate risk, controls are documented, and that there is adequate data capture and reporting to monitor the risks, risk management and controls and their effectiveness throughout the Group. Details on Bupa's key risks, risk profile, and how the risks are mitigated and managed are set out earlier in the Risk section of the Strategic Report on [pages 56 to 62](#). Board oversight and monitoring of the systems of internal control and risk management has been delegated to the Board's Audit and Risk Committees, respectively. Details of the purpose, remit, and performance of each of these Board Committees are included in their reports in this Governance section.

The Committees advise and make recommendations to the Board where Board approvals and decisions are required. This includes the annual review of the Group's systems of internal control and risk management that covers the Group's material controls including financial, operational and compliance.

Three Lines Model

First-line accountability

All of our people have first-line accountability to have awareness of the risks relevant to their role and work, and to manage them in accordance with our policies, the Bupa Code and relevant laws and regulations. This keeps us all safe, including our customers. The programme to develop a Group-wide Integrated Management System (IMS) to map and document Bupa's risks and processes continued through 2024 and is designed to enhance first-line accountability. The IMS is now embedded at different levels of maturity across the Group and work is continuing to enhance its coverage and completeness in all areas. All Bupa's people also receive mandatory training on key topics and role-specific training to ensure they have appropriate knowledge and awareness.

Second-line assurance – Risk

Second-line assurance is performed by the Risk Function, led by the Group CRO. The function operates across the Group and each Market Unit has its own chief risk officer. The Risk Function monitors risks and the application of the Risk Management Framework, operation of controls and adherence to the risk appetites in the first-line. It reports to an executive forum, the Bupa Enterprise Risk Committee (BERC), comprised of the Chief Executive's Committee (CEC) members.

The BERC also supports the Group CRO to perform his Group oversight role in respect of Bupa's UK regulated subsidiaries, required by the Senior Managers and Certification Regime (SMCR).

The Risk Function provide reports to the Board Risk Committee to enable its independent monitoring and oversight of risk management and risk management effectiveness, on behalf of the Board. These include a second-line view on the effectiveness of internal controls and the management of risks within appetite.

The Clinical Governance (CG) Function, led by the Chief Medical Officer (CMO) is responsible for establishing and overseeing Bupa's Clinical Governance framework. The CG Function works closely with the Risk Function to ensure that clinical risks are effectively reported, with the CMO also providing risk reporting to the Risk Committee and the Board. The CMO reports directly to the Group CEO.

Third-line assurance – Internal Audit

The third-line assurance is performed by the Group Internal Audit Function which operates globally and undertakes independent assurance on behalf of the Board and the Board Audit Committee. The Function is headed by the Group Chief Audit Officer, who is appointed by the Board Audit Committee. Group Internal Audit operates in line with: the Global Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF) (including all mandatory elements of the Global Internal Audit Standards, Topical Requirements, and Global Guidance); the UK Chartered IIA Internal Audit Code of Practice; other applicable legal and regulatory requirements; and the Function's policies and procedures. Its role, authority and independence are set out in the Group's Internal Audit Charter that is reviewed and approved annually by the Board Audit Committee.

Corporate Governance Report continued

Each year Group Internal Audit develops a risk-based assurance plan, taking account of the Group's key risks, business plans, regulatory requirements, and other relevant information. The plan contains both fixed and flexible assurance work. It is reviewed and approved by the Board Audit Committee and relevant subsidiary audit committees and is updated periodically as required. The internal audits are globally coordinated and/or typically performed by Market Unit or Business Unit internal audit teams, which are supported by global operations and analytics teams.

Internal audits typically provide an assessment of the effectiveness of risk management and internal control, including evaluation and testing of the design and effectiveness of key governance, management, and operational controls as appropriate.

Group Internal Audit reports findings from its work to management and agrees actions to address weaknesses or make improvements, which are management's responsibility to implement.

The Board Audit Committee and subsidiary audit and risk committees receive summary reports from the Group or Market Unit Chief Audit Officer on all of Group Internal Audit's work, including summary observations relating to the effectiveness of the Group's risk management and internal control framework.

Oversight and an annual review of the Group CAO and the Group Internal Audit Function's performance is performed by the Board Audit Committee. An external quality assessment is undertaken every five years in accordance with IIA International Standards, with the next external quality assessment due in 2027.

Details of the role of the Board Audit Committee, and its activities during 2024, can be found on [pages 81 to 85](#).

External Auditor

The Company has appointed PricewaterhouseCoopers LLP (PwC) as its External Auditor, to provide independent external assurance on the audited financial information in the Group's Annual Report Accounts as well as other review and limited assurance activities. The process for PwC's appointment (including the tender), reappointment, and removal has been delegated to the Board's Audit Committee.

It also approves the scope, terms, and fee for the External Auditor's work, and ensures PwC has the requisite internal procedures and controls, and resources, to perform effectively, independently, objectively and in accordance with the FRC's Revised Ethical Standard.

From time to time it may be appropriate for PwC to undertake work outside of the scope of the external audit. In order to ensure that PwC's objectivity and independence is preserved, the Group has a Non-Audit Services Policy that sets out the circumstances under which PwC can be engaged for non-audit services, employment restrictions and the applicable controls. Details of non-audit services and fees are monitored, and where required approved, by the Board Audit Committee during the year. The fees paid to PwC in 2024, are set out in Note 2.3.2 to the Financial Statements on [page 151](#).

The Group last tendered the audit in 2019 and PwC was selected and appointed with effect from 1 January 2021. Each year the external audit process, and the External Auditor, are assessed by the Board Audit Committee taking into account applicable UK professional and regulatory requirements.

It then makes a recommendation to the Board to consider whether PwC should be proposed for reappointment as the Group's External Auditor to the Association Members at the Annual General Meeting, and seeks authority from the Association Members for the Board to agree the External Auditor's remuneration. Details of its review and conclusions for 2024 can be found in the Board Audit Committee report on [page 84](#).

Remuneration and Risk

The Board has responsibility for setting and reviewing remuneration of all the Directors, and the remuneration policies and practices for executives and the wider employee population, to ensure these support the purpose, values and strategy of Bupa and its long-term sustainability and success.

No Director is involved in deciding their own remuneration outcome and the Board seeks to ensure that remuneration does not incentivise inappropriate risk-taking and is commensurate with roles and responsibilities.

The Board has delegated the activities of monitoring and overseeing remuneration arrangements, policies, practices, procedures and outcomes to its Board Remuneration Committee. Comprehensive reporting in accordance with the Code, legal and regulatory requirements and best practice on remuneration governance, on Bupa's arrangements, remuneration outcomes and the Board Remuneration Committee's activities during 2024, is set out in the Directors' Remuneration Report on [pages 90 to 113](#).

Corporate Governance Report continued

Board activities in 2024

Board and Committee meeting attendance 2024

Chair	Board		Audit Committee		Nomination & Governance Committee		Remuneration Committee		Risk Committee		Sustainability Committee	
	Roger Davis		Paul Evans		Roger Davis		Cath Keers		Simon Blair ¹		Prof. Melvin Samsom	
	Scheduled Meetings	Ad hoc Meetings	Scheduled Meetings	Ad hoc Meetings	Scheduled Meetings	Ad hoc Meetings	Scheduled Meetings	Ad hoc Meetings	Scheduled Meetings	Ad hoc Meetings	Scheduled Meetings	Ad hoc Meetings
No. of meetings	9	0	7²	0	3	1	6	1	5³	0	4	0
Roger Davis	9/9	-	-	-	3/3	1/1	5/6 ⁴	1/1	-	-	-	-
Iñaki Ereño	9/9	-	-	-	-	-	-	-	-	-	4/4	-
James Lenton	9/9	-	-	-	-	-	-	-	-	-	-	-
Gunjan Bhow ⁵	3/3 ⁶	-	-	-	-	-	-	-	1/1 ⁷	-	-	-
Simon Blair ⁸	9/9	-	6/6	-	-	-	4/4	1/1	5/5	-	-	-
Clare Bousfield ⁹	9/9	-	7/7	-	-	-	-	-	5/5	-	-	-
Sally Clark	9/9	-	6/7 ¹⁰	-	-	-	6/6	1/1	5/5	-	-	-
Paul Evans	9/9	-	7/7	-	3/3	1/1	-	-	4/5 ¹¹	-	-	-
Mike Hawker	9/9	-	7/7	-	-	-	6/6	1/1	-	-	4/4	-
Pia Heidenmark Cook	9/9	-	-	-	3/3	1/1	-	-	-	-	4/4	-
Cath Keers	9/9	-	-	-	2/3 ¹²	1/1	6/6	1/1	-	-	2/4 ¹³	-
Matias Rodriguez Inciarte	9/9	-	7/7	-	-	-	-	-	5/5	-	-	-
Prof Melvin Samsom	9/9	-	-	-	3/3	1/1	-	-	5/5	-	4/4	-

1. Simon Blair was appointed Chair of the Risk Committee from 1 April 2024. Paul Evans served as interim Risk Committee Chair from 1 November 2023 until 31 March 2024.

2. The seven scheduled meetings includes one scheduled joint Audit and Risk Committees meeting that was held at the end of Audit Committee meeting.

3. The five scheduled meetings includes one scheduled joint Audit and Risk Committees meeting that was held at the start of the Risk Committee meeting.

4. Roger Davis was unable to attend one scheduled meeting due to a prior commitment.

5. Gunjan Bhow retired as a Director on 10 May 2024.

6. Gunjan Bhow attended all three scheduled Board meetings up to the date he retired from the Board.

7. Gunjan Bhow attended the only Risk Committee meeting which took place during the year before his retirement from the Board.

8. Simon Blair was appointed to the Board on 25 January 2024 and the three Board Committees of which he is a member on 5 February 2024. He attended all meetings of the Board and the Board committees of which he is a member during his tenure.

9. Clare Bousfield was appointed to the Board and to two Board Committees on 25 January 2024.

10. Sally Clark was unable to attend a scheduled meeting due to a prior commitment.

11. Paul Evans was unable to attend a scheduled meeting due to a prior commitment.

12. Cath Keers was unable to attend a scheduled Nomination and Governance Committee meeting due to a prior commitment.

13. Cath Keers was unable to attend two scheduled Sustainability Committee meetings due to prior commitments.

During the year a number of Directors were unable to attend a particular meeting for the reasons set out in the footnotes to the Board and Committee meeting attendance above. The Directors provided their input via the chairs of the meetings so their views could be fed into discussions and taken into account.

Corporate Governance Report continued

Key activities in 2024

Strategy Oversight and Development Detailed on pages 6 to 16 .	<p>The Board continued to oversee management's progress on implementation and delivery of Bupa's 3x6 Strategy throughout 2024 and detailed updates on different pillars of the strategy were considered at each scheduled Board meeting. These covered progress on the key elements of the current strategy, including development of Blua and the Group's data and analytics capabilities, the execution of the sustainability strategy, the development of Connected Care in the UK and Australia (including potential acquisitions), progress on Cloud transformation and migration, and growth and development opportunities across the Market Units.</p> <p>In addition, together with the CEC, the Board developed the Group's strategy for 2025 onwards, the 3x100 Strategy. The Board considered the elements of the strategy at the majority of its meetings in 2024 and at its dedicated annual off-site strategy day. The Strategic Report gives more detail on the progress and delivery of Bupa's 3x6 Strategy during its final year, and of the new 3x100 Strategy in place from 2025 onwards.</p>
Oversight of Business Strategy and Performance Detailed on pages 6 to 24 .	<p>The Board received regular presentations and updates on strategy delivery, business performance, and portfolio management, from Group and Market Unit executives. Many of the Directors visited different parts of the Group during 2024, as set out earlier in this report on page 72, to engage with our people and other local stakeholders, and to visit and get a better understanding of local facilities, resources, business environments and markets.</p>
Horizon scanning	<p>During the year the Board considered briefings on the future of healthcare, focusing on artificial intelligence, early detection capabilities using genome sequencing, growing virtual and remote care, changes and innovations in drug development.</p>
Performance and Risk Performance detailed on pages 17 to 19 , and Risk Review detailed on pages 56 to 62 .	<p>In addition to the activities above, the Board scrutinised and made decisions on routine matters covered in the Group CEO's, CFO's, CRO's and Chief Legal Officer's reports to its meetings. These included financial, operational, procurement and risk management performance, financial, non-financial, environmental, and regulatory reporting and submissions; and legal and regulatory matters. The Board reviewed and/or approved enterprise risk policies and Global Standards, regulatory and financial reports and disclosures, the effectiveness of the systems of internal control and risk management, the Own Risk and Solvency Assessment (ORSA), the outcomes of stress testing, capital modelling, liquidity and capital risk management, the Group's draft recovery and resolutions plans, the half-yearly financial statements and the 2023 and 2024 Annual Report and Accounts.</p>
People and culture Detailed on pages 29 to 32 .	<p>The Board regularly discussed people matters and monitored culture, receiving reports from management and from the designated NEDs assigned to be responsible for Board-level workforce engagement in the Group's major territories, and reviewing the biannual People Pulse survey results, as well as received focused reports on executive succession, people development, Speak Up (whistleblowing), diversity and inclusion, wellbeing, and health and safety.</p>
Board committees Detailed in individual Committee reports, pages 77 to 96 .	<p>Following meetings of the Board's Audit, Nomination and Governance, Risk, Remuneration and Sustainability Committees, the Board received verbal reports from their respective chairs on matters discussed at each of their meetings, engagement with subsidiaries, issues of note, any points of escalation, and any recommendations for action or approvals.</p>
Acquisition of majority shareholding in Niva Bupa Detailed on page 53 .	<p>As disclosed in the 2023 Annual Report and covered in more detail in the Strategic Report, the Board considered matters relative to Niva Bupa throughout 2024. In particular, it considered the acquisition of a majority shareholding in Niva Bupa in India at the start of the year. It monitored the integration of Niva Bupa into the Group throughout the year, and considered, reviewed, and provided Group oversight over, the public listing of Niva Bupa's equity shares on the Indian stock exchanges in November 2024.</p>
Isapre Cruz Blanca Detailed on page 54 .	<p>As covered in more detail in the Strategic Report, the Board continued to closely monitor the impact of legal and regulatory developments in Chile throughout 2024 on the Group's subsidiary in Chile, Isapre Cruz Blanca relating to the methodology and implementation of the statutory risk factor table. It considered reports from the Board Audit Committee on the financial impact and external reporting implications of various potential resolution scenarios and reports from management and the Bupa Chile board. The Board considered the policyholder payments plan before its submission to the Chilean regulator, details of which are set out in the S.172(1) and Engagement Statement on page 54.</p>

Board focus for 2025

- Oversight of the implementation of the 3x100 Strategy
- Successful transition to the new Board Chair, and the ongoing refreshment of the Board
- Ensuring the optimal balance between financial and other objectives in the delivery of the Company's purpose and strategy
- Deep dives and briefings focused on healthcare technology, artificial intelligence and sustainability connected to the 3x100 Strategy and the new sustainability strategy
- Maintain the effectiveness and efficiency of the Board by optimising use of Board and Committee time and pre-briefings

Chair Selection Committee

Cath Keers
Chair Selection
Committee Chair



Committee purpose

The Committee was established by a resolution of the Board in September 2023 and met regularly until its recommendation to appoint Don Robert was approved by the Board in September 2024.

In line with best practice, although Roger Davis has been consulted at various points in the search and selection process, he has not played an active part in the search for his replacement.

Committee membership

The Chair of the Committee was Cath Keers, the SID, and the members were Iñaki Ereño, Mike Hawker, Pia Heidenmark Cook and Matias Rodriguez Inciarte.

Committee operation

The Committee routinely invited the Group Sustainability and People Officer and the Group Company Secretary, and consultants from Russell Reynolds Associates, to attend and report at all or part of its meetings.

Selection Process

The candidate profile was agreed by the Committee at its meeting in December 2023, following a consultation process run by the Committee Chair that included input from all members of the Board on the key attributes needed for the next Chair.

Three independent external search firms were invited to pitch for the Chair search. Following a competitive process, Russell Reynolds Associates was selected in January 2024. The firm has no connections to the Company or the Directors.

During February and March 2024, Russell Reynolds Associates met with all members of the Board individually to gain insight on the qualities needed.

Informed by the candidate profile agreed with the Committee and meetings between Russell Reynolds Associates and Board members, Russell Reynolds Associates resented a long list of about 20 potential candidates to the Committee. Following Committee feedback a revised list was prepared and considered. This meeting resulted in a shortlist of candidates for interview being identified.

Short-listed candidates were interviewed in May, June and early July. Additional interviews, and meetings with the Group CEO, then took place with the most promising short-listed candidates, for the purpose of selecting the final round of candidates and ensuring there could be a strong working relationship between the potential Chair and the Group CEO. Final round interviews were scheduled with the rest of the Board through August and September.

The Committee met in September after completion of the final round of interviews and receipt of personal references. The Committee was satisfied that a robust process had been undertaken and concluded that, following consideration of the feedback of all Board members, it did not need to consider further candidates, and recommended Mr Robert to the Board for approval.

The Board approved Mr Robert's appointment to the Board, subject to, and effective from the date of receipt of, his regulatory approval to perform the Board Chair role. The intention was that Mr Robert would be appointed initially as an ordinary NED while handover activities took place. Mr Robert would then assume the Chair role when Roger Davis retires in May 2025.

Considerations of the Committee

Skills and experience

Mr Robert is currently chair of London Stock Exchange Group plc. He has also served on the Court of Directors of the Bank of England and on the board of Compass Group plc. He previously served as CEO and then Chair of Experian plc. Before Experian, he worked in a number of financial services roles in the US. In addition to his strong experience, the Committee concluded Mr Robert possessed the other skills which the Committee was seeking in the next Chair.

Independence and conflicts of interest

Mr Robert was considered to meet the independence criteria set out in the UK Corporate Governance Code 2018 and no actual or potential conflicts were identified during the interview process, which was confirmed during the screening and regulatory application process.

Mr Robert satisfied the Committee he would have sufficient time for the role, and indicated that he would be stepping down from one of his other directorships: his role as Chair of Keywords Studios plc, from which he resigned in October 2024.

Timing of appointment to the Board

Mr Robert was appointed to the Board as a NED and Chair-elect on 27 February 2025, following receipt of the regulatory approvals.

Cath Keers

Chair Selection Committee Chair

Nomination & Governance Committee Report

Roger Davis
Nomination & Governance Committee Chair



Committee purpose

The purpose of the Committee is to lead the process for Board appointments and ensure there is orderly succession for Board roles. It also oversees the recruitment and appointment of Association Members and NEDs of the Company's major subsidiaries and monitors the Company's corporate governance arrangements. The Committee's full Terms of Reference are available on www.bupa.com/company/about-us/governance/board-committees

During 2024 the Committee did not lead on the Chair selection and nomination process, as detailed in the Corporate Governance Report. This was undertaken by a committee specially created for this purpose, the Chair Selection Committee, to recuse the Chair from leading his own succession and to enable the Group

CEO to be involved, given the importance of a good working relationship between the Group CEO and new Chair. A report on the process and the activities of that committee are set out before this report on 77.

Committee membership

The Committee currently comprises six members, the Board Chair and five independent NEDs, all of whom have the relevant skills and experience for the work of the Committee. All members served throughout the year and to the date of this report, except Don Robert who joined the Committee on 27 February 2025. The Board ensures there is cross-membership between the Committee and its other Board committees. This is important to ensure an integrated approach on governance and reporting. Details of each of the Committee members can be found in their biographies in the Board of Directors on [pages 65 to 67](#).

Committee operation

During 2024 the Committee met four times and discharged all of the duties delegated to it by the Board. Details of members' attendance at these meetings can be found on [page 75](#) in the Corporate Governance Report.

The Committee routinely invited the Group CEO and Group Chief Sustainability and People Officer to attend and report at all or part of its meetings.

Key activities in 2024

The Committee's key activities and considerations in 2024 and to the date of this Annual Report were:

Activities

Board composition and skills

Review of the composition, diversity, and skills of the Board.

[Pages 69 to 71 in the Corporate Governance report.](#)

Succession Planning

Ensure plans are in place for orderly succession of the Board.

[Page 72 in the Corporate Governance report.](#)

Committee considerations

The Committee has reviewed the memberships of the Board and its Committees to ensure they remained appropriate and that each Committee had members with the relevant skills and experience. This was aligned with the annual Board and Committee performance reviews.

As part of the composition and skills review, the Committee considered Board diversity and the skills and experience in the Board's skills matrix. This enabled the Committee to evaluate the current and future skills and experience needed, and identify any gaps to address when a

Director retired from the Board. It also enabled the Committee to keep under review the optimum size and composition of the Board overall.

Aligned to the setting of the new 3x100 Strategy, during the year the Committee refreshed the Board Skills matrix, reviewing and updating the skills and experience required, and the NEDs assessed themselves against the new metrics and criteria to ensure the Board had the required knowledge and attributes to oversee the execution of the 3x100 Strategy from 2025 onwards.

The Committee continued to spend time in 2024 focused on the Board's succession plan, in order to phase appointments and retirements and maintain stability and continuity. It considered this a priority for focus, given the number of NEDs nearing the end of their second term of office, and in particular, the tenure of the key roles of Board Chairman and Committee chairs.

A change in the tenure policy for NEDs in 2023 was made to permit up to three one-year terms after completion of the second three-year terms.

This will support phasing of the four NEDs whose second three-year terms expire between November 2024 and April 2025, to preserve Board stability and continuity. Accordingly, the Committee considered the succession and phasing of these NEDs during 2024 and up to the date of this report. It recommended the first of the three potential one-year extensions for Paul Evans and Matias Rodriguez Inciarte.

Following the search in 2023, the Committee recommended, and the Board approved, the appointment of Clare Bousfield and Simon Blair as Directors in January 2024.

Nomination & Governance Report continued

Key activities in 2024 continued

Activities

Board searches, selection and nominations

To identify and nominate candidates to fill board vacancies and execute succession planning, including specific role appointments, and make recommendations to the Board.

Committee considerations

The Committee appointed the independent external search firm, Russell Reynolds Associates, that has no connections to the Company or Directors, to search for potential Risk Committee Chair candidates in 2023. Through this search it also identified Clare Bousfield as a candidate whose skills and experience would be beneficial to the Board, and she was appointed to the Board in January 2024. Simon Blair received regulatory approval to become Board Risk Committee Chair in Q1 2024. Simon undertook a thorough induction programme and regulatory handover and assumed the role of Risk Committee Chair from Paul Evans (Interim Risk Committee Chair) at the start of April 2024.

The Board established a separate Chairman Selection Committee chaired by the SID, Cath Keers. That committee oversaw the search, reviewed the candidate specification and requested Russell Reynolds Associates pay close attention to diversity in accordance with the Board Diversity Policy.

The Committee continued to receive process and progress updates on the Board Chair search during the year.

Board performance reviews

Upon appointment, and annually, review the time required from NEDs, and their independence, and performance, and make recommendations to the Board regarding their continued appointment.

During 2024, the Committee routinely reviewed Board training and development, and the Conflicts of Interests register and policy.

It also assessed whether NEDs had sufficient time and capacity to fulfil their roles on the Board and that they had avoided any risk of over-boarding. It considered whether they remained independent in light of their external interests, any conflicts of interest and their tenure on the Board for the years-ended 31 December 2023 and 2024. In doing so it took into account reports compiled by the Group Company Secretarial team on the above, the outcome of any fit and proper reviews, biannual

NED confirmations and the individual performance reviews undertaken by the Chairman.

Following its reviews, the Committee recommended to the Board that all Directors were suitable for re-election and election, to the Board in 2024, which the Board agreed. All re-elections and elections were approved by the Association Members at the 2024 Annual General Meeting. The Committee also concluded its reviews and recommended to the Board that all Directors are eligible for re-election, and Don Robert for election, for proposal at the Annual General Meeting in May 2025, which the Board has agreed.

Association Members

Identify and nominate Association Members and oversee orderly succession.

Throughout 2024 the Committee has paid considerable focus to Association Member activities.

It has reviewed the contribution, skills, tenure and experience of the existing Association Members, and considered the management of retirements, as well as the range of engagement activities with the members.

During the year the Committee successfully expanded the membership, recruiting 10 new members who were predominantly recommended by existing members, who are independent of the Company. This included candidates from a more diverse range of backgrounds and with knowledge and experience of the Group's key markets. The Committee is grateful for the support of the existing members in recruiting new members.

Governance developments and standards

Monitor corporate governance developments and the Company's arrangements and compliance with the Code.

The Committee received updates on Code compliance, narrative reporting on governance in the Annual Report (including this report), and other corporate governance issues for the 2023 and 2024 Annual Report and Accounts in 2024 and up to the date of this report.

Alongside the Audit Committee, the Committee has had briefings on the

FRC's UK Corporate Governance Code 2024 and considered the changes effective in the 2025 and 2026 financial years and their respective impacts, and how Bupa will address these. It also monitored the broader UK corporate governance and audit reforms until they were put on hold ahead of the UK general election in May 2024.

Nomination & Governance Report continued

Subsidiary oversight and engagement

The Committee has oversight responsibility for subsidiary governance arrangements and the Group's Subsidiary Governance Policy, which is reviewed biennially. During the year it received a report on governance from the CEO of the APAC Market Unit and the Chair of the Bupa ANZ board, the subsidiary board which oversees the Group's activities in Australia and New Zealand. It also reviewed subsidiaries' NED tenure and succession plans, and the board evaluations of the major insurance subsidiaries in the UK, Australia, and Spain.

Liaison with other Board Committees

As covered above in its activities during 2024 and to-date, the Committee has continued to work closely with other Board committees, leveraging the benefit of members' cross-Committee memberships to assist with succession planning, the appointment of the Risk Committee Chair, and the monitoring and consideration of the 2024 UK Corporate Governance Code published in January 2024, as detailed above.

Committee effectiveness review

The Committee undertook an internally-facilitated review of its effectiveness at the end of 2024. The results confirmed that the Committee continued to perform strongly and operate effectively, with strong results across its role and operations, composition, leadership, and processes and procedures. The Committee considered how it could further improve its effectiveness in 2025. It also reviewed its Terms of Reference to ensure they remained appropriate and up-to-date for 2025, including the relevant changes arising from the 2024 Code, and confirmed that it had fully discharged its duties in 2024.

The Committee reviewed progress on its focus areas for 2024 identified through its 2023 internally-facilitated Committee performance review. It was satisfied with the state of the Board's succession planning, given the prospective appointment of the new Chair and the operation of the updated policy on NED tenure to enable orderly succession. The revised Board skills matrix was approved and reflected the skills, knowledge and experience needed on the Board for the future.

Focus for 2025

The priorities and continued areas of focus for the Committee in 2025, including those identified from the 2024 internal effectiveness review process, are:

- **Board and Committee Composition and Succession** - the NED pipeline and succession.
- **NED search and selection process** - make enhancements from recent searches to make future processes more efficient.
- **NED skills and capacity** - ensure the range of skills on the Board remains reflective of the skills required of the Board for the next stage of the Group's strategy.
- **Chair Onboarding** - support the induction and onboarding of Don Robert as he joins the Board and becomes Board Chair.

Roger Davis

Nomination & Governance Committee Chair

Audit Committee Report

Paul Evans
Audit Committee
Chair



Committee purpose

The purpose of the Committee is to monitor the integrity of the Company's and Bupa Finance plc's financial statements and external announcements regarding financial performance, regulatory returns, GHG reporting, the effectiveness of the Group's internal financial control system, and the effectiveness, performance, independence and objectivity of internal audit and the External Auditor. The Committee's full Terms of Reference are available on www.bupa.com/about-us/governance.

Committee Membership

The Committee currently comprises six independent NEDs, all of whom are considered to have recent and relevant financial experience gained through their executive and non-executive careers, including two chartered accountants.

At the beginning of 2024 the Committee comprised four independent NEDs until the appointment of Clare Bousfield as a member of the Committee on 25 January 2024 and Simon Blair as a member of the Committee on 5 February 2024.

The Board ensures there is cross-membership between the Committee and its other Board committees to ensure an integrated approach on internal controls and risk management, non-financial reporting and assurance, quality of earnings and control issues when setting targets and assessing remuneration outcomes, and sustainability and ESG disclosures. Details of Committee members can be found with their biographies in Board of Directors on [pages 65 to 67](#).

Committee operation

During 2024 the Committee met seven times, which included a joint meeting with the Board's Risk Committee. It discharged all of the duties delegated to it by the Board. Details of meeting attendance can be found on [page 75](#) in the Corporate Governance Report.

The Committee routinely invited the Group CEO, Group CFO, Group Chief Audit Officer, Group Chief Risk Officer, Group Chief Actuary, Group Performance and Finance Transformation Director, Director of Group Financial and Regulatory Reporting, and the External Auditor, PwC, to attend and report at meetings. Other management or advisers are invited on an ad hoc, subject-specific basis. It also met privately with the External Auditor, Group Chief Audit Officer and the Group Chief Actuary, individually and without management present.

Key activities in 2024

The Committee's key activities and considerations in 2024 and to the date of this Annual Report were:

Activities

Accounting judgements and estimates

The Committee is responsible for reviewing application of significant accounting policies, accounting methodology, and adoption of appropriate accounting standards and policies for estimates and judgements and significant or unusual transactions, and disclosures.

For more information see Note 1.3 of the Financial statements on pages 137 to 138.

Committee considerations

The Committee critically reviewed and challenged management's key accounting judgements and estimates during 2024 and to the date of signing of this Annual Report. It also considered the External Auditor's views and reports.

Areas of particular focus included reviews of:

- asset impairment assessments and conclusions on the need for impairments, and the External Auditor's view of management's assessments.
- property revaluations and the External Auditor's view on the valuations and appropriateness of disclosures.
- insurance reserving including the level of IFRS insurance reserves, the Group Chief Actuary's view, compliance with Bupa's Claims Reserving and Liability Adequacy Standards, the decision to discount reserves in Türkiye, loss components, and the External Auditor's reporting on insurance reserves.
- the Group's tax position.
- management's assessments and conclusions regarding provisions, and in particular the reporting and approach to the Isapre Cruz Blanca exposure in Chile as the legal and regulatory position evolved through 2024 (described in detail in Notes 19 and 20 to the Financial Statements). The Committee scrutinised management's assessment of the potential impact and outcomes, and the External Auditor's views.
- management's assessments and approach to Niva Bupa accounting and its accounting issues and judgements, including the Group accounting on acquisition of the majority holding, goodwill impairment testing and the impact of the IPO. More detail on these are set out in Notes 3 and 23 to the Financial Statements.
- the assumptions in the pension valuation performed by the independent scheme actuary and the External Auditor's benchmarking assessment on the assumptions used.

Audit Committee Report continued

Key activities in 2024 continued

Activities

Financial, non-financial and sustainability reporting

The Committee supports the Board by reviewing the financial statements, preliminary announcements and other announcements of the Company and Bupa Finance plc, including the financial performance and narrative reporting and disclosures, in the annual and half-year reports and accounts, regulatory reports and GHG reporting, to ensure they are true, fair, balanced and understandable, and provide the information necessary for each company's stakeholders to assess their position, performance, business model and strategy.

For more information, see the Directors Responsibility statement on page 116.

Going concern and longer-term viability

The Committee reviews the assessment of going concern and the long-term viability of the Company in relation to the financial statements and any significant considerations and material uncertainties that have informed the assessment, to inform the Board when making its statements.

For more information, see statements on going concern and long-term viability in the Report of Directors on page 115.

Committee considerations

The Committee reviewed the Annual Report and Accounts and half year results. It received reports and assurance from management regarding the completeness and appropriateness of disclosure and the financial reporting controls process underpinning their preparation, and reports from the External Auditor. In undertaking its review, it assessed in particular:

- the consistency of narrative reporting with the financial statements, including the key judgements and significant issues covered above (in particular the reporting and disclosures regarding Niva Bupa and Isapre Cruz Blanca), and that all applicable accounting standards and legal and regulatory requirements had been met.
- the statutory and alternative performance measures to ensure they reflected relevant business performance measures and were appropriately disclosed.

In arriving at the reported position in the half year report and in this Annual Report and Accounts, the Committee critically reviewed and challenged management's assessment, including the following:

- matters identified as significant and any material uncertainties.
- analysis of the Group's base plan and forecasted impact on Bupa's solvency, liquidity, borrowings, and profitability, as well as contingent liabilities, guarantees and commitments.
- outcomes from local and Group-wide stress test scenarios, including the Group 'reverse stress test'.

- the clarity and articulation of Bupa's business model and strategy, stakeholders and its strategic progress.
- the appropriateness of the detail, presentation and language of the Annual Report and Accounts.

It also reviewed and recommended to the Board for approval:

- the content and disclosures for GHG emissions reporting, management's accounting and the internal and external assurance; and
- the Company's regulatory reporting: Solvency and Financial Condition Report, Annual Quantitative Reporting Template, and Regular Supervisory Report.

- the completeness and appropriateness of going concern and longer-term viability disclosures.

It received regular management updates and papers on implementation activities, key application judgements and analysis to support its understanding of the prior period restatements.

Audit Committee Report continued

Key activities in 2024 continued

Activities

Internal Controls

The Committee reviews the Group's internal financial controls systems that identify, assess, manage, and monitor financial risks, and other internal control and risk management systems. For information on internal and risk management systems, see the Risk Report on pages 56 to 57, the Corporate Governance Report on pages 73 to 74, and the Report of the Directors on pages 114.

Legal and regulatory developments

The Committee keeps abreast of developments in applicable accounting standards, and legal and regulatory requirements that impact areas under its remit.

Committee considerations

During the year the Committee reviewed:

- the Group financial and non-financial reporting controls.
- Group policies on financial controls and reporting, and Solvency II.
- Financial Crime (including fraud and bribery) and Speak Up controls and effectiveness.
- Non-Audit Services reviews, approvals and policy.
- management's application of accounting policies and methodologies.
- management control effectiveness assessments performed to support IFRS financial statements, results and disclosures.
- External Auditor reports.
- internal and external limited assurance on sustainability and ESG disclosures.
- together with the Risk Committee, the Group's integrated assurance report in respect of the effectiveness of Bupa's systems of internal control and risk management, and the Group Chief Audit Officer's opinion.

The Committee continued to closely monitor relevant developments throughout 2024:

- it received regular management updates on the reforms to UK audit and corporate governance (UK Corporate Reform) including the impact of the FRC's new 2024 Code. It reviewed management's assessment and proposed approach to the changes that would come into effect for accounting periods beginning on or after, 1 January 2025, but primarily focused on the changes from 1 January 2026, to provide a Board attestation on the effectiveness of material internal controls and to disclose any material controls not operating effectively;

- the Company's annual statement on the effectiveness of the internal control and risk management systems, taking into account input from the Board's Risk Committee. The Committee concluded that Bupa has maintained, overall, sound risk management systems and internal control during 2024, underpinned by the established three lines model, with some weaknesses that are being addressed by management and monitored by this Committee and the Risk Committee. See statement in the Report of Directors on [page 114](#).
- On behalf of the Board, it received the Actuarial Function Report and reviewed the recommendations of the Group Chief Actuary.

It also reviewed and considered ad hoc matters, such as management reports on: the Finance Transformation Programme; and the Actuarial Transformation Programme.

- it reviewed the requirements, implementation dates and the impact to Group entities and the Group from the global standards on sustainability disclosures published by the International Sustainability Standards Board (ISSB) and the European Union's Corporate Sustainability Reporting Directive (CSRD).

The Committee was also kept informed on the ongoing prudential regulatory reporting developments relating to International Capital Standards and the changes to reporting requirements related to the transition of Solvency II into UK prudential requirements.

Audit Committee Report continued

Key activities in 2024 continued

Activities

Internal Audit

The Committee reviews and approves the role and mandate of internal audit and the Group Chief Audit Officer to ensure they are unrestricted and have the necessary resources, skills, experience, and information to fulfil their mandate, and reviews their performance and effectiveness.

For more information on the role of internal audit, see the Corporate Governance Report on pages 73 to 74.

External Audit

The Committee recommends the appointment of the External Auditor, reviews its fees, terms of engagement and External Audit Plan, considers its findings, and reviews its performance and effectiveness.

For more information on the role of the External Auditor, see the Corporate Governance Report on page 74.

Committee considerations

During 2024, the Committee:

- reviewed and approved the role and mandate of internal audit, the Group Internal Audit Charter, and the annual Internal Audit Plan and budget to ensure the activities are aligned to the key risks of the business.
 - reviewed regular reports from the Group Chief Audit Officer on activities, progress against the Internal Audit plan, key findings from internal audits and the progress of actions to address any issues found.
 - met privately, without management present, with the Group Chief Audit Officer, in addition to regular meetings between the Committee Chair and Group Chief Audit Officer.
 - assessed the performance and effectiveness of the internal audit function to determine the quality, expertise and experience were appropriate for the business.
- The Committee:
- reviewed and approved the scope, terms, fees, and plan for the Group external audit and the limited assurance on the GHG emissions report.
 - reviewed External Auditor reports and considered its views, findings, and recommendations throughout the year.
 - reviewed the non-audit services policy and approvals for non-audit services provided by the External Auditor (see Note 2.3.2 of the Financial Statements on [page 151](#) for audit and non-audit fees).
 - assessed the performance of the External Auditor, including its independence, objectivity, expertise, and effectiveness, and confirmed it had complied with the FRC's Ethical Standard for Auditors.
 - began to consider the impact of the five-year mandatory rotation of external audit partners at Group and subsidiaries, as PwC were appointed the external auditor in 2021, and how this could be phased to effectively manage and minimise risk and disruption to the audit.
 - met privately with the External Auditor, without management present, in addition to regular meetings between the Committee Chair and Group audit partner, to ensure it had the opportunity to raise any concerns.
 - recommended to the Board that approval for the reappointment of PwC as the External Auditor should be sought from Association Members at the 2025 Annual General Meeting.

Audit Committee Report continued

Subsidiary oversight and engagement

Throughout 2024 the Committee received reports from subsidiary audit committees and minutes of their meetings. Each chair of a subsidiary audit committee and the respective internal audit officer also attended one of the Committee's meetings. The Committee Chair also met with subsidiary internal audit officers, attended a meeting of each subsidiary audit committee, and provided a report back to the Committee. The Committee valued these interactions and considered them highly effective to provide it with regular, and deeper, insight on matters around the Group and gave it additional context on material issues, such as the Isapre Cruz Blanca situation where it had the opportunity to discuss the perspective of the Chile Audit Committee on the impact of the changes flowing from the regulatory and judicial actions. The Committee also valued the insight from the subsidiary's internal audit team in addition to management and External Auditor views.

Liaison with other Board Committees

The Committee continued to work closely with all of the other Board committees through the year, and had cross-memberships with all of them. During 2024 it worked with the Board Risk Committee on risk-related disclosures in the Annual Report and Accounts and with the Board Remuneration Committee on the setting of financial performance targets and assessing remuneration outcomes. It also worked with the Board Sustainability Committee in relation to the internal and external assurance on sustainability and ESG disclosures, including in particular the Bupa GHG Emissions Report for the year ended 31 December 2023.

Committee effectiveness review

The Committee undertook an internally-facilitated review of its effectiveness in 2024. The results confirmed that the Committee continued to operate effectively, with positive comments received about its role and operations, composition, leadership, and processes and procedures.

Members considered the priority areas for focus in 2025, which broadly aligned with those in 2024.

It also reviewed its Terms of Reference to ensure they remained appropriate and up-to-date, and aligned with the 2024 Code changes effective 1 January 2025, and confirmed that all of its duties had been fully discharged in 2024.

The Committee reviewed its progress against the focus areas for 2024 that had been identified in the internally-facilitated Committee performance review for 2023. It was satisfied that throughout 2024 it had sufficiently considered internal control assessment and reporting changes arising from the FRC's changes to the Code in January 2024, and enhancements to documentation and testing on internal financial controls. It had also received an increased level of information on the controls over non-financial data and narrative reporting. It was satisfied it had addressed Committee composition and succession planning, and that new members had been well supported and inducted to the Committee.

Focus for 2025

Areas for Committee focus in 2025, including those identified from the 2024 internal performance review process, are:

- Continue its focus on the Group's preparations for the UK Corporate Reform and other Group external reporting changes, including the Board attestation on internal controls for the financial year-end 2026 under the 2024 Code.
- On internal controls, the simplification, documentation and testing of the Group's key controls.
- The phased rotation of the Group's (lead and subsidiary) external audit engagement partners.

Paul Evans

Audit Committee Chair

Risk Committee Report

Simon Blair
Risk Committee
Chair



Committee purpose

The purpose of the Committee is to provide oversight of the principal and emerging risks for the Group and of its risk management systems. The Committee's full Terms of Reference are available on www.bupa.com/company/about-us/governance/board-committees.

Committee Membership

The Committee currently comprises six independent NEDs, with relevant experience gained through their executive and non-executive careers. Clare Bousfield was appointed as a member on 25 January 2024 and Simon Blair was reappointed a member on 5 February 2024 after he rejoined the Board. Gunjan Bhow ceased to be a member when he retired from the Board in May 2024.

Following a thorough induction, onboarding and regulatory handover process with the Interim Risk Committee Chair, Paul Evans, Simon Blair was reappointed Risk Committee Chair effective 1 April 2024. Simon previously performed the role of Committee Chair in 2018 during his prior tenure on the Board. The Committee is grateful to Paul for stepping in as Chair on an interim basis between November 2023 and March 2024.

As noted in other committee reports, the Board ensures there is cross-membership between the Committee and other Board committees to ensure an integrated approach and understanding of Bupa's risks and risk management. Detail on the members of the Committee can be found in Board of Directors on [pages 65 to 67](#).

Committee operation

During 2024 the Committee met five times including meeting jointly with the Audit Committee at the start of one of its meetings. Details on meetings and attendance can be found on [page 75](#) in the Corporate Governance Report. The Committee routinely invited the Group CEO, Group CFO, Group CAO, Group CRO, Group Chief Medical Officer, and the External Auditor, PwC, to attend and report at meetings. Other management or advisers are invited on an ad hoc, subject-specific basis. The Committee met privately with the Group CRO at the end of its meetings.

Key activities in 2024

The Committee's key activities and considerations in 2024 and to the date of this Annual Report, were:

Activities

Risk appetite, tolerance, and strategy

Review Bupa's risk appetite, tolerance and strategy, market conditions and its principal and emerging risks.

For more information, see Risk Review on pages 56 to 62.

Risk assessments

Review stress testing performed by management and mitigating actions.

For more information, see Risk Review on page 56.

Strategic risks

Review and advise the Board on any risk considerations in relation to proposed strategic actions/activities.

Committee considerations

During the year, the Committee reviewed and challenged the Group risk appetites and statements. It also reviewed the systems of risk management, including the Group Risk Management Framework and statements of Group Systems of Governance and the validation of their operation, and Group enterprise risk policies.

It reviewed and approved updates to certain enterprise risk policies specified by the Board. Following its consideration it

The Committee critically reviewed and challenged the Own Risk and Solvency Assessment (ORSA) and its components, including:

- worldwide and local scenarios proposed for stress testing.
- outcomes for the selected scenarios.
- reverse stress test and climate change stress testing outcomes.
- liquidity stress testing.

The Risk Committee's terms of reference require it to consider management propositions regarding new business activities or projects, commencing activity in a new jurisdiction, material offshoring, material corporate activities and any material changes in

recommended the policies to the Board for approval, where Board approval is needed in line with the policy approval framework.

The Committee also took part in a briefing on Bupa's recovery and resolutions plans and governance and development of the Group Economic Capital Model. The revised draft plans for recovery and resolution were considered by the Committee and recommended to the Board for approval.

- the economic capital model assessments, second-line validation, and the calibration review.
- the Group Specific Parameter (GSP) annual recalculation review and second line validation.
- the ORSA assumptions and text of the 2025 ORSA report.

financial mitigation or changes to strategy, in order to consider any strategic risks. Matters it considered included a proposed new line of business in Spain, and establishment of new entities in Kenya and Poland.

Risk Committee Report continued

Key activities in 2024 continued

Activities	Committee considerations	
<p>Risk management Oversee the Group's risk profile and assess the performance and effectiveness of its risk management, and its culture.</p> <p>For more information see Risk report on pages 58 to 62.</p>	<p>At each meeting, the Committee received a comprehensive report from the Group CRO that included updates on Bupa's risk profile and risk performance, the macro-economic and geopolitical environment, legal and regulatory risk, updates on the Group's principal and emerging risks, changes in the Group's risk environment, adherence to risk appetite statements, and operation of the risk system (including SAI360 and progress on implementation of IMS) and updates on actions arising from the Group's 2023 Periodic Summary Meeting (PSM) letter from the PRA and reviewed submissions to the PRA responding to the PSM actions and where appropriate recommended them to the Board.</p> <p>At each meeting the Committee considered information security risk and progress on the programme to enhance IS and operational resilience risk. It also received updates on clinical governance from the Chief Medical Officer.</p> <p>During the year, the Committee also reviewed and debated reports and deep dives on specific risks, including: Strategic and emerging</p>	<p>risks, Strategic Technology risk, the new Group Economic Capital Model, Insurance Capital Standards results and emerging capital regimes, and the Niva Bupa risk profile.</p> <p>It received and reviewed the Group Investment Review, its strategy and risk appetite.</p> <p>The Committee also reviewed the annual updates on tax risk, people risk, privacy risk and policy, regulatory compliance and conduct risk, ESG risk, risk measures affecting executive remuneration policy and remuneration outcomes for 2024, and actions in respect of the 2024 PSM letter from the PRA received at the end of the year.</p> <p>In its annual joint meeting with the Audit Committee in February 2024 and 2025, it scrutinised management's integrated assurance report, containing the view of the first, second and third lines of defence, related to the effectiveness of the Group's internal controls and risk management systems.</p>
<p>Risk Function and Group CRO Oversee the independence and resources of the Group CRO and Risk function, and assess their performance.</p>	<p>During the year the Committee reviewed the second-line risk and compliance plan and discussed the regulatory relationships, and the Periodic Summary Meeting and Firm Evaluation Letters.</p> <p>In the private meetings between the Committee and Group CRO, it considered the independence, remit, resources and performance of the Risk and Compliance Function.</p>	<p>Without the Group CRO present, it considered the independence and performance of the Group CRO and the scorecard and objectives for the following year.</p>

Subsidiary oversight and engagement

In 2024 subsidiary risk committees submitted reports and minutes of their meetings to the Committee, and the chair of each subsidiary risk committee and the respective subsidiary chief risk officer attended one of the Committee's meetings. Paul Evans (whilst he was performing the role) and Simon Blair (once he took on the role) attended meetings of each subsidiary risk committee and reported back to Committee members at the following meeting. The Committee valued these interactions and considered them effective for keeping up-to-date with current and emerging risks and topical issues around the Group.

Liaison with other Board Committees

The Committee continued to work closely with the Board Audit Committee on risk-related matters and disclosures in the Annual Report. In respect of the Board Remuneration Committee, it met privately with the Performance and Reward Director and Group CRO to receive an update on risk and reward, and the Committee, via its Chair, provided input to ensure risk is considered in performance objectives and weightings that promote ethical behaviour aligned with risk appetite and conduct expectations and on 2024 risk performance to be considered in the remuneration decisions and awards.

Committee effectiveness review

The Committee undertook an internally-facilitated review of its effectiveness for 2024. The results confirmed the Committee had continued to perform strongly and is effective. It was noted the Committee had sufficiently focused on its priority areas in 2024 in its meetings throughout the year.

The Committee discussed areas that could drive further improvement, including feedback to management on ways to enhance the reporting to the Committee, and balance the agenda to facilitate the key risk areas for focus in 2025.

Focus for 2025

The areas of focus for 2025, including those identified from the 2024 internal review process, are:

- Maintaining focus on key risks including cyber and information security risk, operational resilience (including third party risk) and clinical governance culture.
- Keep abreast of emerging risks to the Group.
- Evaluate risks related to the new 3x100 Strategy, including the expansion of Connected Care across the Market Units.

Simon Blair
Risk Committee Chair

Board Sustainability Committee Report

Melvin Samsom
Board Sustainability
Committee
Chair



Committee purpose

The purpose of the Committee is to support and advise the Board on its sustainability strategy, and provide oversight and monitoring of sustainability initiatives, in line with Bupa's purpose and values and the sustainability strategy, including disclosures and reporting on ESG matters. The Committee's full Terms of Reference are available on www.bupa.com/companyabout-us/governance/board-committees.

Details of the sustainability strategy and its progress can be found in the Sustainability and ESG report in Strategic Report, [pages 35 to 44](#).

Committee Membership

The Committee currently comprises five members, four independent NEDs and the Group CEO, all of whom are considered to have relevant skills and experience. The Board ensures there is cross-membership between the Committee and other Board committees to ensure a combined review of on sustainability and ESG reporting and consideration when setting remuneration policy and determining remuneration outcomes. Detail of the members of the Committee can be found on [pages 65 to 67](#) in Board of Directors.

Committee operation

During 2024 the Committee met four times and discharged all the duties delegated to it by the Board. Details of meeting attendance can be found on [page 75](#) in the Corporate Governance Report. The Committee routinely invited the Group CFO and Group Chief Sustainability and People Officer to attend and report at meetings, and other management or advisers on an ad hoc, subject-specific basis.

Key activities in 2024

The Committee's key activities and considerations during 2024 and to-date, were:

Activities

Sustainability Strategy

Oversee execution and consider any proposed changes, to the strategy and review progress, compliance, and the effectiveness of sustainability and ESG risk management.

For more information on sustainability, see Sustainability and ESG on pages 35 to 36.

Committee considerations

During 2024, the Committee continued to focus heavily on the implementation of the sustainability strategy and its link into the broader Bupa 3x6 Strategy. This included considering the progress made on the three Mission pillars of the current sustainability strategy, Missions Zero, Accelerate and Regenerate

It considered updates from management on decarbonisation initiatives, the utilisation of the Group Investment Fund for sustainability initiatives, and the longer-term carbon reduction strategy.

The Committee received and monitored updates on progress across the Market Units on the three Mission pillars of the strategy at each meeting.

It considered its training needs, was regularly briefed on the eco-Disruptive programme, and received quarterly updates on the Group's Scopes 1, and 2, and specific scope 3 greenhouse gas

emissions. Following the acquisition of a controlling interest in Niva Bupa in January 2024 and the resulting consolidation into the Group's corporate footprint in India, the Committee considered its impact on the overall Group emissions and ways to mitigate them and reviewed progress through 2024 and kept the Board updated.

During 2024 it reviewed the development of the 3x100 Strategy and considered management's proposals for a revised sustainability strategy intended to align with the wider, new 3x100 Strategy. The Committee reviewed and provided feedback on the proposed new sustainability strategy ahead of its consideration by the Board in early 2025.

The Committee also considered and approved changes to the Sustainable Investment Framework in 2024, refreshing Bupa's approach to sustainable investing.

Board Sustainability Committee Report continued

Key activities in 2024 continued

Activities

Community and Partnerships

Oversee and assess Bupa's overall contribution to, and impact on, our communities.

For more information see Sustainability and ESG on pages 40 to 45.

Governance and Disclosures

Review and endorse external reporting on sustainability and ESG matters.

Developments and trends

Consider relevant emerging issues and external developments and their impact on Bupa and make any recommendations to the Board

Committee considerations

The Committee closely monitored Bupa's commitment to having a positive impact on its stakeholders, and in particular the communities we operate in, our people and our partnerships. It received reports on community activities and was updated at each meeting on progress and the impact of the initiatives, in particular the Healthy Cities programme, as well as support for community-focused environmental projects around the world (see [pages 43 to 44](#)).

It received and considered management's updates on Bupa's partnerships and coalitions that the Group participates in. It was

briefed on the ongoing collaboration with The Norman Foster Foundation to develop new research on climate and health in cities, and on the Sustainable Markets Initiative related to health and wellbeing. It also received an update on the 2024 Community Investment data and the work of the Bupa Foundations in the Group's key markets.

Throughout the year the Committee received updates on the Healthy Cities programme, which expanded to more countries and participants.

The Committee reviewed the Enterprise Sustainability Policy and recommended it to the Board for approval. Alongside the Board Audit Committee, the Committee considered the disclosures on sustainability, climate and ESG disclosures in the Annual Report and

Accounts, as well as the Group's greenhouse gas emissions report for the year ended 31 December 2023, including the limited assurance over that report provided by the External Auditor, PwC.

The Committee was kept abreast on topical issues and emerging developments by management, including receiving a briefing on COP29 and on management's participation in New York Climate Week 2024.

It also reviewed and update on scope 3 greenhouse gas emissions and considered the footprint for 2022 and updates to Bupa's scope 3

methodology. It received updates on the EU Directive, CSRD that would apply to Bupa's EU-incorporated subsidiaries from the 2024 financial year onwards, and the Group as a whole from 2028, to understand its impact and monitor progress of preparations and assessments. It also considered the ISSB's sustainability standards that would apply to ANZ. It liaised with the Audit Committee on both CSRD and ISSB.

Subsidiary oversight and engagement

The Committee made progress on its oversight and engagement with the boards of its subsidiaries on sustainability and ESG. NEDs from the Group's operations in the UK, Australia and Spain have participated in one of the Committee's meetings over the last 12 months, along with the members of the local management teams with responsibility for sustainability. They each shared insights on the areas of focus within their Market Unit. The Committee now has an established programme of inviting a NED from each of its Market Units to its meetings once a year.

Liaison with other Board Committees

The Committee worked with other Board committees and leveraged the benefit of its members' cross-memberships. It liaised with the Board Audit Committee on external

reporting and disclosures, as disclosed above. It also liaised with the Board Remuneration Committee on sustainability and ESG matters, in the context of the remuneration policy and remuneration outcomes. The Committee Chair also attended a meeting of the Audit Committee during the year to understand better management's process for collating and reporting information for CSRD in the EU.

Committee effectiveness review

The Committee undertook an internally-facilitated review of its effectiveness for 2024. It scored highly in all areas of its role and operations, composition, leadership, and processes and procedures. It was concluded the Committee continued to perform well and effectively.

It reviewed progress against the focus areas for 2024 identified through the 2023

internally-facilitated Committee effectiveness review: evolution of the sustainability Strategy to remain relevant to the business and business model; enhance the quality of the emissions reduction data and other MI presented to the Committee; and undertaken knowledge-development sessions on the sustainability landscape and ESG developments. The Committee was comfortable it had sufficiently covered these areas during 2024.

Focus for 2025

The areas of focus for 2025, including those identified from the 2024 internal review process, are:

- The refreshment of the new Group sustainability strategy and its implementation during 2025, ensuring that the strategy is sufficiently ambitious and

that the targets are measurable and achievable.

- Monitor the external landscape and developments and expectations relating to sustainability, participating in additional knowledge-development sessions as appropriate.
- Given the increasing scale and importance of external reporting on sustainability issues, enhancing its work with the Audit Committee to ensure the Committee's work on sustainability strategy, and the Audit Committee's focus on reporting and assurance, are fully aligned to the fast-changing landscape.

Professor Melvin Samsom

Board Sustainability Committee Chair

Directors' Remuneration Report

Part 1: Committee Chair's letter

Cath Keers
Remuneration
Committee Chair



Dear Association Members

Dear Association Members, on behalf of the Board and the Remuneration Committee, I am pleased to present the Directors' Remuneration Report for the 2024 financial year.

Following the Chair's Letter, you will find Remuneration At a Glance, the Annual Report on Remuneration and the Directors' Remuneration Policy.

Committee purpose

The purpose of the Committee is to determine the remuneration policy for the Executive Directors, set the remuneration for the Bupa Board Chair, its Executives and Designated Individuals (DIs), review workforce remuneration and related policies, and review the alignment of incentives and rewards with culture. The Committee's full Terms of Reference are available on bupa.com.

Committee membership

The Committee currently comprises five members: the Senior Independent Director (Committee Chair) and four independent NEDs, all of whom have the relevant skills and experience for the work of the Committee. All members served throughout the year and to the date of this report, with the exception of Simon Blair who was appointed on 5 February 2024. As noted in other Committee reports, the Board ensures there is cross-membership between the Committee and its other Board committees. This is important to ensure an integrated approach to risk and reward, inputs into and analysis of metrics, and the performance and reporting of remuneration outcomes. Details of the members of the Committee can be found on [pages 65 - 67](#).

Committee operation

During 2024, the Committee met seven times and discharged all of the duties delegated to it by the Board. Members' attendance at meetings can be found on [page 75](#) in the Corporate Governance Report. The Committee routinely invited the Group CEO, Group CFO, Group Chief Sustainability and People Officer and the Performance and Reward Director to attend and report at all or part of its meetings. The Chair of the Risk Committee is already a member of the Remuneration Committee, in addition, the Chairs of the Audit Committee and Sustainability Committee are invited to attend annually to provide input on incentive outcomes. It also invited its independent remuneration adviser, Deloitte, to attend relevant meetings and provide advice and briefings on corporate governance matters.

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Key activities in 2024

The Committee's key activities and considerations during 2024 and to the date of signing this Annual Report were:

Activities

Incentive outcomes

To monitor and determine if performance targets have been satisfied and approve the total annual payments under incentive schemes and plans and to exercise the discretion specified in the rules of the incentives and oversee incentive administration.

See pages 98 to 101 of the Directors' Remuneration Report for the incentive outcomes.

Committee considerations

Management Bonus Scheme (MBS)

The Management Bonus Scheme is the Group's annual bonus plan for leaders and managers across Bupa.

The Committee reviewed and approved the 2024 MBS results:

- Group profit was ahead of the stretch target due to strong underlying performance and higher investment returns across Market Units (MUs) and Bupa Arabia.
- Revenue was above target performance, driven by higher volumes and pricing.
- All MUs continued to make good progress on customer performance metrics, an outcome of Bupa's customer-centric strategy.

Alongside the measures that make up the MBS scorecard, the MBS outcome is subject to an overall adjustment relating to risk management behaviours. Assisted by advice from the Risk Committee and the Risk Review Panel, the Committee determined that no business-wide risk adjustments would apply.

Based on strong performance against profit, revenue and customer metrics, the Business Performance Multiplier (BPM) for the Group CEO and CFO was 136.4%. The Individual Performance Multiplier (IPM) for the Group CEO and CFO, based on their performance during the year, was 140%. As a result, the Committee approved bonuses of 95.5% of maximum opportunity for the Group CEO and CFO. For Executive Directors 50% of the bonus payout is deferred for three years.

2022-2024 Strategic Performance Plan (SPP)

The 2022-24 SPP scheme was designed during 2021 and implemented in 2022 to support the 3x6 Strategy. The SPP has been successful in incentivising the behaviours we needed to support the strategy. The four measures are entirely aligned with the 3x6 Strategy and as a result of the significant focus that has been placed on them since 2022, the 2022-24 SPP vested at 193.8%.

- SPP ROCE has outperformed the stretch target as a result of over achievement against target across all years which is consistent with the trading outperformance after adjusting for tax, adding back interest costs and excluding certain unrealised and non-cash-like items. Return outperformance was slightly offset by higher average capital employed across the three-year period.
- There has been significant focus placed on increasing the proportion of customer healthcare touchpoints owned by Bupa, and as a result of the connected care strategies in the Markets Units (MUs), the main three insurance Business Units (BUs) have all significantly increased the proportion of Bupa-owned customer healthcare touchpoints during the 3x6 period.
- Growth in customer numbers since 2022 has been very strong, across both the insurance and provision parts of our business. As a result of this strong performance, Bupa has outperformed the 3-year average stretch target by 9.1m customers.
- The inclusion of a CO₂ reduction measure in the SPP has driven even greater focus across all BUs than was seen before. As a result of the focus on CO₂, we have outperformed our 40% stretch target reduction in CO₂ emissions, mainly driven by management's drive to increase the use of renewable electricity.

As with the MBS, the Committee also reviewed risk management behaviours across Bupa and determined that no adjustment was required¹.

1. SPP ROCE is ROCE excluding surplus capital as defined by the SPP and based on actual FX (subject to +/- 0.1% cap / collar) (see page 99 for details)

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Activities

Committee considerations

Annual Pay Awards

To approve the total individual remuneration of executives and Designated Individuals.

The Committee approved base salary recommendations in 2024 of 6% for the Group CEO and 10.2% for the Group CFO, to reflect continued strong performance in role and their role in Bupa's transformation. This increase is seen as appropriate in the context of market competitiveness and will ensure continued focus on financial strength and stability of the Group.

It also considered and approved the base salary recommendations for the CEC and Group DIs. All pay awards, including those for the Executive Directors, were considered with regard to their alignment with the wider employee pay and remuneration arrangements and considered market and economic conditions, stakeholder interests and input from its independent adviser, Deloitte.

Incentive Targets

To review and approve the design of, and performance targets of, the incentive plans and policy for making of awards.
See part 2 for the incentive targets.

At the start of 2024, the Committee considered the 2024 MBS non-financial targets and the 2024-26 SPP targets, and the maximum payout levels for both.

It carefully considered the amendments to the SPP for the 2024-26 award in respect of the SPP ROCE weighting, customer number target and weighting for sustainability, to reflect that the award would span the last year of the 3x6 Strategy (2022-24) and two years of the new 3x100 Strategy (2025-27), and the refresh of Bupa's sustainability strategy. These changes were reflected in the version of the Directors' Remuneration Policy which was approved by the Association Members at the 2024 AGM.

Workforce remuneration and remuneration

To review the remuneration policy and workforce remuneration and related policies.
See part 2 for the incentive outcomes.

Throughout the year, the Committee received updates from management on wider workforce remuneration and benefits. The Committee took these inputs into account when considering executive pay in accordance with Provision 33 of the Code.

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Activities

Design of the 2025 long-term incentive plan award

To review the design of, and approve any amendments to, incentive plans.

Committee considerations

As a key initiative for 2024 and as disclosed in the 2023 Directors' remuneration report, the Company committed to undertake a review of the SPP, to ensure it remained aligned to Bupa's strategy as it evolves.

Through the course of the year the Committee met to discuss and design the new incentive. There were four key design principles:

- A strong link to the new 3x100 Strategy, supporting the key elements of the strategy through an updated balanced scorecard
- A scorecard multiplier to incentivise leaders to meet the stretch level of ambition in the new strategy
- Alignment with the incentive structures of UK listed companies to recognise the principle of a "growth" element, which an executive would receive in a listed company
- Increased maximum opportunity from 200% of target to 400% of target but only when the multiplier is activated for exceptional outperformance.

The Committee considered how execution of the strategy is measured through the scorecard and that will be the primary determinant of any payout. The multiplier would only come into effect when the level of outperformance is sufficiently high and has met the stretching targets set by the Remuneration Committee.

The Committee is satisfied that SPP applies to Bupa's senior leaders and Executive Directors, and will work as follows:

- An individual will be invited to join the scheme at the beginning of the three-year performance period, subject to individual performance.
- To meet the targets at the end of the three-year performance period, the Committee will assess Bupa's performance using a balanced scorecard capturing financial and non-financial measures and a scorecard multiplier based on a SPP ROCE measure and payout will be confirmed to participants.

Key SPP design features

Balanced scorecard

As the business evolves with its new strategy, the Committee considered that the SPP is necessary to the optimal delivery of our strategy and purpose, success and our ambition to be the world's most customer-centric healthcare company. The Committee considered that the SPP remains necessary to not only support the key elements of the strategy, but also incentivise participants to deliver the increased level of ambition.

The Committee has reviewed proposed measures and targets for the balanced scorecard and have agreed the split of financial (40%) and non-financial (60%) measures to ensure the plan incentivises the behaviours required for the successful delivery of the 3x100 Strategy. Details of the measures will be communicated to AMs ahead of the AGM in May 2025. Targets are not disclosed at this time due to commercial sensitivity and will be made available following the end of the plan period.

Scorecard multiplier

3-year average annual SPP ROCE

The Committee continues to hold the view that SPP ROCE is a good measure of Bupa's performance as it ensures that we use our capital efficiently. We have a wide range of businesses in our portfolio and are focused on ensuring we operate these efficiently and profitably to enable us to create a strong and sustainable business. SPP ROCE is an existing metric in our current SPP that is well tracked and monitored. Accordingly, it is a well understood measure and a key element of the current and future strategy.

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Activities

Design of the 2025 long-term incentive plan award (continued)

Committee considerations

Risk

Risk continues to be an overall adjustment, and the Committee will consider whether a risk adjustment is required at the time it determines the payout.

The performance measures are open to review each year, and in line with best practice, will evolve where necessary.

Award level

The Committee reviewed alignment of the new SPP with the ambitious three-year goals and delivery of the 3x100 Strategy. There will be no change to the Executive Director target award levels (Group CEO 150% of salary and Group CFO 137.5% of salary) or the maximum available under the scorecard (this remains at 200% of target for Group CEO and CFO). However, only in the event of exceptional financial performance, there is the opportunity for a scorecard multiplier of between 1x to 2x to apply to increase the overall maximum to 400% of target. Therefore, the maximum award level for exceptional performance will be 600% of salary (target 150%) for the Group CEO and 550% of salary (target 137.5%) for the Group CFO.

Achieving a maximum payout would require significant effort and a material increase in Company performance.

Summary of design outcomes of the new SPP

- An increase in overall maximum payout opportunity from 200% to 400% of target award, noting that this would only apply with both maximum financial and non-financial performance under the scorecard when the multiplier is activated for exceptional performance.
- Remains straightforward, with all participants aligned to the new strategy and with a clear line of sight on the Group's performance.
- Based on three-year performance, promoting long-term sustainable performance.

Directors' Remuneration Policy

To determine Bupa's remuneration policy and practice, set the remuneration to support strategy, promote long-term sustainable success of Bupa, align to Bupa's purpose and values and link to its strategy.

To design and invoke safeguards, including malus and clawback provisions to protect against reward for failure.

See Part 3 for the Policy details.

When reviewing the Remuneration Policy during the year, the Committee assessed general workforce metrics and factored in the remuneration of the broader employee population, related policies, and the alignment of incentives and rewards with culture. It was also mindful to ensure that the Policy complied with the provisions of the Code), so far as they are applicable to a company without shares or shareholders, in particular Provisions 33 and 37 to 40, in order to retain talent and align the Company's and Executive Directors' interests.

It also considered the 2024 Remuneration Policy Statement as required under the UK's Solvency II requirements.

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Activities

Committee considerations

Remuneration approvals

To approve the total individual remuneration of executives and Designated Individuals, Board Chair fees, subsidiary NED fees, and NED expenses policy; and consider and recommend policy and application of termination payments and compensation for Executive Directors and Designated Individuals.

See Part 2 for the remuneration of the Executive Directors, Board Chair and NEDs.

During the year the Committee considered and approved remuneration proposals for certain executives, endorsed approvals previously made by the Committee Chair under delegated authority, and approved remuneration parameters and packages for certain incoming and outgoing individuals in accordance with its responsibilities under its terms of reference.

The Committee also considered and approved certain non-executive fees, including the fees for the current and incoming Board Chair, and the Chair and NED fees for the Group's subsidiaries.

Compliance, controls and reporting

To review policies and compliance with all applicable laws and regulations and published guidelines for jurisdictions in which the Group operates, including Code compliance.

See the Corporate Governance Report for more details.

As the Committee undertook its work on the design, determination and communication of remuneration and remuneration policy, it had regard to complying with the provisions and principles of the Code. In particular, it paid close attention to the six principles of Provision 40 of the Code: clarity, proportionality, simplicity, risk, predictability and alignment with culture. To aid understanding of these, it sought to ensure: communications were clear, simple and transparent; the structure of rewards were kept simple; there was clear alignment of pay awards and incentive targets with strategy, company performance, and individual performance and behaviours (to support culture); that it was clear and understood that undue risk taking was unacceptable, any risk events would be reflected in remuneration outcomes, and remuneration could be further adjusted for malus and clawback.

The Committee was satisfied that Bupa's Remuneration Framework is well-aligned with Provision 40 of the Code.

Throughout the year the Committee also undertook its routine responsibilities to review and approve the Global Reward Standard that supports the Enterprise People Policy. It reviewed, advised and recommended external reporting and disclosures to other Committees and the Board for approval, such as those set out in the Annual Report and Accounts for 2023 and 2024. It also considered Bupa's external gender pay gap reporting.

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Subsidiary oversight and engagement

The Committee works with the boards of subsidiaries (including subsidiary board committees) to ensure the remuneration policy is applied appropriately in the subsidiaries, and approves exceptions to the policy where required to comply with local legislation or be competitive with local market practice. During the year it received reports on governance from the remuneration committees of the UK and Australian regulated entities and it also reviewed subsidiary Chair and NED fees and approvals required under the Group's Subsidiary Governance Policy.

Liaison with other Board Committees

As covered in its key activities during 2024 and to the date of the Annual Report, the Committee has continued to work closely with other Board committees, leveraging the benefit of members' cross-Committee memberships to assist with remuneration considerations, approvals and reporting, as detailed above.

Committee effectiveness review

The Committee undertook an internally-facilitated review of its effectiveness. The results confirmed that the Committee continued to perform strongly and operate effectively, with strong results across its role and operations, composition, leadership, and processes and procedures. The Committee considered how it could further improve its effectiveness during 2025. It also reviewed its Terms of Reference to ensure they remained appropriate, up-to-date and that its duties were fully discharged in 2024.

The Committee reviewed progress against the focus areas for 2024 identified through the 2023 internally-facilitated review of its effectiveness. It was satisfied the Committee had given sufficient focus to the areas it set for 2024, which included: remuneration design should be aligned with the new strategy; target setting should be sufficiently stretching, rewarding true out-performance; minimal adjustments should be made to financial performance targets; Committee members should continue to have the skills and experience to challenge performance and proposed changes to remuneration structures and arrangements; and wider remuneration issues should be considered including consideration of the focus areas in the wider context of remuneration

Focus for 2025

The areas of focus for 2025, including those identified from its 2024 review of its effectiveness, are:

- Incentive design – consider broader Group regulatory reporting requirements during incentive design and ensure incentives align with the 3x100 Strategy;
- Implementing the new 2025-27 SPP – ensuring incentives generate the right behaviours and actions, have robust metrics and targets and continue to align definitions and measures with best practice;
- Remuneration policy – ensure front line remuneration remains competitive and that Bupa people on lower incomes are supported.

Voting on remuneration

In accordance with the Code, resolutions proposing (i) the Director's Remuneration Report (excluding the Directors' Remuneration Policy) and (ii) the Directors' Remuneration Policy will be proposed to the AMs at the 2025 AGM. Although both resolutions are for an advisory vote of the AMs, Bupa intends to be bound by the result of the vote on the Directors' Remuneration Policy.

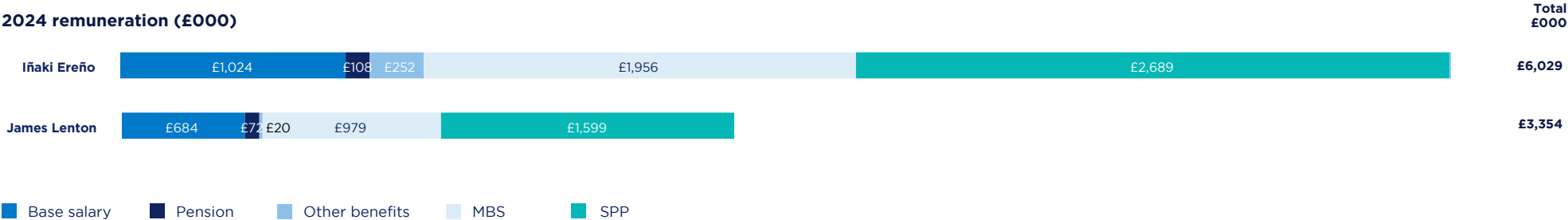
Cath Keers

Remuneration Committee Chair

Directors' Remuneration Report

Part 1: Committee Chair's letter continued

Our executive remuneration at a glance



The chart above is representative of the implementation of the Directors' Remuneration Policy and represents the total received in the year by each Executive. The chart shows salary, pension and benefits paid in 2024, and the total payout of the 2024 MBS, 50% of which is deferred until March 2028, and the 2022-24 Strategic Performance Plan award.

2024 MBS outcome

Measure	Performance of measure against target ¹
Group profit (65% weighting)	Above target level of performance (160.7% of target)
Revenue (10% weighting)	Above target level of performance (105.3% of target)
Customer objectives (6.25% weighting)	Above target level of performance (139.2% of target)
Customer NPS (18.75% weighting)	Above target level of performance (131.3% of target)

1. To determine payout, this is converted into a Business Performance Multiplier (BPM) and the final calculated payout is the product of the Business Performance Multiplier and the Individual Performance Multiplier (IPM).

Directors' remuneration report

Part 2: Annual Report on Remuneration

This section sets out the details of the Executive Directors' and NEDs' remuneration, showing how the Remuneration Policy has been implemented in 2024 and how it will be applied in 2025. As well as disclosing remuneration figures for the Executive Directors, it includes details on how well performance targets have been met and the resulting level of MBS payout.

Certain disclosures of the detailed information about the Directors' remuneration set out below have been audited by the Group's external auditor, PwC.

Single total figure of remuneration 2024 – Executive Directors (audited)

Director	Year	Salary £000	Benefits £000	MBS ¹ £000	SPP	Pension ² £000	Total £000	Total fixed remuneration	Total variable remuneration
Iñaki Ereño	2024	1,024	252³	1,956	2,689	108	6,029	1,384	4,645
Group CEO	2023	971	245	1,805		102	3,123	1,318	1,805
James Lenton	2024	684	20⁴	979	1,599	72	3,354	776	2,578
Group CFO	2023	629	18	846		66	1,559	713	846

1. MBS refers to incentive earned in respect of 2024 performance with 50% deferred until March 2028. In the deferral period, continued employment is required for payout.

2. Pension figures reflect a cash allowance paid to Executive Directors in lieu of company contributions into a pension scheme and are in line with the wider workforce. Executive Directors are not included in any defined benefit scheme.

3. Iñaki Ereño's benefit figure includes a housing allowance of £120,000 (net) and tax support services, both of which are grossed up to meet the costs of the appropriate tax. In addition, private medical insurance and a car allowance are included in the overall figure.

4. James Lenton's benefit figure includes private medical insurance and a car allowance.

2024 MBS measures and performance (Audited)

For 2024, the Group CEO's target MBS opportunity was 100% of salary, with a maximum of 200% of salary. The Group CFO's target MBS opportunity was 75% of salary, with a maximum of 150% of salary.

For 2024, the Committee agreed to change the MBS scorecard by removing cost efficiency and adding its 10% weighting to the profit measure, aiming to simplify the scorecard and further incentivise the delivery of the plan.

The performance measures used to determine the 2024 MBS for our Executive Directors were as follows:

- Group profit (65% of award)¹ – is based on the externally reported result with the same adjustments as revenue and also excludes pension net interest returns.
- Group revenue (10% of award) – externally reported result adjusted to exclude Bupa Chile and include Bupa's proportionate share of revenue from associates and joint ventures, UK Insurance non-insurance revenue, outward reinsurance premiums ceded and intra-group revenues which are not included within the consolidated view of revenue. An adjustment is also made to use the local accounting policy rather than the IFRS Service Concession Arrangement accounting basis for a contract in our Spanish hospital business, to eliminate the volatility associated with inflationary movements.
- Customer objectives (6.25% of award) – this measure includes targets to increase the number of customer experience improvements.
- Customer NPS (18.75% of award) – this is a measure to drive improvement of our Net Promoter Score.

1. Performance measured on plan target exchange rates.

Alongside the measures that make up the MBS scorecard, the MBS outcome is subject to an overall adjustment relating to risk management across Bupa as determined by the Committee, assisted by input from the Risk Committee and the Risk Review Panel. The overall result generates a Business Performance Multiplier (BPM) that is applied along with the Individual Performance Multiplier (IPM) to target bonus generating the annual MBS payout for each individual.

As detailed in the table on the below, the Group CEO and CFO achieved BPMs of 136.4% on the back of strong financial performance with respect to group profit and revenue as well as strong performance against customer metrics.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

The Group CEO received an IPM of 140% in recognition of an outstanding year, demonstrating exceptional leadership, delivering strong underlying financial performance, and driving transformation in line with our 3x6 Strategy.

The Group CFO received an IPM of 140% in recognition of a strong year, and continued high performance, supporting significant strategic progress towards our 3x6 Strategy and delivering strong financial performance.

The financial targets and actual performance for the 2024 MBS are set out in the tables below.

2024 MBS payout ¹	% weighting of measure	Threshold performance level £(m) or % if indicated	On target (100%) performance level £(m) or % if indicated	Stretch (140%) performance level £(m) or % if indicated	Actual performance level £(m) or % if indicated	Business Performance Multiplier	Final Weighted Business Performance Multiplier
Group profit ²	65%	527.9	586.5	645.2	942.7	140.0%	91.0%
Group revenue ³	10%	16,106.4	17,896.0	19,685.6	18,846.2	121.2%	12.1%
Customer objectives	6.25%		see footnote ⁴		139.2%	139.2%	8.7%
Customer NPS	18.75%		see footnote ⁴		131.3%	131.3%	24.6%
Total BPM outcome	100%						136.4%

1. For financial performance, threshold is 90% of target performance and stretch 110%. Payout for threshold is 0%, target is 100%, and stretch is 140%, with straight-line vesting in between.

2. Group profit is adjusted to exclude Bupa Chile, pension net interest returns and uses the local accounting policy for a contract in our Spanish hospital business.

3. Group revenue is adjusted to exclude Bupa Chile and the local accounting policy for a contract in our Spanish hospital business. Also included is Bupa's proportionate share from associates and joint ventures, UKI non-insurance, outward reinsurance premiums ceded and intra-group numbers which are not included within the consolidated reported figure.

4. For Customer, payout for threshold is 50%; on-target 100%; stretch 140%, with straight line vesting in between. Customer objectives and NPS performance targets are set at business unit level within each Market Unit, with the results rolled up into a Market Unit result. The Group result is based on the average of the three Market Unit results (APAC; BGIUK; and ELA).

Executive Director	Salary ¹ (£'000)	Target award amount (% of salary)	BPM% (0-140%)	IPM% (0-140%)	2024 MBS payment ² (£'000)	% of maximum Award
Iñaki Ereño	1,024	100%	136.4%	140.0%	1,956	95.5%
James Lenton	684	75%	136.4%	140.0%	979	95.5%

1. Salary refers to that earned in respect of 2024.

2. 50% of MBS payment is deferred for three years with payment dependent on continued employment until date of payment.

2022-24 SPP measures and performance (audited)

As reported in the 2021 annual report, we disclosed details of the new 2022-24 Strategic Performance Plan and in 2022 the 2022-24 SPP awards were granted to the Executive Directors. The cash-based plan covers the three-year performance period to 31 December 2024. The 2022-24 SPP vesting was based on SPP ROCE (55%), Customer Healthcare touchpoints (15%), Customer numbers (15%) and CO₂ reduction (15%). In 2022 we did not disclose the targets for reasons of commercial sensitivity, and these are now disclosed in the table below following the end of the plan period.

- Aligned with the strong performance of the business over the last three years, the performance of the 2022-24 SPP has reflected the success of the 3x6 Strategy with each element of the scorecard exceeding target, and with the exception of customer healthcare touchpoints, also exceeding the stretch performance target. The Remuneration Committee was satisfied with the overall formulaic outcome of the scheme and did not exercise discretion in relation to the payout of SPP.
- SPP ROCE has performed above stretch across all three years of the SPP, consistent with strong trading outperformance. The formulaic outcome of 9.9% is based on the SPP ROCE methodology agreed with the Remuneration Committee, which included using the actual FX rate with a cap and collar where FX has a positive or negative impact on the 3-year average SPP ROCE of greater than 0.1%. The Remuneration Committee noted that on an Actual Exchange Rate basis (without the FX cap/collar) average annual SPP ROCE over the three-year performance period is 9.1%.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

- There has been strong focus placed on increasing the proportion of customer healthcare touchpoints owned by Bupa, and as a result of the successful delivery of the connected care strategies in the MUs, our three main insurance businesses have all increased their customer healthcare touchpoints during the 3x6 Strategy period. Sanitas Seguros delivered incremental KPI growth, whilst both UK Insurance (UKI) and Australia Health Insurance (AHI) delivered growth from increased owned provision and uptake of our Bluea digital health offering.
- Growth in customer numbers since 2022 has been very strong across the insurance and provision parts of our business. Notable drivers of the growth have been LuxMed, Australia Health Insurance, Sanitas Seguros, Bupa Dental UK, UK Health Services, Sanitas New Services & Hospitals and Niva Bupa. As a result of this strong performance, the Group outperformed the 3-year average stretch target by 9.1m customers.
- The inclusion of a CO₂ reduction measure in the scorecard has created a significant focus across all BUs than was seen before and the 2022-24 SPP. This has been delivered through (1) decarbonising our scope 1 emissions, (2) securing 100% renewable electricity across a number of businesses including Australia and Hong Kong, and (3) increasing our use of renewables across LUXMED and Chile.

As with the MBS, the Committee also reviewed risk management behaviours across Bupa using contributions from the Risk Committee and Risk Review Panel and determined that no business wide adjustment was required this year. Overall financial and non-financial performance led to a calculated payout of 96.9% of the maximum award.

Performance Measure	Weighting	Threshold	Target	Stretch	Actual	Performance Achieved ¹ (% payout for scorecard measure)	Vesting Outcome
SPP ROCE	55%	6.1%	6.8%	7.8%	9.9%	200.0%	110.0%
Customer healthcare touchpoints	15%	15%	20%	30%	25.9%	158.9%	23.8%
Customer numbers (m)	15%	40.9	41.7	42.5	51.6	200.0%	30.0%
CO ₂ reduction	15%	20%	30%	40%	58.0%	200.0%	30.0%
TOTAL (as % of target award)							193.8%

1. Payout for threshold is 20%, target is 100%, and stretch is 200%. Straight line vesting in between.

Interests awarded during 2024 (audited)

During the year, awards for the 2024–26 SPP were made to the Executive Directors. The plan covers the performance period to 31 December 2026. Vesting of the award is subject to the satisfaction of the performance conditions over the performance period. Subject to the potential application of malus, any cash award will be paid in March 2027.

Executive Director	Year	Threshold award (% of salary)	Threshold award (£)	Target award (% of salary)	Target award (£)	Maximum award (% of salary)	Maximum award (£)
Iñaki Ereño	2024	30%	294,000	150%	1,470,000	300%	2,940,000
James Lenton	2024	27.5%	174,625	137.5%	873,125	275%	1,746,250

The payout for the Group CEO and Group CFO is based on the Committee's assessment of Bupa's performance against a scorecard for the 2024-26 financial years, details of which are set out in the table below.

Directors' remuneration report

Part 2: Annual Report on Remuneration

continued

2024-26 Strategic Performance Plan (SPP) (audited)

2024-26 SPP scorecard

SPP scorecard measures	Scorecard weighting	Alignment to strategy
SPP Return on capital employed (SPP ROCE)	50%	SPP ROCE is a good measure of Bupa's performance as it ensures that we use our capital efficiently to generate profit. We have a wide range of businesses in our portfolio and need to focus on ensuring we operate these efficiently and profitably to create a strong and sustainable business. We can do this by increasing the performance of all of our businesses as well as actively managing our portfolio.
Customer healthcare touchpoints	15%	This measure directly links to one of our 3x6 ambitions. In order to become the world's most customer-centric healthcare company we need to ensure we support customers with their health and wellbeing and truly understand their needs. Owning more customer healthcare touchpoints will provide us with more data/insight on our customers, support our move towards becoming more digitally enabled and ultimately lead us to tailoring our support to each customer's needs to provide better outcomes.
Customer numbers	20%	One of the key outcomes of being a more customer-centric company is having more customers. We want to retain our existing customers while finding new customers, and to do that we need to be continually implementing improvements based on feedback. Focusing on this measure ensures that we continue to have a strong and sustainable business.
Sustainability	10%	Our purpose demonstrates the role we have to play in the health of the planet. We have committed to science based targets and will be a net zero business across all emission scopes by 2040. We strongly believe that business and sustainability go hand in hand and believe it is important to incentivise our senior leaders on this basis.
	5%	10% of the weighting is related to overall scope 1 and 2 CO ₂ reduction from the 2019 baseline. 5% of the weighting is related to the percentage of our Top 100 suppliers aligned with our carbon reduction commitments.

Targets for SPP measures are not disclosed at this time due to commercial sensitivity and will be made available following the end of the plan period.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

CEO pay ratio

The table below compares the single total figure of remuneration for the CEO since 2019 with that of the UK employees who are paid at the 25th percentile (lower quartile), 50th percentile (median) and 75th percentile (upper quartile) of its employee population.

Year	Method		Ratio with the 25th percentile employee	Ratio with the 50th percentile employee	Ratio with the 75th percentile employee
2024	Option B	Total pay and benefits	238:1	197:1	132:1
		Salary only	43:1	37:1	25:1
2023	Option B	Total pay and benefits	130:1	115:1	73:1
		Salary only	41:1	40:1	25:1
2022	Option B	Total pay and benefits	123:1	122:1	68:1
		Salary only	41:1	40:1	24:1
2021	Option B	Total pay and benefits	206:1	215:1 ¹	123:1
		Salary only	41:1	44:1 ¹	27:1
2020	Option B	Total pay and benefits	226:1	225:1	126:1
		Salary only	44:1	42:1	26:1
2019	Option B	Total pay and benefits	197:1	143:1	116:1
		Salary only	43:1	37:1	29:1

1. The 2021 50th percentile salary shown in the table above is lower than the lower quartile salary as a result of the Gender Pay Gap data methodology. The Gender Pay Gap data is a snapshot of hourly pay as at 5 April and it is this snapshot that is used to identify the 25th, 50th and 75th percentile employees for this table in line with the CEO Pay Ratio regulations. The table above details actual pay earned through the year for those employees identified at the 25th, 50th and 75th percentile.

Of the three options available for calculating the pay ratio we have chosen Option B, which uses the most recent gender pay gap information (April 2024) to identify and select employees at the 25th, 50th and 75th percentile. This method has been chosen as it makes use of our gender pay data which provides a readily available and robust dataset. This is made up of all UK employees from Bupa's insurance, corporate functions and health provision businesses. To ensure that the results are representative of the employee population's pay and benefits at those quartiles, Bupa has chosen to use a median value of the pay and benefits for the 15 employees above and below, and including, the individual at the given quartile. This approach was taken to allow for any leavers through the year, given Bupa's large and diverse workforce. The annual remuneration figures are taken across the full year ending 31 December 2024.

Changes to the CEO pay ratio in 2022 and 2023 compared to 2024 (and previous years) with regards to total pay and benefits is in part a result of the reduced single total figure for the Group CEO in 2022 and 2023 due to changes in the vesting schedule of Bupa's long-term incentive schemes as outlined in previous reports.

In reviewing the employee pay data, the Committee is comfortable that the overall picture presented by the ratios is consistent with our pay, reward and progression policies for UK employees.

In the table above, the Committee has chosen to provide information relating to salary in addition to the total remuneration calculations. As incentive pay can significantly vary year on year, the Committee determined that the salary ratio provides helpful context beyond that of the single figure.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

UK employees	25th percentile	50th percentile	75th percentile
2024 total pay and benefits	£25,336	£30,555	£45,858
2024 salary only	£24,074	£27,682	£40,912
2023 total pay and benefits	£23,971	£27,186	£43,031
2023 salary only	£23,473	£24,569	£38,360
2022 total pay and benefits	£24,112	£24,287	£43,745
2022 salary only	£22,721	£23,301	£38,339
2021 total pay and benefits	£22,584	£21,632	£37,930
2021 salary only	£22,358	£21,120	£34,889
2020 total pay and benefits	£21,392	£21,528	£38,371
2020 salary only	£20,340	£21,373	£34,085
2019 total pay and benefits	£21,899	£25,412	£31,468
2019 salary only	£20,325	£23,543	£29,914

Relative importance of spend on pay

The table below shows the relative importance of spend on pay. Given that Bupa does not have shareholders and therefore does not pay dividends, cash flow used in investing activities has been shown as an alternative measure.

	2024 (£m)	2023 (£m)	Difference 2024-2023 (£m)
Remuneration paid to all employees ¹	3,219	2,897	322
Cash flow used in investing activities	983	154	829

1. Remuneration paid to all employees includes staff costs relating to wages and salaries as found in note 2.3.1 (page 151)

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

Percentage change in remuneration of Directors and employees

The table below shows the change in salary/fees, benefits and short-term incentives (annual bonus) for Executive Directors and Non-Executive Directors in 2024 compared to the four years prior, alongside a corresponding average figure for the Bupa employee comparator group. As the Group CEO is located in the UK, the UK salaried population has been chosen by the Committee as the most appropriate comparison. The percentage change in salary is a snapshot of 1 April 2024 increases only and does not reflect increases awarded through the year.

	% change in salary/fees					% change in benefits (excl. pension)					% change in short-term incentives				
	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024
Executive Directors															
Iñaki Ereño ¹	n/a	2.8%	1.9%	3.9%	6.0%	n/a	136%	-6%	-4%	3%	n/a	17%	26%	8%	8%
James Lenton ²	n/a	0.5%	2.0%	3.8%	10.2%	n/a	-65%	25%	-10%	11%	n/a	n/a	53%	20%	16%
Non-Executive Directors															
Roger Davis (Chairman) ³	0.0%	0.9%	2.1%	3.0%	4.9%	-13%	-23%	20%	-58%	60%	n/a	n/a	n/a	n/a	n/a
Gunjan Bhow ⁴	n/a	n/a	n/a	9.9%	11.2%	n/a	n/a	n/a	50%	-71%	n/a	n/a	n/a	n/a	n/a
Simon Blair ⁵	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Clare Bousfield ⁶	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sally Clark ⁷	n/a	n/a	n/a	8.2%	5.2%	n/a	n/a	n/a	25%	40%	n/a	n/a	n/a	n/a	n/a
Paul Evans ⁸	3.4%	0.6%	25.3%	10.3%	1.3%	-59%	43%	110%	10%	22%	n/a	n/a	n/a	n/a	n/a
Michael Hawker ⁹	1.3%	2.3%	6.9%	5.3%	24.9%	-100%	n/a	n/a	5%	0%	n/a	n/a	n/a	n/a	n/a
Pia Heidenmark Cook ¹⁰	n/a	n/a	n/a	2.4%	7.1%	n/a	n/a	n/a	160%	-43%	n/a	n/a	n/a	n/a	n/a
Cath Keers ¹¹	23.1%	0%	4.2%	14.0%	22.8%	250%	-71%	100%	-25%	33%	n/a	n/a	n/a	n/a	n/a
Matías Rodríguez Inciarte ¹²	6.4%	12.7%	16.4%	5.3%	5.9%	-100%	n/a	400%	70%	-22%	n/a	n/a	n/a	n/a	n/a
Melvin Samsom ¹³	-2.5%	8.9%	16.3%	8.0%	6.5%	-35%	-88%	150%	20%	0%	n/a	n/a	n/a	n/a	n/a
Average UK employee¹⁴	1.8%	1.7%	2.1%	5.1%	5.2%	No material change					25%	7%	33%	32%	30%

1. Iñaki Ereño was appointed Group CEO in January 2021.

2. James Lenton joined Bupa as Group CFO in September 2021 with formal approval to the position in November 2021.

3. Roger Davis' increase in benefits relates to the increased travel-based expenses, including use of a car, in 2024.

4. Gunjan Bhow stepped down as a NED on 10 May 2024. To allow for a year on year comparison, an annualised figure for 2024 fees has been used to calculate the percentage change in fees for 2024. The percent change in benefits for 2024 reflects the actual change.

5. Simon Blair was reappointed as a NED on 25 January 2024 having previously served on the Board between January 2016 and January 2019.

6. Clare Blousfield was appointed as a NED on 25 January 2024.

7. Sally Clark was appointed as a NED on 1 July 2022. The increase in benefit costs for Sally Clark reflect a small increase in spend on travel in 2024.

8. Increased travel has resulted in increased overall benefit costs for Paul Evans.

9. Michael Hawker's increase in fees is as a result of changes in the Bupa and Bupa Australia and New Zealand board fees.

10. Pia Heidenmark Cook was appointed as a NED on 1 April 2022. The reduced benefit costs are a result of reduced travel. In addition, tax support was not provided in 2024.

11. Increase in fees paid in 2024 are a result of changes full year membership of the Nomination and Governance Committee as well as a full year in position as the Senior Independent NED. Increased travel in 2024 gave an increase in benefit costs.

12. Reduced travel resulted in reduced overall benefit costs.

13. The increase in benefit costs relate to increased travel costs in 2024.

14. All permanent employees in the UK who were in employment during the two calendar year periods of 2023 and 2024 were selected as the most appropriate comparator.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

Historical

The table below shows levels of payout to the Group CEO against the maximum incentive opportunity for the last ten years.

Year	CEO	Single figure of total remuneration (£'000)	Annual bonus payout against maximum opportunity %	Long-term incentive vesting rates against maximum opportunity %	GPP vesting rates against maximum opportunity %	(2019) GPP Transition Award vesting rates against maximum opportunity %
2024	Iñaki Ereño ¹	6,029	95.5%	97%	n/a	n/a
2023	Iñaki Ereño	3,123	93%	n/a	n/a	n/a
2022	Iñaki Ereño	2,966	89%	n/a	n/a	n/a
2021	Iñaki Ereño	4,653	72%	n/a	80%	n/a
2020	Evelyn Bourke ²	4,838	64%	50%	57%	n/a
2019	Evelyn Bourke	3,646	10%	–%	49%	49%
2018	Evelyn Bourke	2,078	45%	16%	n/a	n/a
2017	Evelyn Bourke	2,511	64%	41%	n/a	n/a
2016	Evelyn Bourke ³	1,837	56%	44%	n/a	n/a
2016	Stuart Fletcher ⁴	1,315	46%	44%	n/a	n/a
2015	Stuart Fletcher	2,081	62%	30%	n/a	n/a

1. Details of Iñaki Ereño's 2024 incentive payout are laid out on page 99.

2. Evelyn Bourke retired as Group CEO on 31 December 2020.

3. Evelyn Bourke was appointed Group CEO on 25 July 2016.

4. Stuart Fletcher left Bupa on 31 May 2016; his annual bonus reflects a pro-rated payment.

Statement of implementation of Remuneration Policy in 2025

The remuneration of the Group CEO and Group CFO for 2024 was reviewed by the Committee in the context of the Remuneration Policy as described on [pages 108 to 113](#). Having reviewed the salaries, the Committee approved salary increases for the Group CEO and for the Group CFO of 4%, to reflect their performance in the role and position against external market practice as well as considering alignment with the broader workforce.

	Salary (effective from 1 April 2025)	Pension (effective from 1 Jan 2025)	Management Bonus Scheme ¹	Strategic Performance Plan ²
Iñaki Ereño	£1,081,000	12% salary	Threshold opportunity – 0% salary	Threshold scorecard opportunity – 30% salary (£311,700)
Group CEO			Target opportunity – 100% salary	Target scorecard opportunity – 150% salary (£1,558,500)
			Maximum opportunity – 200% salary	Maximum scorecard opportunity – 300% salary (£3,117,000)
				Overall maximum opportunity – 600% salary (£6,324,000)
James Lenton	£728,000	12% salary	Threshold opportunity – 0% salary	Threshold opportunity – 27.5% salary (£192,500)
Group CFO			Target opportunity – 75% salary	Target opportunity – 137.5% salary (£962,500)
			Maximum opportunity – 150% salary	Maximum scorecard opportunity – 275% salary (£1,925,000)
				Overall maximum opportunity – 550% salary (£3,850,000)

1. Based on salary earned in 2025.

2. SPP award based on salary as of 1 March 2025.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

The MBS has been designed, in line with the Remuneration Policy, to support Bupa's strategy. The targets and the weighting of the measures were carefully considered to ensure the right balance of financial and non-financial measures, and to support strong and sustainable performance.

Measure	Management Bonus Scheme weighting per measure
Group profit	65%
Revenue	10%
Customer ¹	25%

1. The customer measure is a combination of customer experience improvements and NPS

Targets for MBS measures are not disclosed at this time due to commercial sensitivity and will be made available following the end of the plan period. The outcome for MBS is subject to a risk assessment.

Payments to former Directors (audited)

There were no payments to former Directors for 2024.

Payments for loss of office to Directors (audited)

There were no payments for loss of office to Directors for 2024. Those NEDs who stepped down during the year did not receive any payment for loss of office.

Chairman and Non-Executive Director fees

During 2024, the fee for the Chairman was reviewed by the Committee and the fees for the Non-Executive Directors were reviewed by the Chairman and the Executive Directors. The fees for the

Chairman and the basic fee for Non-Executive Directors were increased in line with the broader UK-based population.

The current fee levels are set out in the table below.

		2023 Fee	2024 Fee
Chairman fee		£460,000	£485,000
Non-Executive Director basic		£76,500	£85,000
Senior Independent Director		£25,000	£25,000
Committee chairmanship	Audit Committee ¹	£25,000	£40,000
	Remuneration Committee	£25,000	£25,000
	Risk Committee	£40,000	£40,000
	Sustainability Committee	£15,000	£15,000
Committee membership	Audit Committee ¹	£8,000	£15,000
	Remuneration Committee	£8,000	£8,000
	Risk Committee	£15,000	£15,000
	Sustainability Committee	£4,500	£4,500
	Nomination & Governance	£4,500	£4,500

1. The Audit Committee fees were reviewed and increased in 2024 to reflect the increasing accountability of the Audit Committee and the level of time commitment, which is comparable to the Risk Committee.

Directors' remuneration report

Part 2: Annual Report on Remuneration continued

Single total figure of remuneration 2024 – NEDs (audited)

	Fees £000		Benefits ¹ £000		Total £000	
	2024	2023	2024	2023	2024	2023
Non Executive Directors						
Roger Davis	473	451	8	5	481	456
Gunjan Bhow	34	89	27	92	61	181
Simon Blair ²	202	-	70	-	272	-
Clare Bousfield	101	-	1	-	102	-
Sally Clark	115	105	7	5	122	110
Paul Evans ³	238	235	28	23	266	258
Michael Hawker ⁴	246	197	55	55	301	252
Pia Heidenmark Cook ⁵	90	84	16	28	106	112
Cath Keers	140	114	4	3	144	117
Matías Rodríguez	253	239	18	23	271	262
Melvin Samsom ⁷	115	108	16	16	131	124
Total	2,007	1,622	250	250	2,257	1,872

- Travel and subsistence expenses for attending meetings at Bupa's head office are treated as taxable income. All NED expenses in relation to this are grossed up to meet the costs of the additional tax and NIC. The benefits figures reflect this approach.
- The 2024 figures for Simon Blair include €57,400 for services as Chair of Bupa Chile S.A and €31,000 for serving as a member on both the Audit and Risk Committees of Bupa Chile. Simon Blair has been a director of Bupa Chile S.A. since 2019.
- The 2024 figures for Paul Evans include fees of £25,500 for membership of the BGIUK MU Advisory Oversight Committee and £73,398 of fees, in respect of his services as a NED of Bupa Insurance Limited and Bupa Insurance Services Limited.
- The 2024 figures for Michael Hawker include AU\$269,278, for membership of the Bupa Australia and New Zealand Board. The 2023 figures for Michael Hawker include AU\$179,101, for membership of the Bupa Australia and New Zealand Board. The benefit and total figures for 2023 have been corrected.
- The benefit and total figures for 2023 for Pia Heidenmark Cook have been corrected.
- The 2024 figures for Matías Rodríguez Inciarte includes fees of €40,000 for membership of the ELA MU Advisory Oversight Committee and €129,560 in respect of his services as a NED of Sanitas, S.A. de Seguros. The benefit and total figures for 2023 have been corrected.
- The benefit and total figures for 2023 have been corrected for Melvin Samsom.

Committee Governance

Cath Keers has chaired the Remuneration Committee since 1 January 2020.

The Committee presented the 2023 Directors' remuneration report and Directors' remuneration policy at the AGM in May 2024 and it was approved by AMs.

Deloitte was appointed by the Remuneration Committee as its independent adviser from 1 May 2021, following a selection process involving a number of advisory firms. The appointment is reviewed regularly. The Committee is of the view that Deloitte provides independent remuneration advice and does not have any connections with Bupa that may impair its independence. Deloitte is a member of the Remuneration Consultants' Group and voluntarily operates under this Group's code of conduct when providing advice on executive remuneration in the UK. Deloitte's fees for services to the Committee in 2024 were £90,900 on a time and materials basis. During the year, Deloitte advised on market practice, corporate governance and regulations, remuneration benchmarking and other matters that the Committee was considering. Other teams within Deloitte provided unrelated tax and consulting services to Bupa during the year.

The Terms of Reference of the Committee were reviewed by the Committee and adopted by the Board in December 2024. A full description of the Committee's role is set out in its Terms of Reference here on [bupa.com](https://www.bupa.com).

Directors' remuneration report

Part 3: Directors' Remuneration Policy

The Remuneration Committee seeks to align the Company's Directors' Remuneration Policy (the 'Policy') with the Group's business strategy, workforce arrangements, market practice, views expressed by the AMs, the economic environment and underlying financial performance of the Group throughout the year. The Policy is intended to promote Bupa's long-term success and motivate management to deliver strong, sustainable business performance aligned with Bupa's purpose, culture and values. The Policy allows Bupa to offer competitive remuneration compared to companies of a similar scale and complexity.

The proposed Policy is subject to an advisory vote by AMs at the 2025 AGM and, if approved, will apply immediately, for up to three years. The Directors' Remuneration Policy is available on Bupa's website under the 'Financials' heading in the Directors' Remuneration Report of the Annual Report and Accounts.

The key changes between the Directors' Remuneration Policy approved 15 May 2024 and the Policy proposed for 2025, are detailed below:

- Increase in maximum long term incentive opportunity from 300% to 600% of salary. This is to facilitate the potential use of the scorecard multiplier. As noted in the Committee Chair's letter, there will be no change to the Executive Director target award levels (Group CEO 150% of salary and Group CFO 137.5% of salary) or the maximum available under the scorecard (this remains at 200% of target for Group CEO and CFO). An increase in overall maximum payout opportunity from 200% to 400% of target award, noting that this would only apply with both maximum financial and non-financial performance under the scorecard combined with exceptional Strategic Performance Plan (SPP) ROCE performance under the multiplier. Therefore, the overall maximum award level for exceptional performance will be 600% of salary (target 150%) for the Group CEO and 550% of salary (target 137.5%) for the Group CFO.
- The minimum weighting of financial measures in the SPP is reduced from 55% to 40%.

Remuneration Policy table – Executive Directors

	Purpose and link to strategy	Operation	Maximum Opportunity	Performance metrics
Base Salary	Core element of remuneration set to attract and retain Executive Directors, reflecting their role and contribution.	<p>Salary levels are reviewed annually with any changes becoming effective in April. Factors considered include:</p> <ul style="list-style-type: none"> ■ Level of skill, experience and scope of responsibilities. ■ Overall business performance, scarcity of talent, economic climate and market conditions. ■ General increases across Bupa. ■ External market data. 	<p>Salary increases are normally in line with those of the Bupa employee population. Larger increases may be given in certain circumstances, such as a new appointment to rebase the remuneration with market rate.</p> <p>There is no specific maximum salary level.</p>	None
Management bonus scheme (MBS)	<p>To drive behaviour and to promote focus on the business priorities for the year.</p> <p>To motivate and incentivise delivery of performance over the annual operating plan.</p>	<p>Bonus award levels and their measures and weightings are reviewed annually to align with the business strategy.</p> <p>Performance is assessed against stretching financial and non-financial performance targets set at the start of the financial year.</p> <p>Typically, 50% of any bonus awarded will be deferred for up to three years, with the remaining 50% paid immediately in cash.</p>	<p>The maximum bonus opportunity will not exceed 200% of base salary.</p> <p>There is no payout for threshold performance.</p>	MBS payments are based on the achievement of challenging financial and non-financial objectives. No less than 60% of the annual bonus will be subject to the achievement of financial measures aligned with the strategic priorities of the business.

Directors' remuneration report

Part 3: Policy continued

	Purpose and link to strategy	Operation	Maximum Opportunity	Performance metrics
Long-term incentive plan	To motivate and incentivise delivery of strong sustained performance over the long term aligned with Bupa's strategic objectives.	As Bupa cannot provide equity-based incentives, it provides a deferred cash Long Term Incentive Plan (LTIP) through the Strategic Performance Plan (SPP), that is broadly aligned to equity plans in comparative companies. Awards are usually made on an annual basis and relate to performance over a three-year period. Vesting depends on meeting performance targets, set and assessed by the Committee. Any payments will be made following the end of the performance period.	The maximum award will not exceed 600% of base salary. Note that this maximum would only apply in the event of both maximum financial and non-financial performance under the scorecard combined with maximum performance under the multiplier and is therefore dependent on exceptional performance.	Vesting of awards is based on performance against financial and non-financial measures. No less than 40% of the SPP will be based on financial measures, with the remainder linked to key strategic priorities Threshold performance results in payout of 30% of salary.
Pension	To provide an income after retirement.	The Company operates a defined contribution pension scheme. Executive Directors have the option to take any employer contribution as a cash allowance or a combination of pension contribution and cash allowance.	Executive Directors receive employer contributions in line with the rest of the workforce.	None.
Benefits	Other benefits are provided to: <ul style="list-style-type: none"> ■ attract and retain Executive Directors, health and wellbeing benefits are provided to them and their families. ■ facilitate talent mobility to ensure execution of strategy across the Group. 	Executive Directors are entitled to benefits such as private health cover for themselves and their family, an annual health assessment for themselves and their partner, life insurance, income protection, car allowance (or alternately for the Group CEO, the use of a company car and driver) and 30 days' annual holiday. The benefits offered may differ from time to time to reflect changing circumstances. Authorised travel expenses are reimbursed along with the additional tax and NIC incurred where these are treated as taxable income. Where, in exceptional circumstances, spouses or partners are required to travel for business purposes, their travel and subsistence expenses are reimbursed along with the additional tax and NIC. Executive Directors who are relocated or reassigned in the Group, receive relevant benefits to assist them and their dependants to move home and settle in the new location.	There is no specific maximum benefit spend.	None.

Directors' remuneration report

Part 3: Policy continued

Remuneration Policy on recruitment of an Executive Director

The Policy approach regarding remuneration upon recruitment, is to pay at an appropriate level to attract the right talent to the role.

The Directors' Remuneration Policy set out on [pages 108 and 109](#) outlines the components of an Executive Director package. New appointments typically follow the existing Policy for Executive Directors with salaries reflecting skills and experience of the individual, and may be set at a level to allow future salary progression to reflect performance in the role.

To facilitate recruitment, the Committee may offer compensatory payments for forfeited remuneration from a previous employer, aiming to match its value, time horizon and performance conditions. Additional arrangements may include relocation expenses and international assignment allowances. For internal promotions, existing commitments may be honoured unless an alternative approach, more closely aligned with the prevailing policy, is agreed by the Committee.

Any special joining arrangements may include malus and/or clawback; for example, tied to leaving within a predefined period.

The structure and quantum of the variable pay elements are expected to align with the Policy set out in the table opposite.

Remuneration Policy on loss of office of Executive Directors

The Committee has the authority to approve any remuneration payments or payments for loss of office where the terms of the payment were agreed: (i) before the Remuneration Policy came into effect, or (ii) at a time when the relevant individual was not a Director of the Company, and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company.

The table summarises the key elements of our policy on payment for loss of office in compliance with the relevant plan rules and local employment legislation.

Any payments made due to loss of office may take into account malus or clawback provisions as set out on [page 112](#).

Policy	Committee response
Notice period and compensation for loss of office in service contracts	<ul style="list-style-type: none"> ■ 12 months' notice from the Company to the Executive Director. ■ Up to 12 months' base salary (in line with the notice period). Notice period payments will either be made as normal (if the Executive Director continues to work during the notice period or is on 'gardening leave') or at the termination date for any unexpired notice period.
Treatment of MBS on loss of office under plan rules	<ul style="list-style-type: none"> ■ The Committee may make an MBS payment for the year of cessation depending on the reason for leaving. Typically, the Committee will take into consideration the period served during the year and the individual's performance up to cessation. ■ Any such payment is at the discretion of the Committee. Any MBS will be paid at the normal time following the end of the performance year.
Treatment of SPP on loss of office under plan rules	<ul style="list-style-type: none"> ■ An Executive Director's award will vest in accordance with the terms of the plan and satisfaction of performance conditions measured at the normal completion of the performance period if the reason for leaving is redundancy, pre-agreed retirement, early retirement on the grounds of ill health, death or any other special circumstance agreed by the Committee. In these cases, final awards may be pro-rated based on completed months of service. The period of active employment excludes any period of 'gardening leave' or other such period when the Executive Director was legally employed but not required to actively carry out their duties. For any other reason, they will not be eligible for an SPP payment. ■ Any SPP payment will be paid at the normal time, e.g. following the end of the performance period, or two years later for any deferral.

Directors' remuneration report

Part 3: Policy continued

Illustrations of the application of the Remuneration Policy

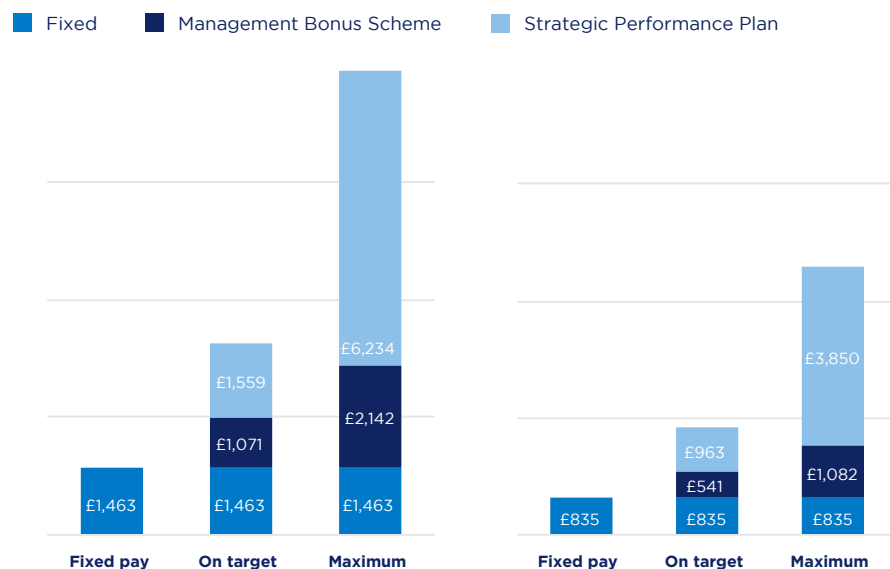
Bupa aims to provide a balance of fixed and variable compensation that provides stability and incentivises outstanding business performance, whilst not encouraging undue risk taking. At target, over 50% of the Executive Directors' remuneration is based on individual and Company performance.

This graph illustrates the potential remuneration outcomes for different levels of performance using the respective Director's bonus-able salary in 2025 to calculate the MBS values and 1 March 2025 to calculate the SPP values.

Remuneration at various levels of performance (£000)

Iñaki Ereño, Group CEO

James Lenton, Group CFO



Differences between the remuneration policies for Executive Directors and other employees

The Remuneration Policy for the Executive Directors is designed to be broadly similar to the policy applicable to Bupa employees to ensure that they are both aligned with delivering sustainable business performance. While opportunities vary, the underlying principles of salary review, MBS and SPP are consistent for senior executives.

A small number of senior executives across Bupa participate in the SPP, with award levels calculated as a percentage of salary and based on their level of seniority and accountability. Vesting of the awards is dependent on performance against specific financial and non-financial measures over a three-year performance period.

Directors' remuneration report

Part 3: Policy continued

Performance measures and target setting

Measures and targets for the MBS are aligned with delivery of Bupa's Annual Operating Plan and may include personal objectives that change from year to year.

Measures and targets for the SPP are set by the Committee, taking into account internal and external reference points that include historic Bupa performance, internal forecasts and broader market trends. Targets are set for vesting at threshold, target and maximum performance levels.

Committee discretion

The Committee has ultimate discretion over all incentive plans relating to the Executive Directors and other individuals within its remit. This includes but is not limited to:

- Determining the size of the award/payment.
- Determining whether minimum levels of performance have been met or underlying performance is satisfactory before determining the vesting of any awards.
- Determining whether the management of risk has been acceptable, or whether any downward adjustments are required.
- Selecting or adjusting performance measures within the Remuneration Policy and the plan rules.
- Determining whether individuals are 'good leavers' for incentive plan purposes, based on plan rules.
- Making one-off adjustments in exceptional circumstances.

Malus and clawback

The Committee may apply malus and clawback provisions to awards granted under the MBS, GPP and SPP. Malus enables awards to be reduced, cancelled or made subject to additional conditions before payment. Clawback requires repayment of cash awards for up to three years after payment.

Circumstances in which the operation of these provisions may be considered include:

- Misstatement of results.
- An error in assessing any relevant performance metric or in the information or assumptions on which the MBS or SPP is determined.
- Serious reputational damage to Bupa or a relevant Business Unit.
- A scenario in which significant risk has been taken which is outside of Bupa's or a relevant Business Unit's risk appetite.

- An employee enters into any hedging transaction or transactions that might undermine the intended performance and/or risk alignment of any awards under the Plan, including any deferred amount.
- An act or omission which justifies, or in the opinion of the Board would have justified, summary dismissal or service of notice of termination of employment on the grounds of misconduct on the part of an employee.
- Gross misconduct or material breach of employment contract.
- New information presenting itself, highlighting that performance (Company or eligible employee) was incorrectly assessed.
- Any other circumstance which the Committee in its discretion considers to be similar in nature or effect to the above.

The clawback period of three years from payment was chosen as being fair and proportionate, aligns with the deferral period for MBS and GPP and the performance period for SPP, and ensures consistency in all Bupa incentives. If an investigation into the conduct or actions of the participant or any Group Company has started before, but has not been completed on or before, the payment of the award and/or the end of the clawback time period: the Committee may in its absolute discretion determine that the payment date and/or the end of the clawback time period be such later date as it may reasonably determine, to allow for the investigation to be completed and allow the Committee a reasonable opportunity to consider the outcome(s) of the investigation.

Service contracts for Executive Directors

Executive Directors have a 12-month rolling employment contract. The notice requirement is 12 months from both the Company and the individual, which may be payable in lieu. These contracts also include specific post-termination restrictions. Executive Directors are usually permitted, subject to the Board's approval, to have one external NED role and to accept and retain the fee for this appointment. This is on the condition that any external appointment does not give rise to a conflict of interest.

Directors' remuneration report

Part 3: Policy continued

Remuneration Policy table – NEDs

Terms of engagement for NEDs

The terms of engagement for the Non-Executive Directors (NEDs) of Bupa set out the fees and benefits to which they are entitled as well as the expectation of the time commitment required to effectively perform their role. Copies of the terms of engagement are available [here](#) on bupa.com. The table describes the Remuneration Policy as it applies to the Chairman and NEDs.

Element	Purpose and link to strategy	Operation
Fees	To attract and provide stability, reflecting the complexity of the role and time commitment required	<p>The Chairman receives an all-inclusive fee. NEDs receive a fixed basic fee. Additional fees are paid for chairing or membership of Board Committees and for the Senior Independent Director role. Fees for additional work in relation to subsidiaries are paid for by the relevant subsidiary.</p> <p>Fees are reviewed annually by the Board. Key factors considered include:</p> <ul style="list-style-type: none"> ■ Overall business performance. ■ Scope and responsibility of the role. ■ Appropriate market data. ■ That NEDs are not eligible for any form of variable pay.
Benefits	To provide health and wellbeing benefits aligned with Bupa's purpose	During their time in office, NEDs are entitled to private health cover for themselves and their family and an annual health assessment for themselves and their partner. These benefits are taxable. Authorised travel expenses are reimbursed along with the additional tax and NIC incurred where these are treated as taxable income and, in exceptional circumstances. Where spouses or partners are required to travel for business purposes, travel and subsistence expenses are reimbursed along with the additional tax and NIC.

Report of the Directors

Disclosure compliance

The following disclosures, including those referenced in the disclosure table, provided in accordance with the Act and related regulations, or required in the Annual Report under Listing Rule 6.6.1 and DTR 4.1, are all incorporated by reference into this Report of the Directors:

- The Strategic Report and statement on [pages 2 to 62](#).
- The audited financial statements presented on [pages 130 to 135, and 213 to 214](#).
- The Governance reports on [pages 64 to 116](#).
- Disclosures:

Disclosure	Location
Financial instruments	Notes 10 and 11 to the Financial Statements, pages 172 to 175
Risk management objectives and policies in relation to the use of financial instruments	Note 25 to the Financial Statements, page 198 to 211
Likely future business developments	Strategic Report pages 7 and 15 to 16
Acquisitions and disposals	Note 23 to the Financial Statements, pages 194 to 196
Post-balance sheet events	Note 1.8 to the Financial Statements, page 139
Financial performance	Group CFO's review pages 17 to 19
Engaging with our people and employment of disabled persons	People and culture pages 29 to 31 and Section 172(1) and Engagement Statement page 50
Relationships with suppliers, customers and others	Section 172(1) and Engagement statement pages 49 to 51
Greenhouse gas emissions, energy consumption and energy efficiency action	Sustainability and ESG report pages 37 to 39
Long-term incentive schemes	Directors' remuneration report pages 90 to 113

Insurance and indemnities

Bupa has a directors' and officers' insurance policy in place, together with indemnities for the Directors and certain senior managers, to the extent permitted by English law and the Company's Articles of Association.

These cover all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company or of any of its subsidiaries. They have been in place throughout 2024 and to the date of this Annual Report. There are no other qualifying third-party indemnity provisions or pension indemnity provisions in place.

Political donations

Bupa's policy is to not make donations to political parties or to independent election candidates and we will not do so without specific endorsement from our Association Members. We have not made any political donations, nor incurred any political expenditure within the definition in section 364 of the Act during 2024.

As the broad definitions used in the Act make it possible for the normal business activities of the Company, which might not be thought of as political expenditure or donations to political organisations in the usual sense, to be caught, we will continue to propose a resolution at our 2025 Annual General Meeting to authorise the Group to make political donations, given the wide definition in section 364 of the Act regarding what constitutes a political donation. This is in accordance with best practice for listed companies. Bupa has no intention of making use of this resolution.

Branches

The Company has an inactive branch in Cyprus.

Articles of Association

The Company is limited by guarantee and has no share capital nor any traded securities. Each of the Association Members has one vote on business at general meetings. The Company's Articles of Association require all Directors to be Association Members. The Directors have the authority to exercise all the powers of the Company. A Director may be appointed by ordinary resolution of the Association Members or by a decision of the Directors. All Directors must offer themselves for election or re-election at each Annual General Meeting.

A Director's appointment ceases upon: resignation, prohibition from being a director by law, bankruptcy, ceasing to be an Association Member, incapacity or being removed from a medical register if a qualified medical practitioner, a written request from at least three-quarters of the other Directors, by Board resolution if the Director has missed four consecutive meetings, or by ordinary resolution given on special notice.

Effectiveness of the internal control and risk management system

The Directors completed their annual review of the Company's risk management and internal controls systems in 2024 covering all material codes, that included financial, operational and compliance controls, in accordance with provision 29 of the Code. They took into consideration the work of its Audit and Risk Committees and reports provided to the Committees from the first, second and third-lines. They also considered an integrated assurance report that set out the overall assessment of the Group's systems of risk management and internal control in 2024. Following this review, the Board concluded that the Company has maintained overall sound risk management and internal control systems during 2024, underpinned by the established three-lines model, with some weaknesses that are being addressed by management and will be monitored by the Board's Audit and Risk Committees.

Report of the Directors continued

Going concern

The Directors confirm that they are satisfied that the Company and the Group have adequate resources to continue in operation for the next 12 months. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The going concern assessment in Note 1.4 on [page 138](#) includes information on the Directors' detailed assessment of the Group's status as a going concern.

Longer-term viability

The Directors have examined the outlook for the Company and the Group, as required by provision 31 of the Code, and assessed our ability to operate and meet our liabilities as they fall due over a three-year period.

Bupa's new 3x100 Strategy is the driving force behind our planning process. A three-year assessment period was chosen for the longer-term viability assessment because it ties in with our internal planning process. Bupa's planning considers all important financial and regulatory measures over the period and stresses the key risks facing individual Business Units, as well as global risks that could affect Bupa as a whole.

As part of the assessment of viability, the Directors looked at the financial performance, capital management, cash flow, solvency, and future outlook. Bupa is well capitalised and is expected to remain so over the plan period. The liquidity position of the Group is expected to remain strong across the three-year period.

A number of reasonably plausible severe scenarios were considered as well as contingent liabilities. A scenario in which worsening geopolitical conflicts and the potential knock-on impacts on global growth and economic conditions that would lead to a global economic recession in 2025 was considered. A variety of local scenarios developed by each Business Unit were separately considered with the majority focusing on climate change, stroke of pen and/or affordability pressures. Under the most severe reasonably possible scenarios considered, the forecast liquidity position reduces but would remain within the Group's liquidity appetite over the three-year planning period without the need for management actions. Management actions include reducing expenditure, obtaining additional funding or divesting investments or businesses.

'Reverse stress testing' is also conducted at the Group level, aimed at identifying hypothetical circumstances that might result in our business model failing and helps the Directors to better understand the Group's risks. The Group remains most exposed to failure through a lack of liquidity at the Group centre, although multiple improbable events would need to occur in order to induce failure (prior to the taking of management actions) in the timeframe considered.

The most recent Own Risk and Solvency Assessment (ORSA), that brings together the outcomes of risk management and financial management processes, considers the level of regulatory capital we require to remain financially stable over the planning period given the nature of the risks we currently face, our strategy and our risk appetite. It takes into account the quantification of the Group's current risks as defined by the Solvency II Directive and considers the impact of potential stressed scenarios that are aligned to Bupa's risk profile. It also sets out the management actions, identified as part of the Group's Recovery Plan, that are available to address challenges to the Group's liquidity or solvency position. This assessment concluded that we expect to have sufficient capital assets to continue to meet regulatory requirements over a three-year period.

Although Bupa pays interest on its borrowings, it has no shareholders and therefore does not pay dividends. Instead, Bupa can invest in growing organically and through acquisition. This expenditure is largely discretionary and can be reduced if required.

Following a review of the key risks and uncertainties set out in the Risk Review on [pages 56 to 62](#), the Directors are satisfied that there are appropriate risk management and governance procedures in place to manage and mitigate these risks over the three-year period. Emerging risks are identified and reported on to ensure that they are properly understood and are considered in future strategic decisions.

While continuing uncertainty exists as a result of the challenging macroeconomic and geopolitical environment, the Group's diversified business model continues to support the viability of the Group over the period considered.

Based on this analysis and regular risk and capital reporting processes, the Directors have a reasonable expectation that Bupa will be able to continue in operation and meet its liabilities as they fall due throughout the three-year planning period up to 31 December 2027.

Report of the Directors continued

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Accounts and the Group and Parent Company financial statements, in accordance with applicable law and regulations. UK company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they have elected to prepare the Group and the Parent Company financial statements in accordance with UK-adopted international accounting standards in conformity with the Act.

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 their 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 UK-adopted international accounting standards
- Assess the Group and Parent Company's ability to continue as a going concern
- Use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Act. 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.

The Directors consider that the Annual Report and financial statements taken as a whole are fair, balanced and understandable, and provide the information necessary for AMs to assess the Group's position and performance, business model and strategy.

The Directors have decided to prepare, voluntarily, a Directors' remuneration report in accordance with Schedule 8 to The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 made under the Act, as if those requirements were to apply to the Company.

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.

Each of the current Directors, whose names and positions are set out on [pages 65 to 67](#), confirm that to the best of their 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.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Disclosure of information to the External Auditor

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

External Auditor reappointment

A resolution to reappoint PricewaterhouseCoopers LLP as External Auditor will be put to the Company's Annual General Meeting in May 2025.

By order of the Board.

Colin Campbell

Group Company Secretary
5 March 2025

Company number: 432511