

BUPA FINANCE PLC

(Company number 2779134)

Directors' report and financial statements
for the financial year ended 31 December 2025

Bupa Finance plc
Registered number: 2779134

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Bupa Finance plc
Registered number: 2779134

Directors and Officers

Directors

C Binmore
G M Evans
S M Fielding
J A Lenton

Company Secretary

C R Campbell

Registered Office

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EC2R 7HJ

Auditors

PricewaterhouseCoopers LLP

Strategic Report

For the year ended 31 December 2025

The Directors present their Report for the year ended 31 December 2025 for Bupa Finance plc, a company registered in England as a public company limited by shares (the 'Company'), and its subsidiary companies (together referred to as the 'Group').

The immediate and ultimate parent of the Company and its Group is The British United Provident Association Limited (the 'Parent' or 'Bupa'). Accordingly, Bupa prepares the consolidated Strategic Report for itself together with its subsidiaries (the 'Bupa Group').

Strategic Report

Principal activities

The Company is part of the Bupa Group, which is an international healthcare group. The principal activity of the Company is the provision of financing and treasury management of Bupa's businesses.

About Bupa

Bupa was established in 1947. Its purpose is helping people live longer, healthier, happier lives and making a better world. The Bupa Group serves 68 million customers¹ worldwide. Bupa is a company limited by guarantee and therefore has no shareholders. This means it can focus on reinvesting its profits back into the business for the benefit of current and future customers. The Bupa Group has businesses around the world, principally in Australia, the UK, Spain, Poland, Chile, Hong Kong SAR, India, Türkiye, Brazil, Mexico and New Zealand. We also have associate businesses² in Saudi Arabia.

Business model

Bupa's businesses	What the businesses do
Health insurance 73% of revenue 47.1m Insurance customers worldwide	- Bupa's health insurance serves corporate customers, small and medium-sized enterprises (SMEs) and individual customers. - It provides health insurance and funding products to customers in Australia, the UK, Spain, Poland, Chile, Hong Kong SAR, India, Türkiye, Brazil and Mexico and via the associate businesses in Saudi Arabia. - It offers international private medical insurance (IPMI) through the Bupa Global businesses. - It also provides dental insurance in Australia, the UK, Spain, Chile, Poland, Hong Kong SAR, Brazil and through Bupa Global.
Health Provision 20% of revenue 20.7m provision customers worldwide	- The businesses operate health facilities in Spain, Chile, Poland, the UK, Brazil, Hong Kong SAR and Australia, and in the associate business in Saudi Arabia. Its services include health assessments, GP services, physiotherapy and outpatient clinics. - It provides digital GP services, care triage and consultation, mental health coaching and support, and chronic care management. It also provides optical services in Australia. - It runs hospitals in Spain, Mexico, Chile, Poland and the UK, and has dental centres across the UK, Ireland, Australia, Spain, Chile, Poland, Brazil and Hong Kong SAR.
Aged care 7% of revenue 24,031 residents in our care homes	- The Bupa Group's aged care services comprise care homes, retirement villages, day centres and home care. - The Bupa Group provides care to its residents in Australia, New Zealand, the UK and Spain.

¹ Bupa's customer definition has been updated to align with our 3x100 Strategy. Customers (which includes 100% of the customers of our Associate Businesses) are defined as the number of Bupa products or services that an individual chooses to access, whether funded personally, by their employer or other affinity – where they have the option to choose a non-Bupa alternative. The difference between the previous and current definition is not materially different in total.

² Refers to Bupa Arabia and My Clinic.

Strategic Report

For the year ended 31 December 2025

Performance headlines³

- Insurance customers increased by 14% to 47.1m, health provision customers increased 6% to 20.7m and aged care occupancy⁴ remained high at 94%.
- As a result of this strong customer growth, revenue increased by 11% to £18.2bn and underlying profit increased by 12% to £1.18bn at constant exchange rates (CER).
- Statutory profit before tax reduced by (1%) at actual exchange rates (AER) to £1.15bn, as underlying profit growth at CER was offset by foreign exchange impacts and greater favourable one-off items in the prior year.
- Solvency II capital coverage ratio of 187% is above the top end of Bupa's working range, reflecting the Bupa Group's strong capital position underpinned by the short-duration profile of its insurance liabilities.

Trading performance

	FY 2025	FY 2024 (CER)	% growth (CER)	FY 2024 (AER)	% growth (AER)
Customers	67.8m	n/a	n/a	60.9m	11%
Revenue⁵	£18.2bn	£16.4bn	11%	£16.9bn	7%
Underlying profit⁶	£1,180m	£1,052m	12%	£1,094m	8%
Statutory profit before tax	£1,147m	n/a	n/a	£1,156m	(1%)

Cash and capital

	FY 2025	FY 2024 (AER)	% growth (AER)
Cash generated from operating activities	£1,426m	£1,414m	1%
Leverage (excl. IFRS 16)	16.1%	16.6%	0.5ppts
Leverage (incl. IFRS 16)	23.6%	23.8%	0.2ppts
Solvency⁷	187%	176%	11ppts

BUPA GROUP CEO's UPDATE

2025 performance summary

The Bupa Group's strong financial performance and continued growth in underlying profit, driven by serving more customers than ever before, underlines the successful transition and momentum carried over from Bupa's 3x6 strategy to the new 3x100 Strategy.

Progress against Bupa's 3x100 Strategy

Bupa launched its new 3x100 Strategy at the start of 2025 which sets out the initiatives the Bupa Group is focused on in service of Bupa's purpose. There are three bold Ambition KPIs which Bupa is striving towards, with progress made against each:

- To have a Customer Net Promoter Score of 100.** In 2025, Bupa increased its NPS score by +5.2pts and achieved an average NPS score of 71.9 across all business units. This has continued to improve year on year.
- To achieve a 100% Complete Customer Dataset.** In 2025, Bupa made great progress strengthening its customer profile, funding and interaction data, delivering a 1.6 ppt increase to reach Bupa's first 60% goal on data foundations⁸. As part of the 3x100 Strategy, Bupa is now focused on expanding customer clinical data, the remaining 40% of its ambition.
- To have 100m customers supported by Bupa.** In 2025, Bupa served 68 million customers worldwide, more than ever before, and 11.4% more customers than in 2024.

Other highlights

- Increasing hospital provision:** This year, Bupa added four more hospitals, bringing the total it operates to 28. In Spain, Bupa opened Hospital Blua Sanitas Valdebebas, a new digital hospital which combines technology, sustainability and personalised care. It also acquired Hospital Magnus in the city of Łódź in Poland. In the UK, Bupa acquired two hospitals, New Victoria Hospital and King Edward VII's Hospital.

³ Revenues from associate businesses are excluded from reported figures. Customer numbers include 100% of Bupa's associates. Economic post-tax profits include the associate contribution in line with Bupa's shareholding.

⁴ Closing occupancy.

⁵ Revenue calculated based on the aggregation of 'insurance revenue' and 'total non-insurance revenue' as shown in the Consolidated Income Statement. For Constant exchange rate (CER), financials are the retranslation of the prior year Actual Exchange Rates (AER) financials based on the current financial year's average rate.

⁶ Underlying profit is a Non-GAAP financial measure. A reconciliation to statutory profit before taxation can be found in the notes to the financial statements.

⁷ The Solvency II coverage ratio represents the Parent, The British United Provident Association Limited.

⁸ Data Foundations refers to three types of customer data captured across Bupa's businesses: i) customer profiling & contact information, ii) funding data, and iii) Bupa interaction data.

Strategic Report

For the year ended 31 December 2025

- **People engagement:** Bupa's overall engagement score in its latest global employee survey in November 2025 was 84, exceeding Microsoft Glint's high-performing (top 10%) external benchmark by three points. This survey saw high levels of participation with an 86% response rate.
- **Bupa Campus:** Bupa launched Bupa Campus, a new learning initiative with physical sites in Melbourne, Madrid and Staines, and a global digital learning platform, which is focused on developing Bupa's workforce for the future, fostering innovation and creating a culture of continuous learning. Bupa has already had over 12,000 visits to Bupa Campus, with more to come in 2026. Bupa Campus is Bupa's commitment to develop the leadership, skills and future capabilities that will drive the transformation of healthcare.
- **Launching Better World:** The strategy is the next step in Bupa's sustainability journey, and is driving real action for People, Communities, and the Planet. Through Bupa's Healthy Cities programme, it has supported over one million people in more than 50 cities across 24 countries, with a £3m investment for nature-based projects that are transforming urban environments.

Outlook

The Board are encouraged by the strong growth and performance across the Group through the first year of Bupa's new 3x100 Strategy and the commitment from colleagues.

Continued global macro-economic and geopolitical uncertainty creates challenges for Bupa's business to navigate while changes in governmental and regulatory policy remain one of the Bupa Group's top risks. The Bupa Group remains well-placed to navigate these challenges and to take advantage of opportunities because of its underlying financial strength, resilience and diversified business model.

The Board are confident for the future and there is positive momentum behind Bupa's 3x100 Strategy and ambition to be the world's most customer-centric healthcare company. There is much to do and the Bupa Group is focused on supporting people's changing health and wellbeing needs, now and into the future.

FINANCIAL REVIEW

Summary

	2025 £m	2024 (CER)	% growth (CER)	2024 (AER)	% growth (AER)
Bupa Asia Pacific	6,316	5,958	6%	6,277	1%
Europe and Latin America	6,016	5,291	14%	5,427	11%
Bupa Global, India and UK	5,756	5,103	13%	5,151	12%
Other Businesses	10	9	11%	9	11%
Adjustment ⁹	56	47	19%	60	(7%)
Total Revenue	18,154	16,408	11%	16,924	7%
Bupa Asia Pacific	459	418	10%	442	4%
Europe and Latin America	461	425	8%	445	4%
Bupa Global, India and UK	321	231	39%	227	41%
Other Businesses	84	94	(11%)	97	(13%)
Market Unit Underlying Profit	1,325	1,168	13%	1,211	9%
Group Functions	9	4	125%	4	125%
Borrowing Costs	(74)	(84)	(12%)	(84)	(12%)
Group Investment Fund	(80)	(36)	122%	(37)	116%
Total Underlying Profit	1,180	1,052	12%	1,094	8%
Statutory profit before tax	1,147	n/a	n/a	1,156	(0.8%)
Group COR ¹⁰	94%	n/a	n/a	95%	1ppts
Cash generated from operating activities	1,426	n/a	n/a	1,414	0.8%
Leverage (excl. IFRS 16)	16.1%	n/a	n/a	16.6%	0.5ppts
Leverage (incl. IFRS 16)	23.6%	n/a	n/a	23.8%	0.2ppts
Solvency II ratio ¹¹	187%	n/a	n/a	176%	11ppts

All commentary is on a CER basis unless stated otherwise.

⁹ Impact of applying IAS 29 Financial Reporting in Hyperinflationary Economies for Türkiye.

¹⁰ Combined Operating Ratio (COR) for our fully consolidated businesses is calculated based on "Insurance service expense" plus "Net expense from reinsurance contracts held" divided by "Insurance revenue" as shown in the Consolidated Income Statement.

¹¹ The Solvency II coverage ratio represents the Parent, The British United Provident Association Limited.

Strategic Report

For the year ended 31 December 2025

Bupa Asia Pacific

Revenue in Bupa's Asia Pacific Market Unit increased by 6% to £6.3bn driven by customer growth and the expansion of the health provision network whilst occupancy levels in the aged care businesses remained high. Underlying profit increased by 10% to £459m supported by revenue growth and margin improvement from enhanced operating efficiency.

Australia Health Insurance grew revenue and underlying profit, with domestic market share closing at 25.56% for the December quarter, marking three consecutive years of growing market share. On a reported basis, the COR improved to 92% (2024: 93%) reflecting cost efficiencies which have been driven by ongoing investment in technology and process improvement.

Australia Health Services revenue and underlying profit increased, driven by network expansion and growth in customer volumes. During 2025, Bupa accelerated investment into the Connected Care model adding 27 medical centres to its network, finishing with 32 across its national footprint.

In aged care, Australia Villages and Aged Care revenue increased, supported by higher resident fees, while occupancy remained high at 95% (2024: 95%). Underlying profit reduced as strong operational performance was offset by an increase in the provision for employee entitlements following recent court judgements. In New Zealand Villages and Aged Care revenue grew and underlying profit increased, driven by strong demand supporting higher average pricing and care home occupancy reaching a seven-year high of 95% (up from 94% at 2024).

Bupa's Hong Kong business achieved revenue and underlying profit growth, from an improved loss ratio and customer retention in insurance. The business also saw an increase in the proportion of insurance customers utilising Bupa's Health Services network.

Europe and Latin America

Revenue in Bupa's Europe and Latin America Market Unit grew by 14% to £6.0bn, driven by customer growth and higher average revenue per customer. Underlying profit increased by 8% to £461m, driven by revenue growth, partially offset by a payment still under dispute made in relation to a (now terminated) Public Private Partnership (PPP) in Bupa's Spanish hospitals business.

Sanitas Seguros, Bupa's health insurance business in Spain, delivered strong revenue growth through higher customer volumes, with record sales of 533k new policies in a year. Underlying profit increased as a result of the higher volumes whilst margins were broadly stable with a COR of 90% (2024: 90%).

Bupa's dental business in Spain saw revenue and underlying profit increase, driven by higher customer volumes and new clinics.

Bupa's hospitals business in Spain saw very strong customer growth driven by expansion initiatives. Both revenue and profit declined as a PPP reached the end of its term in 2024 and Bupa made a payment relating to prior years under that contract.

Sanitas Mayores, Bupa's aged care business in Spain, grew revenues and underlying profit as a result of expansion and improved margins. Occupancy remained high at 96% (2024: 95%).

In Poland, LUX MED's revenue and underlying profit increased, driven by margin improvement and strong growth in the number of health insurance and subscription customers, generating more activity in its medical centres, hospitals and dental centres.

In Chile, Bupa's business delivered revenue growth and returned to underlying profitability as the regulator approved higher product pricing in the Isapre¹², whilst provision volumes and margins improved.

Bupa Acıbadem Sigorta, Bupa's health insurance business in Türkiye, reported growth in revenue and underlying profit as we continue to navigate a challenging macroeconomic and competitive backdrop. Higher investment returns drove the increase in underlying profit as interest rates remained high.

Care Plus in Brazil delivered revenue and underlying profit growth from higher insurance volumes, lower loss ratio and higher investment returns.

Bupa Mexico delivered revenue growth driven by customer growth in insurance. Underlying profit reduced as the improved business performance was offset by the impact of new tax legislation denying the recovery of VAT borne on hospital and medical expenses.

Bupa Global Latin America revenue increased from higher customer volumes. Underlying profit decreased driven by lower investment returns as interest rates reduced.

Bupa Global, India and UK

Revenue in the Bupa Global, India and UK market unit increased by 13% to £5.8bn driven by continued customer growth across the insurance businesses, particularly in UK Insurance and Niva Bupa, and higher customer volumes in provision. Underlying profit increased by 39% to £321m driven by revenue growth, improved margins and the impact of a one-off fair value adjustment in 2024 of £(51)m as we increased shareholding in Niva Bupa.

UK Insurance delivered growth in revenue and underlying profit with the increased performance driven by higher revenues and improved loss ratio, net of reduced investment income.

In Bupa Global, Bupa's international private medical insurance business, revenue increased due to higher average premiums. Underlying profit reduced as Bupa invests in its policy administration technology to support future growth.

The COR for Bupa Insurance Limited, the UK based insurance entity that underwrites both domestic and international insurance, remained stable at 96% (2024: 96%).

Niva Bupa, Bupa's Indian health insurance business, continues to deliver strong customer growth amidst increasing awareness of and demand for health insurance. Revenues grew strongly as a result and the business reported an underlying profit.

UK Dental continues to deliver against its turnaround strategy with margin improvement driving growth in underlying profit.

UK Care Services, Bupa's aged care business, delivered growth in revenue and underlying profit through increasing occupancy to 92% (2024: 91%), disciplined cost management and record property sales in our retirement village business.

¹² Loss before tax for the Isapre in 2025 was £26k (2024: £203m loss AER when including impacts of the risk factor table payable of £187m included in non-underlying items).

Strategic Report

For the year ended 31 December 2025

UK Health Services delivered growth in revenue and underlying profit. The increase in profit was driven by higher customer numbers in Clinics and the Cromwell Hospital.

Other Businesses

Profit from Bupa's associate insurance and provision businesses in Saudi Arabia decreased, primarily due to elevated inflationary pressures that compressed insurance margins throughout the year.

Central costs

The Bupa Group investment funding of £(80)m (2024: £(37)m) increased as Bupa re-invested profits into high-impact and strategically important initiatives. This was partially offset by a reduction in borrowing costs to £(74)m (2024:£(84)m) due to lower senior debt costs.

Statutory profit before tax

Statutory profit before tax reduced by (1%) AER to £1.15bn as the increase in underlying profit on a CER basis was offset by foreign exchange impacts and one off items in the prior year where Bupa recognised a £309m fair value gain on its existing stake in Niva Bupa, partially offset by a payable of £187m related to the Risk Factor Tables matter in the Isapre in Chile.

The key drivers of the £(33)m loss on non-underlying items in 2025 were restructuring costs included within other non-underlying items of £(23)m and a net monetary loss of £(25)m resulting from the application of IAS 29¹³ included within FX losses of £(19)m. This was partially offset by a £28m gain on the disposal of a legacy portfolio of individual health contracts in Brazil included within the net gain on disposal of businesses and transaction costs on business combinations.

	2025 £m	2024 £m
Consolidated underlying profit before taxation at CER	1,180	1,052
Foreign exchange re-translation on 2024 results (CER/AER)	–	42
Consolidated underlying profit before taxation at AER	1,180	1,094
Impairment of intangible assets and goodwill arising on business combinations	(8)	(2)
Niva Bupa fair value gain on pre-existing shareholding	–	309
Chile payment plan payable	–	(187)
Short-term fluctuation on investment returns	5	(9)
Net gain/(loss) on disposal of businesses and transaction costs on business combinations	16	(21)
Net property revaluation gains	(4)	9
Realised and unrealised foreign exchange (losses)/gains	(19)	9
Amortisation of bed licences	–	(13)
Other non-underlying items	(23)	(33)
Total non-underlying items	(33)	62
Statutory profit before taxation at AER	1,147	1,156

Taxation

The Bupa Group's effective taxation rate for the period was 25% (2024: 26%), which is in line with the UK corporation taxation rate of 25%.

Bupa Group COR

Under IFRS 17 we are required to report an insurance service result which comprises: insurance revenue, less insurance service expenses. This result excludes financial income and expenses. For 2025 the Group insurance service result increased to £798m (2024: £622m at AER) driven by customer growth and improved margins across the majority of our insurance business units, resulting in a Group COR of 94% (2024: 95%).

Net cash generated from operating activities

Net cash generated from operating activities remained strong at £1,426m (2024: £1,414m at AER). The marginal year-on-year improvement was driven by business growth being partially offset by the timing of a payment associated with the PPP in Bupa's Spanish hospitals business which remains under dispute.

Funding

The Board manages funding prudently to ensure a strong platform for continued growth. The Bupa Group's policy is to maintain investment grade access to both the senior and subordinated bond markets. There were no rating movements in the 12 months to 31 December 2025.

We continue to hold a good level of Group liquidity. At 31 December 2025, the Company's £900m Revolving Credit Facility (RCF) was undrawn (FY 2024: undrawn). Coverage of financial covenants within the facility remains strong. In November £400m 6.625% Tier 2 notes due 2045 were issued and at the same time a £400m buy back completed across the £400m 2026

¹³ Türkiye has been classified as a hyperinflationary economy since 2022, leading to the application of IAS 29

Strategic Report

For the year ended 31 December 2025

Tier 2 and £300m 2027 senior notes. Following completion of the buy back, £108m of the 2026 Tier 2 notes and £192m of the 2027 senior notes remains.

The Company focuses on managing its leverage in line with its credit rating objectives. Leverage excluding IFRS 16 leases was down to 16.1% (FY 2024: 16.6%) with the reduction driven by an increase in net assets in the period.

Solvency¹⁴

Bupa's Solvency II capital coverage ratio of 187%¹⁵ is above the top end of its 140-170% working range, reflecting Bupa's strong capital position underpinned by the short-duration profile of insurance liabilities.

Solvency Position	2025	2024	% growth
Own Funds	£6.2bn	£5.4bn	15%
Solvency Capital Requirement	£3.3bn	£3.1bn	6%
Solvency Coverage Ratio	187%	176%	11ppts

Risk Sensitivities ¹⁶	Solvency II coverage ratio
Solvency coverage ratio	187%
Property values -10%	177%
Loss ratio worsening by 2%	179%
Sterling depreciates by 20%	180%
Group Specific Parameter (GSP) +0.2%	184%
Credit spreads +100bps (no credit transition)	185%
Interest rate +/-100bps	187%
Equity markets -20%	187%
Pension risk +10%	187%

A movement in the value of the Bupa Group's owned properties remains the most significant sensitivity. Most of the Bupa Group's property portfolio relates to our provision businesses, where valuations are driven by sector-specific earnings assumptions. Exposure to wider commercial property market trends is limited to a relatively small amount of office properties. Bupa's property risk sensitivity therefore primarily reflects the risk of property devaluation arising from sustained deterioration in profitability expectations across the provision sectors in which its assets operate rather than volatility from commercial property market valuations.

¹⁴ The Solvency II capital position, SCR and coverage ratio represents the Parent, The British United Provident Association Limited.

¹⁵ The 2025 Solvency II capital coverage ratio is an estimate and unaudited. The Bupa Group holds capital to cover its Solvency Capital Requirement (SCR), calculated on a Standard Formula basis, considering all our risks, including those related to non-insurance businesses. A Group Specific Parameter (GSP) is included in respect of the insurance risk parameter in the Standard Formula, reflecting the Bupa Group's loss experience.

¹⁶ Bupa performs an analysis of the relative sensitivity of its solvency coverage ratio to changes in market conditions and underwriting performance. Each sensitivity is an independent stress of a single risk and before any management actions.

Strategic Report

For the year ended 31 December 2025

Risk

Bupa Group has a strong risk management culture, which helps to deliver Bupa's strategy for its customers.

The Bupa Group's clear purpose and strategy, strong values and culture help its people to respond quickly to changes in the market and new regulations. These enable risks that might affect Bupa's customers or business to be identified, and action to be taken, to reduce those risks or make adaptations when needed.

As a subsidiary of Bupa, the Company applies Bupa's systems of risk management and internal controls. This creates a strong risk culture at the foundation of the Bupa Group's business model: to serve Bupa Group customers well and meet the Company's stakeholder expectations. Bupa's systems of risk management and internal controls, applied by the Company and its Group, to manage its risks include The Bupa Code, Bupa's risk appetite statements, Bupa Enterprise Policies, and Bupa's Speak Up whistleblowing service.

Risk Management

Risk is managed using a Three Lines Model which is set out in Bupa's Risk Management Framework, which is set and approved by Bupa's board and applied by the Company and its Group. Bupa's Risk Management Framework sets out the principles, risk taxonomy, appetite statements, enterprise policies and reporting systems. It ensures:

- timely identification and escalation of current and emerging risks
- clear ownership and accountability
- effective mitigation and management of risks, and
- informed risk-based decision-making.

The core risk appetite statements are focused on:

- the treatment of customers and employees
- management of our financial strength and
- operational risk, including information security; privacy and clinical risks.

Principal risks

Bupa, as the Parent, holds capital to mitigate against certain inherent risks. This reflects the nature of the Bupa Group's business risks and the risks involved. There are some major risks to the Bupa Group that cannot be fully mitigated by holding capital alone. Many of these are operational risks and, while Bupa does hold significant capital for them, this is not the only way to mitigate these risks.

The Market Unit executive risk committees regularly review their residual risks and the actions taken to reduce them. These committees update the Bupa executive's Bupa Enterprise Risk Committee on the main areas of concern. This helps the Bupa Group management to focus on the priority areas and use resources effectively.

The following table sets out the principal risks to the Bupa Group, which apply to the Company. These are defined as those risks that could result in events or circumstances that might threaten Bupa and the Bupa Group delivering its purpose and strategic plans, including business model, future performance, solvency or liquidity, and reputation.

The Bupa Group's principal risks remain broadly consistent with those reported in the prior year. However, Bupa has introduced a new principal risk, Reputational risk, reflecting the increasing importance of maintaining trust in Bupa's brand as it continues to innovate and expand our services to deliver high quality healthcare to more people than ever before.

In Bupa's assessment, the outlook for Geopolitical and Economic Uncertainty risk and Government, Legal and Regulatory Change and Compliance risk have deteriorated since the prior year. This is reflective of a challenging and increasingly unpredictable external political and economic environment, which has increased volatility throughout the year, creating a more challenging business environment.

Strategic Report

For the year ended 31 December 2025

Risk	Mitigation	
Risks related to managing the financial strength of the Bupa Group		
Insurance risk Risks relating to the Bupa Group's insurance businesses. Risk of inadequate pricing and/or underwriting of insurance policies, of claims experience being materially adversely different expectations and that provisions made for claims prove to be insufficient in light of later events and claims experience, affecting either the frequency or severity of claims.	The relatively short-tailed nature of the Bupa Group's products allows it to respond to market changes quickly, including those driven by medical inflation, although this can be limited by government-set pricing controls in some markets. There is a relatively low exposure to reserving risk, compared to underwriting and pricing risk, due to the short-term nature of the Bupa Group's claims settlement patterns	The Bupa Group has robust control and monitoring mechanisms in place executed by specialist actuarial resources, including holding an appropriate risk margin, to mitigate against the risk of higher-than-expected claims costs. The geographical diversity of the Bupa Group's insurance business activities helps diversify and mitigate insurance risk exposure to individual markets.
Liquidity risk The risk that Bupa holds insufficient financial resources to enable it to meet its obligations as they fall due or to take advantage of potential opportunities, or being able to secure such resources only at excessive cost.	Liquidity risk is addressed by holding liquid assets and maintaining appropriate monitoring and dynamic forecasting processes and controls. Policyholder liabilities are predominantly backed by liquid assets held locally in Bupa's insurance businesses. The Bupa Group Treasury Function actively managing borrowings, for which the amount and timing of outflows are known, and maintain a portion of available bank facilities undrawn.	Prudent liquidity risk appetite limits are set that ensure appropriate levels of liquid assets are maintained Bupa monitors the markets, asset/liability durations and borrowing obligations to ensure that it appropriately funds the Bupa Group and any obligations, including pension liabilities. Bupas' stress-testing programme considers potential impacts upon liquidity arising from potential adverse scenarios
Property valuation risk The risk that structural or regulatory changes in the market impact the future trading potential of the properties, resulting in volatility in values or the devaluation of properties held for own use (including owned care provision properties), or for investment purposes, resulting in adverse impacts. This includes capitalised leased properties. Note: Care home valuations are based on their trading potential as effective operators based on discounted cash flow techniques.	By maintaining a geographic spread of businesses across a number of countries, the Bupa Group is able to diversify exposure to national or regional property markets and trading conditions. The properties are primarily owned by companies that are not regulated insurance entities and therefore any reduction in value does not materially impact the solvency position of regulated insurance entities.	As the properties are valued on long-term trading potential they are not generally exposed to short term fluctuations but are affected by structural market changes.
Operational risks		

Strategic Report

For the year ended 31 December 2025

Operational risk (including conduct risk and clinical risk) Risk of loss arising from inadequate or failed internal processes, or from personnel, systems or external events. This includes conduct risk (the risk that Bupa's behaviours, actions or controls do not achieve good outcomes for Bupa's customers), and clinical risk (the risk of injury, loss or harm to customers in receipt of healthcare). Information security risk is specifically addressed below	Maintaining internal control processes and governance frameworks, approving risk policies and assessing compliance are key factors in mitigating this risk. Bupa has specific dedicated internal governance committees focusing on specific areas of risk. These are sub-committees of the BERC. Established Clinical Governance framework, led by the Bupa Group Chief Medical Officer, provides oversight and management to deliver safe and effective healthcare	The Bupa Group continues to invest and strengthen its risk and control framework, including a focus on information security, technology and operational resilience..
Cyber and Information security risk The risk of significant financial and reputational impacts due to a failure to appropriately secure information (including personal information) or systems or data being unavailable resulting in reduced levels of operations to service our customers.	The Bupa Group continues to invest and strengthen its risk and control framework focusing on information security, technology and operational resilience. The Bupa Group has dedicated information security resources under the leadership of the Bupa Group Chief Information Security Officer to support governance, oversight and monitoring of information security risks and Bupa's operational expenditure is externally benchmarked	The Bupa Group benchmarks information security controls against the NIST standards and regularly conduct external penetration testing exercises. All Bupa Group staff are required to complete appropriate mandatory training annually. The Bupa Group has well-established and tested data breach incident response plans in place across the Bupa Group.
Operational resilience including supply chain disruption and third-party reliance The risks associated with failure to ensure Bupa's businesses remain resilient to operational and supply chain challenges, including those presented by third-party suppliers. This includes risks associated with complying with the associated regulatory requirements.	The Bupa Group has established operational resilience and third-party risk management frameworks, and continue to strengthen Third Party risk management where third parties support the operation of our businesses. The Bupa Group's businesses have well-established and tested business continuity and disaster recovery plans.	Operational resilience capabilities continue to evolve across Bupa's businesses ensuring they comply with existing and new regulations.
Strategic risks		
Government, legal and regulatory change and compliance risk The risk of failure to anticipate or influence changes in the governmental and regulatory environment which may impact Bupa's customers and the viability or profitability of Bupa's business.	The Bupa Group monitors and assesses the strategic implications on its businesses of emerging or potentially impactful future changes in policy or regulation, and advocate for appropriate change in these areas. The Bupa Group monitors developments, particularly in respect of potential restrictions on premium rate increases in markets where governments control rates and any changes in government funding levels in those businesses who transact with government related parties, to position ourselves to manage these risks and identify potential opportunities.	The Bupa Group engages with governments and regulators in the markets it operates in, as appropriate, to understand and influence potential changes to ensure it is able to continue to deliver quality and value for Bupa's customers, and complement public health systems. Its businesses operate in a range of diverse geographies and lines of business and this diversification acts as a mitigant against the potential impacts of individual regulatory changes.

Strategic Report

For the year ended 31 December 2025

Geopolitical and economic uncertainty risks The risks associated with geopolitical uncertainty and increasing nationalistic policies globally including in many of the markets the Bupa Group operates in. This could affect economic and/or market conditions, in turn, having an impact on customer purchasing decisions.	The Bupa Group actively monitors the geopolitical landscape and considers the implications of potential changes, for example the possibility and potential impacts arising from the introduction of trade tariffs. The Bupa Group regularly reviews its products and offerings to ensure that it continues to provide value and choice, recognising the economic and affordability challenges facing customers.	Management of the financial and performance risks as a result of the challenging economic conditions is a key focus of Bupa Group management The Bupa Group's businesses operate in a range of diverse geographies and lines of business and this diversification acts as a mitigant against the potential impacts of customer purchasing decisions.
Reputation risk The risk that reputational damage could impact Bupa's ability to achieve its strategic objectives. Failure to effectively manage reputational risks could result in poor stakeholder outcomes and impact our revenue and cost base, Bupa's ability to attract and retain the best staff and potential regulatory intervention or action.	The Bupa Group monitors metrics that inform reputational risk analysis for different stakeholder groups, including customer feedback. Reputation impact is considered across key decisions and major internal and external events. The Bupa Group has well established crisis response mechanisms in place which are tested regularly.	Reputation contagion risk remains prominent in the Bupa Group's operational and reputational risk management agenda, with a focus on resolving and learning from issues faced. The Bupa Group strengthens its brand and reputation globally and locally through a range of proactive measures. These include showcasing its unique offerings and thought leadership across key topics through external media and Bupa's own channels; building strategic brand partnerships; and sharing customer stories and hosting events that highlight Bupa's innovation and expertise.
Data ownership, use and governance risk The risks that Bupa is not able to collect, use, manage and secure its customer, clinical and people data as needed to deliver strategic and business objectives.	The Bupa Group has a clear data governance policy framework. The Bupa Group's Responsible AI Principles guide its decision making for using AI tools.	Enhanced data retention practices are embedding across the Bupa Group.
Strategic workforce risks The strategic risks associated with the lack of available clinical staff and professionals with digital and data skills.	Workforce availability remains a key area of focus for Bupa Group senior management with a range of activities under way in each market to address challenges	The launch of Bupa Campus helps upskill the Bupa Group's workforce and aid retention

Other risk themes monitored

As well as the principal risks set out above, there are other risks (not defined as principal risks) related to the delivery of Bupa's strategy that are monitored. These risks are periodically assessed to determine the potential impact the risks may have on its individual businesses and the Bupa Group as a whole, and appropriate actions taken to mitigate these risks and monitor them.

Strategic and Emerging Risks

Strategic and Emerging Risks that may affect the Bupa Group are monitored through extensive reviews of relevant external reference material and internal consultation with subject matter experts. Through this process the themes set out below were identified. These themes are interlinked and will evolve over different time frames, with some early impacts already being felt. The challenges these themes present may increase the further out they are assessed.

If current trends continue:

- customer and societal demands/expectations of quality and service will increase;
- geopolitical and economic uncertainty and deglobalisation focus will continue to rise;

Strategic Report

For the year ended 31 December 2025

- workforce expectations and requirements are changing, and global workforce capacity and capability challenges will persist;
- medical treatments and technologies will continue to advance, often rapidly and with potentially significant cost implications. This includes the potential impact of genomic testing which may have widespread implications.
- advances in technology will continue to be a critical influence, including artificial intelligence and cloud-based technology-related risks;
- trust in healthcare, and particularly AI, systems and data, will be a key factor in the adoption of new technologies;
- the competitive and operating landscape of the healthcare sector world-wide will evolve, become more connected and more challenging;
- the strategic impact and influence of climate risks, including how the world responds will continue to grow;
- regulation will evolve and adapt, particularly as new technologies emerge.

Climate-related risks

The Bupa Group ensures that climate-related risks are considered appropriately, including throughout the policy framework and management committees' responsibilities. Climate risk management is integrated into the existing Bupa Group-wide Risk Management Framework, which sets out how risks are identified, assessed (including Bupa's definition of materiality), managed and reported on. As a result, the financial risks from climate change do not appear separately in the Bupa Group's principal risks, as they are already captured within these risks.

On behalf of the Board

James Lenton
Director
4 March 2026

Governance

For the year ended 31 December 2025

Corporate Governance Report

Corporate Governance statement

The Company meets the thresholds of the Companies Act 2006 (the Act) to apply a corporate governance code and is therefore required to report on its corporate governance arrangements. While the Company is an intermediate holding company, it has listed debt securities on the London Stock Exchange and some of its subsidiaries are regulated under various financial services regimes, and have securities listed on Indian Stock Exchanges. However, as a wholly-owned subsidiary of Bupa, the ultimate parent of the Bupa Group, it is included in Bupa's consolidated group accounts and reporting.

Bupa has the ultimate oversight role for the Group from a governance perspective and has chosen to apply the Financial Reporting Council (FRC) UK Corporate Governance Code (the Code) to the extent it is appropriate and relevant to a company limited by guarantee with no shares or shareholders. The Company adopts and complies with the corporate governance arrangements set and operated by Bupa, including the Bupa Group's policies and procedures, to the extent appropriate for a subsidiary. How Bupa has applied the Code, is set out in its Corporate Governance Report in its 2025 Annual Report and Accounts that can be found on Bupa's website (www.bupa.com).

Corporate Governance structure

As referred to above, the Bupa board of directors sets the corporate governance framework to oversee Bupa and the Bupa Group, which is applied by the Company. This ensures the Bupa Group is operated and managed in a consistent, effective and responsible way in accordance with Bupa's purpose, values and culture.

Audit, risk, and internal control

Under the Bupa governance framework, and in accordance with the Code, the Bupa board delegated oversight and monitoring of the systems of internal control and risk management to its board Audit and Risk Committees, respectively.

The Company's Board has also appointed the Bupa board Audit Committee to review and oversee certain functions on its behalf. These include performing the functions required under DTR 7.1.3 and DTR 7.2.5 of the FCA's Disclosure Guidance and Transparency Rules (DTR), as a result of having listed debt securities on the London Stock Exchange. The Bupa board Audit Committee:

- monitors the Company and its Group's operation of the Bupa systems of internal control and risk management. This is explained on page 9 in the Risk section.
- monitors the integrity of the Company's financial statements, including its annual and half-yearly reports, and any other formal announcement relating to the Company's financial performance.
- reviews and reports to the Company's board on significant financial reporting issues and the judgements that those statements contain, having regard to matters communicated by the External Auditor.

Internal Audit

The Bupa Group has an Internal Audit function that operates globally and undertakes independent internal assurance. The Group Chief Audit Officer (Group CAO) leads the function and is appointed and removed by, and reports to, the Bupa board Audit Committee. The function operates in line with legal and regulatory requirements including the Global Institute of Internal Auditors' (IIA) International Professional Practices Framework, the UK Chartered IIA Internal Audit Code of Practice, and function policies and procedures. Its role, authority and independence are set out in the Bupa Group's Internal Audit Charter. Each year the function develops an Internal Audit Plan to provide risk-based assurance relative to the Bupa Group's key risks, business plans and regulatory requirements, which is approved by the Bupa board Audit Committee.

The performance of the Group CAO, and the function, is reviewed annually by the Bupa board Audit Committee, and an external quality assessment is undertaken every five years in accordance with IIA International Standards. The next external quality assessment is due in 2027.

External Auditor

PricewaterhouseCoopers LLP (PwC) is the Company's External Auditor. It provides independent external assurance on the Company's and its Group's Financial Statements, as well as other reviews and limited assurance activities. From time to time PwC may undertake work outside of the scope of the external audit. To ensure that PwC's objectivity and independence is preserved the Bupa Group has a Non-Audit Services Policy that the Company adopts to monitor other services provided. The tender and selection process for the External Auditor, and their appointment and reappointment, is overseen at a Bupa Group level, by the Bupa board Audit Committee. The committee also reviews and approves the scope, terms, and fee for the External Auditor's work on behalf of the Bupa Group, and annually assesses the performance of the external audit and the External Auditor, taking into account UK professional and regulatory requirements. Following its review in 2025, the Bupa board Audit Committee recommended to the Company that PwC should be reappointed as the Company's External Auditor for the financial year ending 31 December 2026. The Board approved the committee's recommendation and will propose the reappointment of PwC to its shareholder at its 2026 Annual General Meeting.

Governance

For the year ended 31 December 2025

Details of non-audit services and fees during 2025, and the fees paid to PwC, are set out in the Note 2.3.2 to the Financial Statements on page 50.

Whistleblowing

Speak Up is Bupa's whistleblowing service. It can be used by anyone who has a concern either about the Bupa Group or any individuals/organisations providing goods or services to the Bupa Group. It ensures that people can raise genuine concerns about wrongdoing, misconduct, or risk of harm, in confidence and anonymously, if preferred. Bupa takes all concerns raised seriously, and the people who raise them can be confident that they will be heard, protected from retaliation, and supported.

Governance

For the year ended 31 December 2025

Section 172(1) and engagement statement

The Directors provide the following statements in accordance with the Act and related regulations, which correlate with information contained earlier in the Strategic Report.

Overview and Directors' Duties under Section 172(1) of the Act

Throughout 2025 the Board considered how it promotes the Company's long-term success for the benefit of its sole shareholder, Bupa, while having regard to its other stakeholders, and was guided by its duties under Section 172(1) of the Act when undertaking its activities.

The Board held regular meetings throughout 2025. The papers submitted to these meetings assisted the Directors to make informed decisions by summarising the key risks, noting how relevant stakeholders have been considered in matters and proposals, and the governance process undertaken prior to seeking Board approval.

The Board is comprised of senior executives in the Bupa Group; consequently, the Directors are all party to information and discussions on the Bupa Group's policies and practices that impact the Company, its key stakeholders and the community and environment in which the Group operates. They are also aware and engaged on broader issues related to its stakeholders and the Bupa Group, which also informs their considerations when making decisions on behalf of the Company.

Stakeholders and engagement approach

As an intermediate holding company in the Bupa Group, how the Company engages with its key stakeholders is generally in the context of business oversight.

Due to the nature of its principal activity being the provision of financing to, and treasury management of, Bupa's businesses, the Company does not have direct customers, employees, regulators or suppliers. Engagement with these stakeholders is undertaken by the Bupa board, where ultimate Bupa Group oversight and monitoring of strategy and risk appetite are undertaken. Engagement is also undertaken by the Market Unit and Business Unit management teams, where the business operates and Bupa's strategy is executed and delivered. As senior executives in the Bupa Group, the Directors also have regular insight into matters of stakeholder interest through their executive roles, including their meetings with the management of the Market Units and Business Units.

For more information on how Bupa and its business have engaged with the Bupa Group's key stakeholders, please refer to the Section 172(1) and Engagement Statement in Bupa's 2025 Annual Report and Accounts.

Customers

As the Company has no direct external customers, the Board considered the interests of its internal customers, the Market Units and Business Units, when making decisions relating to the provision of funding to entities within the Bupa Group. Through its board meeting papers, the Board was informed of customer engagement and considerations relevant to making the decision that it was being asked to consider.

People

Whilst the Company has no employees, its Group employed people in 2025. How the Bupa Group's people and their interests were considered and taken into account, to ensure the Bupa Group attracts and retains the best people, is covered in detail in Bupa's 2025 Annual Report and Accounts.

Bondholders

The Company has a series of publicly-traded debt securities listed on the London Stock Exchange and is therefore subject to the relevant FCA Listing Rules and DTRs. Investors in these debt securities are interested in the Company's and Bupa's financial performance and strength. The Directors held briefing calls for bondholders to discuss the full year and half-year results, which provided an opportunity for them to question management on the financial performance and strategy of the Company and the Group. During the year, the Directors also held roadshows for current and prospective bondholders, and communicate other significant developments via regulatory announcements and press releases as and when required. These are also published on the Bupa website, www.bupa.com.

Regulators

The business activities of the Bupa Group are highly regulated and subject to financial services regulatory regimes in respect of its insurance businesses and care quality regulators in respect of its provision and aged care businesses. These regulators can be independent bodies or national or local governments. As a bond issuer, matters relating to the issue and trading of the Company's debt securities are regulated by the FCA. The relationships with these regulators (other than in respect of matters relating to the issuance and trading of the Company's debt securities) are managed by Bupa and local business management.

Suppliers and partners

Bupa's suppliers and partners support the Bupa Group at all levels and help it to deliver a high-quality service to customers: so it is important that we have strong working relationships with them, understand each other's needs, and that the arrangements with them operate ethically. Where a matter considered by the Board relates to, or may have an impact on, Bupa Group

Governance

For the year ended 31 December 2025

suppliers and partners, the Board has regard to Bupa's Responsible Supply Chain Statement as well as the Bupa Group's policies that are set and approved by Bupa. The Board reviewed the actions the Group has taken to prevent modern slavery and associated practices in any part of the supply chain, when it approved the Company's Modern Slavery Statement. Bupa's Responsible Supply Chain Statement and the Company's Modern Slavery Statement are available on the website, www.bupa.com.

Communities and the environment

The health of the community and the environment are at the heart of Bupa's purpose to help people live longer, healthier, happier lives and make a better world. Details of Bupa Group's sustainability and environmental, social and governance (ESG) activities, and its sustainability strategy, can be found in Bupa's 2025 Annual Report and Accounts and on its website, www.bupa.com. The Board considered relevant community and environmental impacts in its decisions, such as sustainable financing and investments for the Group, when considering business matters and proposals.

Strategic decisions and their impact on stakeholders

During the year, the Board made routine capital and funding decisions for the Bupa Group. In addition, set out in the table below are other key decisions that the Board made which illustrate how it had regard for its stakeholder views when making those decisions.

Decision: Approval of a bond issuance and related buyback Stakeholders impacted: - bondholders, shareholder, customers, regulators	
The Board is responsible for promoting the Company's long-term sustainable success and ensuring that the necessary resources are in place to meet its objectives. Maintaining a strong capital base and access to liquidity means that the Company and the Group have the resources now, and in the future, to be able to maintain and improve Bupa's offer to customers and to fund the future growth of the business. The Bupa Group's funding and liquidity position is monitored by Bupa's board to ensure that it has sufficient liquidity headroom above the risk appetite.	During the year, with debt instruments nearing maturity, the Board considered and approved a new issuance of debt securities in the market and the buyback of portions of two maturing debt instruments by way of tender offer. This was part of the Company's, and Bupa Group's, proactive management of its funding and capital structure, to increase financial flexibility and to support its solvency coverage. Stakeholder considerations Prior to approving the issuance and buyback, the Board considered: • other refinancing options, assessing the financial impact of each option, and determined that the issuance and buyback provided the best outcome for the Company and its Parent, and that it did not pose any risks to the Bupa Group's strategy. • the applicable regulatory requirements, and how they would be satisfied. Management engaged with the PRA in advance to seek clearance and approval respectively, by way of a Modification Application pursuant to Section 138A of the Financial Services and Markets Act 2000, with regard to modifying the application of a PRA Rule in view of the Company's circumstances. The Directors oversaw the regulatory engagement through their senior executive roles. • the refinancing risk, the Bupa Group's Enterprise Treasury Policy, and banking advice regarding the best options for the Group. It sought to mitigate higher refinancing costs arising from market and economic conditions. The impact to, and interests of, existing Bondholders and those holding the instruments to be bought back were considered. The issuance offered a liquidity event for current holders of the bonds to be bought back. Maintaining financial stability, and the support of a stable bondholder base, could influence efficient capital-raising terms as well as creating strong demand for the bond. • Bupa's customers, who would benefit from the Bupa Group maintaining sufficient capital reserves and continuing to comply with relevant UK solvency capital requirements.

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For the year ended 31 December 2025

	Long-term impact The bond issuance enabled the Company to demonstrate to investors, regulators and customers that sufficient capital reserves would continue to be held and that the Company and its Group would continue to comply with the relevant capital adequacy regulations. The Directors believe that companies that can demonstrate financial stability attract and maintain support from a stable bond investor base and can secure more efficient capital-raising terms: these bond transactions attracted strong demand from bond investors. The issuance and partial buyback have enabled the Company to enhance its strong liquidity and capital positions and extend its debt maturity profile, maintain its good standing in the bond market by meeting bondholder expectations and supports the delivery of Bupa's strategy and the long-term sustainability of the Company and its Group.
Decision: Approval of interim dividends Stakeholders impacted: shareholder, bondholders, customers, communities and the environment	
The Board needs to manage the desire for its Parent to receive dividends to fund its obligations, against the expected funding required by the Bupa Group to achieve its objectives, and the need to maintain the financial strength of the Company.	The Board approved two interim dividends during the year. Surplus funds which are not distributed to the Company's shareholder are reinvested back into the business to help deliver on the purpose and strategy of the Parent and the Bupa Group. Stakeholder considerations Prior to approving and authorising the payment of each dividend, the Board considered: - the expected level of funding required by its subsidiaries during the year in order for them to deliver on the Bupa Group's strategy. Ensuring its Group has the required level of capital to fund projects and/or meet legal and regulatory obligations is in the interests of its shareholder, and other stakeholders impacted by the reasons behind the capital requirement. - the financial strength of the Company, an important consideration for its bondholders, to ensure that the Company can continue to meet its payment obligations. - the funding needs of its Parent, which has no source of funding other than dividends received from the Company. Long-term impact Prudent financial management supports the long-term success of the Company and its shareholder, Bupa. It motivates management to deliver strong and sustainable business performance and maintains the strength of the Company's creditworthiness rating as a corporate borrower and bond issuer.

Governance

For the year ended 31 December 2025

Directors Report

Disclosure compliance

The Strategic Report and the Governance report on pages 3 to 18 comprise the Directors' report. The audited financial statements are presented from page 32 onwards.

The following disclosures are required to be contained in the Directors' report under the Act and related regulations, are set out on the pages referred to below and incorporated by reference into this Report as follows:

Disclosure	Location
Financial instruments	Notes 10 & 11, pages 68-71
Risk management objectives and policies	Note 26, pages 90-102
Assessment of principal and emerging risks and uncertainties	Risk, pages 9-13
Likely future business developments	Strategic Report, pages 3-18
Acquisitions and disposals	Note 24, pages 87-89
Financial performance	Pages 5-8
Engagement with suppliers, customers, and others	Section 172 and engagement statement, pages 16-18
Engagement with employees	Strategic Report, page 5 and section 172 and engagement statement, page 16
Research and development	Strategic Report, page 3-6

Non-financial and sustainability information statement

The Company is exempt from reporting company specific information as it is a subsidiary of Bupa, and consolidated reporting is included in Bupa's 2025 Annual Report and Accounts which can be accessed on its website at www.bupa.com/financials/results-and-reports.

Insurance and indemnities

Bupa Group has a directors' and officers' insurance policy in place for Bupa and all its subsidiaries, as well as 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 2025 and to the date of this Annual Report. There are no other qualifying third-party indemnity provisions or pension indemnity provisions in place.

Effectiveness of the systems of internal control and risk management

The Bupa board Audit and Risk Committees considered management's integrated assurance report that set out its overall assessment of the Bupa Group's internal control and risk management systems in 2025. Following this review and the subsequent recommendation of the Bupa board Audit Committee, the Directors concluded that the Company has maintained, overall, sound risk management and internal control systems during 2025, underpinned by an established Three Lines Model, and remains committed to strengthening risk management and internal controls where opportunities are identified, including responding to evolving risks, regulatory requirements, and business changes.

Going concern

Following its review and subsequent recommendation from the Bupa board Audit Committee, the Directors confirmed that they are satisfied the Company and its Group have adequate resources to continue in operation for the next 12 months. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements. The going concern assessment is set out in Note 1: Basis of preparation on page 39 and includes the detailed information assessed to determine the Company's and Group's status as a going concern.

Longer-term viability

The Bupa board Audit Committee examined the outlook for the Company and Bupa, and the Group and Bupa Group, respectively, (in accordance with provision 31 of the UK Corporate Governance Code applied by Bupa) and assessed its ability to operate and meet its liabilities as they fall due over a three-year period.

Bupa's 3x100 Strategy is the driving force behind the planning process. A three-year assessment period was chosen for the longer-term viability assessment because it ties in with Bupa's internal planning process. The 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.

Governance

For the year ended 31 December 2025

As part of the assessment of viability, the financial performance, capital management, cash flow, solvency, and future outlook were considered. The Directors concluded, following the review and recommendation of the Bupa board Audit Committee, that the Company and Bupa are well capitalised and expected to remain so over the plan period, and the liquidity position of the Group and Bupa Group are expected to remain strong across the three-year period.

A number of reasonably plausible severe scenarios were considered at the Bupa and Bupa Group level, as well as contingent liabilities. A stagflation scenario was considered, characterised by persistent inflation, suppressed consumer spending, minimal or negative economic growth, and elevated unemployment. A variety of local scenarios developed by each Business Unit were separately considered with the majority focusing on affordability pressures, stroke of pen risks (i.e. the risk of sudden government policy changes) and/or weakening market positioning. Under the most severe reasonably plausible scenarios considered, the forecast liquidity position would be significantly impacted before implementing management actions. Management actions available to help mitigate the impacts of such scenarios and keep the Bupa Group within financial risk appetites and borrowing covenants include reducing expenditure, obtaining additional funding or divesting investments or businesses.

'Reverse stress testing' is also conducted at the Bupa Group level, aimed at identifying hypothetical circumstances that might result in our business model failing, and helps the Directors to better understand the Bupa Group's risks. The Bupa Group remains most exposed to failure through a lack of liquidity at the Bupa 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 Bupa Own Risk and Solvency Assessment (ORSA), that brings together the outcomes of risk management and financial management processes, considered the level of regulatory capital we require to remain financially stable over the planning period given the nature of the risks the Bupa Group currently faces, Bupa's strategy and its risk appetite. It takes into account the quantification of the Bupa Group's current risks as defined by Solvency II 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 Bupa Group's Recovery Plan, which are available to address challenges to the Bupa 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.

Following a review of the key risks and uncertainties set out in Risk on pages 9 to 13, the Directors were 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 a volatile global economic backdrop, the Bupa Group's diversified business model continues to support the viability of the Bupa Group over the period considered.

Based on this analysis and regular risk and capital reporting processes, the Directors have a reasonable expectation that the Company and its Group will be able to continue in operation and meet their liabilities as they fall due throughout the three-year planning period up to 31 December 2028.

Dividends

The Company paid interim dividends of £212 million (2024: £164 million) during the year. No final dividend is proposed.

Branches outside the UK

The Company does not have any branches outside the UK.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements of the Company and the Group, in accordance with applicable UK law and regulations. Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law they have elected to prepare the Group and the Company financial statements in accordance with UK-adopted international accounting standards (IAS) 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 Company and of their profit or loss for that period. In preparing the financial statements of the Company and the Group, 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 IAS
- Assess the Group's and the Company's ability to continue as a going concern
- Prepare the financial statements on the going concern basis of accounting unless it is inappropriate to presume that the Group and the Company will continue in operation.

Governance

For the year ended 31 December 2025

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and to disclose with reasonable accuracy, at any time, the financial position of the Company and the Group, 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 are responsible for the maintenance and integrity of the corporate and financial information published on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 the shareholder to assess the Group's and the Company's position and performance, business model and strategy.

Each of the current Directors, whose names and positions are set out on page 2, 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 (set out on page 2) confirm that, so far as they are each aware, there is no relevant audit information of which the Company's 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 re-appoint PricewaterhouseCoopers LLP as the Company's External Auditor for the year-ending 31 December 2026 will be proposed to the Company's shareholder at its 2026 AGM.

On behalf of the Board

James Lenton

Director

4 March 2026

Company number: 2779134

Independent auditors' report to the members of Bupa Finance plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Bupa Finance plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise:

- the Consolidated Statement of Financial Position as at 31 December 2025;
- the Company Statement of Financial Position as at 31 December 2025;
- the Consolidated Income Statement for the year then ended;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Cash Flows for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended;
- the Company Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 2.3.2, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

Bupa is an international healthcare group, providing health insurance, health provision and aged care services. The Company issues listed debt to provide finance to the Group and is an intermediate holding company. The Group operates from a significant number of locations globally and has four reportable segments: Bupa Asia Pacific; Europe and Latin America; Bupa Global, India and UK; and Other businesses, which includes investments in associates. In planning for our audit we met with the Audit Committee and members of management across the Group to discuss and understand the businesses and any significant changes during the year, and to understand their perspectives on associated business risks. We used this insight, in addition to our understanding of the previous year's audit, when forming our own views regarding the audit risks and as part of developing our planned audit approach to address those risks.

Given the activities of the Group, we have teams with the relevant industry experience at Group and in all significant locations in which the Group operates. We meet with component teams at key stages through the audit, in person and using remote technologies as appropriate, to understand the businesses and related risk areas, and to direct and oversee the work performed by component teams. In addition, we perform in-person site visits with a number of our component teams and local management on a rotational basis to fulfil our ISA (UK) 600 (Revised) responsibilities.

Independent auditors' report to the members of Bupa Finance plc (continued)

We have also considered the sustainability commitments made by the directors and considered the potential impact of climate change related factors in our audit, including challenging management on their assessment of how climate change related risks and opportunities impact the financial statements.

Overview

Audit scope

- The Group has four reportable segments, in addition to the Group Functions activities. Each reportable segment includes a number of reporting components across different locations and service lines
- We conducted audit testing over 29 components. These were selected based on our assessment of inherent risk and their financial significance to the consolidated financial results
- 7 components were subject to an audit of their complete financial information
- Specific audit procedures were performed on certain balances and transactions for a further 22 components
- Our audit scope provided coverage of 82% of IFRS Profit before taxation expense

Key audit matters

- Valuation of the estimates of the present value of future cash flows within the liability for incurred claims (Insurance contract liabilities) (Group)
- Valuation of freehold property and investment property (Group)
- Impairment of goodwill or reversal of previous impairments to other intangible and tangible assets (Group)
- Recoverability of Company's investment in subsidiaries (Company)

Materiality

- Overall group materiality: £57.3 million (FY24: £51.7 million) based on 5% of Profit before taxation expense (2024: Profit before taxation expense adjusted for certain non-recurring items).
- Overall company materiality: £31.2 million (FY24: £28.9 million) based on 1% of net assets.
- Performance materiality: £43.0 million (FY24: £38.8 million) (Group) and £23.4 million (FY24: £21.6 million) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The acquisition of Niva Bupa (Group) and the classification, valuation and disclosure of certain liabilities relating to Isapre Cruz Blanca (Bupa Chile) (Group), which were key audit matters last year, are no longer included because the Niva Group acquisition was recorded in the prior year and the risk relating to the Bupa Chile liabilities has reduced following the regulatory clarity on amounts due. Otherwise, the key audit matters below are consistent with last year.

Independent auditors' report to the members of Bupa Finance plc (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of the estimates of the present value of future cash flows within the liability for incurred claims (Insurance contract liabilities) (Group) Refer to Note 12 (for accounting policy and financial disclosures) Insurance contract liabilities comprise the liability for remaining coverage ("LFRC") and the liability for incurred claims ("LFIC"), which comprises the estimates of the present value of future cash flows and the risk adjustment. We have determined the estimates of the present value of future cash flows to be an area of focus given its magnitude and the judgement required in estimating the cash flows, in particular, for incurred claims. Estimates of the present value of future cash flows within the liability for incurred claims £1,425m (2024: £1,335m) The estimates of the present value of future cash flows are based on certain key assumptions relating to the frequency, severity and settlement patterns of insurance claims. Established actuarial techniques including the Chain-ladder, Bornhuetter-Ferguson and Expected Loss Ratio methods are used to produce a best estimate of the present value of future cash flows. Consideration is made for claims inflation assumptions and expected trends in medical costs and treatments. The frequency and severity of health insurance claims are typically highly predictable with claims settled within a few months of a medical event that has led to a claim. Given the short-tailed nature of the settlement patterns, the key source of estimation uncertainty is in relation to estimating the incurred claims for the most recent months before 31 December 2025.	The work performed to address the valuation of the estimates of the present value of future cash flows for insurance contracts included the following procedures: - Understood and evaluated the processes and controls in place to determine the estimates of future cash flows; - Tested the design and implementation of controls in place over the estimates of future cash flows, including those covering the approval of assumptions, and the completeness and accuracy of data used; - Using our actuarial specialist team members, we: - Applied our industry knowledge and experience and compared the methodology, models and assumptions used against recognised actuarial practices; - Evaluated the reasonableness of key assumptions used in the estimates of future cash flows compared to historic experience, including the impact of claims inflation; - Performed independent estimate calculations for 51% of the estimates of future cash flows, comparing our estimates to those booked by management, and investigated differences above a set threshold; - Evaluated the methodology and assumptions applied by management for a further 20% of the estimates of future cash flows. This also included reperforming management's calculations to confirm their reserving model(s) were operating as intended and also performing sensitivities to determine if the assumptions used were reasonable; and - For the remainder of the estimates of the present value of future cash flows, we performed key indicator testing on a targeted risk basis and investigated any anomalies. Based on the procedures performed and the evidence obtained, we consider the valuation of the estimates of the present value of future cash flows within the liability for incurred claims to be appropriate.

Independent auditors' report to the members of Bupa Finance plc (continued)

Valuation of freehold property and investment property (Group) Refer to Notes 4 and 5 (for accounting policy and financial disclosures) The Group holds significant freehold property and investment property. The valuation of these assets is a key area of audit focus given the magnitude and inherent uncertainty involved in these estimates. Freehold property Freehold property of £2,207m (2024: £2,085m) comprise care homes, care villages, clinics, hospitals and offices across a number of locations. The properties are held under the revaluation model and are subject to periodic, and at least triennial, valuations performed by external independent valuation experts in accordance with relevant industry guidelines. The valuations are judgemental and involve estimation uncertainty. The significant assumptions include occupancy levels, estimated net earnings on a normalised basis and capitalisation rates. Where an external valuation has not been obtained in the year, a directors' valuation is conducted to determine if the carrying amount of the property remains appropriate and does not differ materially from the fair value at the end of the year. At 31 December 2025 management obtained external valuations for £1,114m (2024: £1,029m), representing 50% (2024: 49%) of the total net book value. Investment property Investment property of £781m (2024: £756m) relates predominantly to retirement villages in New Zealand. The properties are leased to third parties to generate rental income. The properties are held at fair value and subject to an independent external valuation annually. The valuation is based on discounted cash flow projections and uses subjective assumptions including the discount rate, capital growth rate and expected rental yields.	For the valuation of freehold property and investment property, we performed the following procedures: - Assessed the appropriateness of the valuation methodology applied and whether this is in accordance with the requirements of the relevant standards; - Obtained the most recent external valuation reports and critically assessed the qualifications and experience of the external valuers to determine whether they have the knowledge required to perform the valuations; - For both external and directors' valuations of freehold property, we challenged the key assumptions relating to estimated net earnings on a normalised basis, such as occupancy rates, as well as capitalisation rates; - For investment property, we challenged the key assumptions relating to discounted cash flow projections, such as discount rate, capital growth rate and expected rental yields. In critically assessing the key assumptions, we utilised our own valuation experts and considered external benchmarks; and - For directors' valuations, using internal valuation experts, we challenged management's inputs to the valuation models, with reference to the most recent external valuation. Based on the procedures performed and the evidence obtained, we consider the valuation of freehold property and investment property to be appropriate.
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Independent auditors' report to the members of Bupa Finance plc (continued)

Impairment of goodwill or reversal of previous impairments to other intangible and tangible assets (Group) Refer to Note 3 (for accounting policy and financial disclosures) Individual assets and Cash Generating Units ("CGU") that have an indication of impairment and all goodwill amounts are tested annually for impairment. An impairment review of a CGU covers all of its tangible assets, intangible assets and attributable goodwill. Where the recoverable amount of an individual asset or CGU is lower than the carrying value, an impairment loss is recognised. Where there is an indication that a previous impairment loss for an asset other than goodwill either no longer exists or has decreased, the recoverable amount should be estimated and an assessment performed of whether there should be a reversal of an impairment loss. Estimating and discounting the cash flow projections used in the impairment assessments requires significant judgement. The key assumptions include the discount rate and the forecast cash flows, including the terminal growth rate. We identified one CGU as having a higher risk of impairment (or impairment reversal), namely Bupa Dental Care UK, and the valuation of the goodwill and intangible assets in this CGU was an area of audit focus. The goodwill relating to this CGU is £193m (2024: £193m) with headroom in the goodwill impairment assessment of £74m (2024: £56m).	We performed the following procedures over management's impairment assessment of the Bupa Dental Care UK CGU: Discount rates - Used our valuation experts to assess the appropriateness of management's methodology for computing the Weighted Average Cost of Capital used for discounting projected cash flows in the Value in Use calculation. - Used our valuation experts to independently determine a reasonable range for the CGU discount rate, using external comparable market information where possible. Assessed how the rate used by management compared to that range and the sensitivity of rate changes to the overall impairment assessment. Model integrity - Verified the discounted cash flow models, including validating the numerical accuracy of the models and the application of the discount rates. Cash flows - Agreed cash flow forecasts to internal supporting documentation, including approved Business Plans. - Compared cash flow forecasts used in the review to historical performance and challenged management where forecasts indicated performance that deviated significantly from historical performance. - Challenged key assumptions in the cash flow projections, including available dentist hours and the terminal growth rates applied, and obtained supporting internal or external information. - Performed sensitivity analyses on the key assumptions. Impairment reversal assessment - Assessed whether the headroom identified represented an increase in the estimated service potential of an asset indicating a reversal of a previous impairment loss. Disclosure - Assessed the appropriateness of the relevant disclosures to confirm compliance with the applicable financial reporting standards. Based on the procedures performed and the evidence obtained, we consider that the carrying value of goodwill in the Bupa Dental Care UK CGU, is reasonable, and there was not sufficient evidence to support the reversal of the previously recorded impairment to other intangible and tangible assets.
Recoverability of Company's investment in subsidiaries (Company) Refer to Company accounting policy (j) and Note D (for financial disclosures) The Company holds investments in subsidiaries with a carrying value of £4,574m (2024: £4,439m). Where there are indicators of impairment management compares the carrying value to a recoverable amount, based on discounting estimated future cash flows from board approved budgets. There is inherent uncertainty in forecasting trading conditions and discounting the future cash flows used in the budgets, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.	We performed the following procedures related to the recoverability of the Company's investment in subsidiaries: - Considered appropriateness of management's impairment indicator assessment process; - Assessed the reasonableness and appropriateness of the assumptions used in the cash flows included in the budgets based on our knowledge of the entities, the markets in which the subsidiaries operate, and cash flow forecasts used elsewhere, for example, in the right of use asset impairment testing; - Assessed the reasonableness of the budgets by considering the historical accuracy of the previous forecasts and agreeing cash flow forecasts to internal supporting documentation, including approved Business Plans; - Reviewed the methodology used in determining the discount rate applied, including engaging our valuation experts to assess the appropriateness of the inputs into the discount rate; and - Assessed the adequacy of the Company's disclosures. Based on the work performed and the evidence obtained, we consider the carrying amount of the Company's investment in subsidiaries to be appropriate.

Independent auditors' report to the members of Bupa Finance plc (continued)

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

For the Group audit we defined a component as being a single reporting pack within the Group's consolidation process. We brought components into scope based on the output of our risk assessment and our understanding of the Bupa Group to identify those components that are significant due to size or risk and other non-significant components with large balances to obtain sufficient coverage to reduce the risk of material misstatement to an appropriate level.

We identified 7 components for which a full scope audit of their financial information has been performed.

We identified a further 22 components where specific audit procedures were performed on certain balances and transactions to provide sufficient and appropriate audit coverage over individual financial statement line items.

The components where we performed audit procedures included some operating in each of the Group's Market Units and covered 80% of Group Revenue, 82% of Group profit before taxation expense and 67% of Group Total assets.

We also performed audit procedures over the Group Functions, including the consolidation process and certain payroll processes.

We performed targeted risk assessment procedures over the remaining components.

As the Group audit team, we determined the level of involvement required at those components to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. In our role as Group Auditors our oversight of the work performed by auditors of the components included performing the following procedures:

- Issued group instructions outlining areas requiring additional audit focus, including the key audit matters included above;
- Maintained an active dialogue with reporting component audit teams throughout the year;
- Reviewed reporting requested from component teams, including on those areas determined to be of heightened audit risk; and
- Reviewed component team detailed working papers, where relevant. We have performed a detailed review of key audit working papers at all in-scope components through a mixture of remote working and site visits.

For the Company audit, the output of our risk assessment identified one component of relative financial significance being the holding Company operations.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements. In addition to enquiries with management, we also understood the governance processes in place to assess climate risk, read internal management reporting on climate risks and read additional external reporting by the entity on climate, including sustainability publications.

We have also made enquiries to understand, and performed a risk assessment in respect of, the commitments made by the Group and how these may affect the financial statements and the audit procedures that we perform. We have assessed the risks of material misstatement to the financial statements as a result of climate change and concluded that for the year ended 31 December 2025, the main audit risks are related to consistency of disclosures included within the Annual Report and 'Other Information' including the Strategic Report.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters for the year ended 31 December 2025.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Independent auditors' report to the members of Bupa Finance plc (continued)

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - Group	Financial statements - Company
<i>Overall materiality</i>	£57.3 million (FY24: £51.7 million).	£31.2 million (FY24: £28.9 million).
<i>How we determined it</i>	5% of Profit before taxation expense (2024: Profit before taxation expense adjusted for certain non-recurring items)	1% of Net assets
<i>Rationale for benchmark applied</i>	In determining our materiality, we have considered the financial metrics which we believed to be relevant, and concluded that Group Profit before taxation expense was the most appropriate benchmark. This is because the Group is profit-orientated, and we considered there were no individual non-recurring items in 2025 that distorted the result of the Group. We consider that the resulting materiality level is appropriate for the size and complexity of the Group and relevant to the users of the financial statements.	In determining our materiality, we considered the financial metrics which we believed to be relevant and concluded that Net assets was the most appropriate benchmark given the Company has issued listed debt.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £4.5 million to £21.0 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (FY24: 75%) of overall materiality, amounting to £43.0 million (FY24: £38.8 million) for the Group financial statements and £23.4 million (FY24: £21.6 million) for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £1.75 million (Group audit) (FY24: £1.5 million) and £1.6 million (Company audit) (FY24: £1.4 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the Directors' going concern assessment and challenging the rationale for downside scenarios adopted and material assumptions made using our knowledge of the Group's business performance, review of regulatory correspondence and obtaining further corroborating evidence;
- Considering management's assessment of the Group's regulatory solvency coverage and liquidity position in the forward-looking scenarios considered;
- Assessing the impact of severe, but plausible, downside scenarios;
- Assessing the liquidity of the Group and Company, including the Group's ability to pay customers, suppliers and creditors as amounts fall due;
- Assessing the ability of the Group to comply with covenants;
- Enquiring and understanding the actions taken by management to mitigate any significant risks facing the business, including attendance at Group Audit Committee and Group Risk Committee meetings; and
- Reviewing the disclosures included in the financial statements in relation to going concern, including the Basis of Preparation

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of Bupa Finance plc (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to certain Group activities where non-compliance with the related laws and regulations could result in fines or litigation, or loss of the Group's licence to operate. We consider the areas most likely to have such an effect would be in relation to financial conduct regulation, healthcare provision conduct regulation and regulatory capital and liquidity requirements. In addition, risks arise from the Group's required compliance with related taxation legislation (including VAT and payroll taxes) and the requirements in relation to its listed debt, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements, including those shown

Independent auditors' report to the members of Bupa Finance plc (continued)

in our Key Audit Matters, and the override of controls including the posting of inappropriate journal entries. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with the Board, management, Internal Audit, senior management involved in the Risk and Compliance functions and the Group and Company's legal function, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Assessment of matters reported on the Group and Company's whistleblowing helpline and the results of management's investigation of such matters;
- Reviewing relevant meeting minutes including those of the Board of Directors, Remuneration Committee and attending Audit Committee and Risk Committee meetings;
- Identifying and testing journal entries based on risk criteria;
- Performing procedures on key accounting estimates and judgements, including as set out in our Key Audit Matters;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Testing transactions entered into outside of the normal course of the Group and Company's business; and
- Reviewing the Group's register of litigation and claims, Internal Audit reports, and Group Chief Risk Officer's Reports in so far as they related to non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Company for the financial year ended 31 December 2021. Our uninterrupted engagement covers 5 financial years.

Independent auditors' report to the members of Bupa Finance plc (continued)

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Joanne Leeson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
4 March 2026

Consolidated Income Statement

for the year ended 31 December 2025

	Note	2025 £m	2024 £m
Insurance revenue	2, 12.1	13,102	12,233
Insurance service expenses	2.1, 12.1	(12,272)	(11,600)
Insurance service result before reinsurance contracts held	12.1	830	633
Net expense from reinsurance contracts held	12.2	(32)	(11)
Insurance service result		798	622
Care, health and other customer contract revenue	2.2	4,950	4,589
Other revenue	2.2	102	102
Total non-insurance revenue		5,052	4,691
Share of post-taxation results of equity-accounted investments	6	82	94
Impairment of goodwill and intangible assets	3	(15)	(11)
Other operating expenses	2.3	(4,974)	(4,774)
Other income and charges	2.4	42	329
Total other expenses, income and charges		(4,865)	(4,362)
Profit before financial income and expense		985	951
Financial income and expense			
Financial income	2.5	516	509
Financial expense	2.5	(204)	(197)
Net financial expense from insurance contracts issued	2.5.1, 12.1	(105)	(70)
Net monetary loss	26.3	(30)	(16)
Net impairment on financial assets		(15)	(21)
Net financial income		162	205
Profit before taxation expense		1,147	1,156
Taxation expense	2.6	(288)	(301)
Profit for the year		859	855
Attributable to:			
Shareholder of Bupa Finance plc		847	867
Non-controlling interests	23	12	(12)
Profit for the year		859	855

Notes 1-28 form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

	Note	2025 £m	2024 £m
Profit for the year		859	855
Other comprehensive income/(expense)			
Items that will not be reclassified to the Income Statement			
Unrealised gain on revaluation of property	4	70	123
Remeasurement gain on pension schemes	7	1	–
Taxation charge on income and expenses recognised directly in other comprehensive income	2.6	(15)	(25)
Items that may be reclassified subsequently to the Income Statement			
Foreign exchange translation differences on goodwill	3	(39)	(99)
Other foreign exchange translation differences		(73)	(274)
Net gain on hedge of net investment in overseas subsidiaries		5	79
Share of other comprehensive expense of equity-accounted investments		(6)	(2)
Change in fair value of financial investments through other comprehensive income		1	11
Change in expected credit losses (ECL) of financial investments through other comprehensive income		2	5
Realised loss on disposal of financial investments at fair value through other comprehensive income		(2)	–
Change in cash flow hedge reserve		(1)	7
Release of foreign exchange translation reserve on derecognition of equity-accounted investments and subsidiaries		–	11
Taxation charge on income and expenses recognised directly in other comprehensive income	2.6	–	(3)
Total other comprehensive expense		(57)	(167)
Comprehensive income for the year		802	688
Attributable to:			
Shareholder of Bupa Finance plc		803	700
Non-controlling interests		(1)	(12)
Comprehensive income for the year		802	688

Notes 1-28 form part of these consolidated financial statements.

Consolidated Statement of Financial Position

as at 31 December 2025

	Note	2025 £m	2024 £m
Assets			
Goodwill and intangible assets	3	3,185	3,145
Property, plant and equipment	4	4,144	3,711
Investment property	5	781	756
Equity-accounted investments	6	1,008	1,016
Post-employment benefit net assets	7	2	2
Deferred taxation assets	8	129	86
Restricted assets	9	167	137
Financial investments	10	5,362	4,693
Derivative assets	11	52	65
Reinsurance contract assets	12.2	130	90
Current taxation assets		17	18
Inventories	13	73	67
Trade and other receivables	14	940	837
Assets held for sale	15	19	28
Cash and cash equivalents	16	2,011	1,992
Total assets		18,020	16,643
Liabilities			
Subordinated liabilities	17	(872)	(772)
Other interest-bearing liabilities	17	(723)	(759)
Post-employment benefit net liabilities	7	(6)	(7)
Lease liabilities	18	(968)	(878)
Deferred taxation liabilities	8	(167)	(141)
Share purchase liabilities	2.5	(10)	(6)
Derivative liabilities	11	(33)	(40)
Provisions for liabilities and charges	19	(345)	(333)
Insurance contract liabilities	12.1	(3,329)	(3,064)
Current taxation liabilities		(112)	(95)
Trade and other payables	20	(3,159)	(2,796)
Liabilities associated with assets held for sale	15	(2)	(39)
Total liabilities		(9,726)	(8,930)
Net assets		8,294	7,713
Equity			
Share capital	22	200	200
Foreign exchange translation reserve		(74)	21
Property revaluation reserve		724	668
Cash flow hedge reserve		(1)	–
Income and expenditure reserve		7,014	6,392
Equity attributable to shareholder of Bupa Finance plc		7,863	7,281
Restricted Tier 1 notes	21	297	297
Non-controlling interests	23	134	135
Total equity		8,294	7,713

Approved by the Board of Directors and signed on its behalf on 4 March 2026 by

James Lenton
Director

Notes 1-28 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	Note	2025 £m	2024 £m
Cash flow from operating activities			
Profit before taxation expense		1,147	1,156
<i>Adjustments for:</i>			
Net financial income		(297)	(291)
Net monetary loss	26.3	30	16
Depreciation, amortisation and impairment	3, 4, 15	508	482
Other non-cash items ¹		(211)	(509)
<i>Changes in working capital and provisions:</i>			
Increase in insurance contract liabilities		383	336
Increase in reinsurance contract assets		(48)	(8)
Funded pension scheme employer contributions		(2)	(2)
Increase in trade and other receivables, and other assets		(107)	(52)
Increase in trade and other payables, and other liabilities		299	489
Cash generated from operations		1,702	1,617
Income taxation paid		(278)	(205)
Decrease in cash held in restricted assets		2	2
Net cash generated from operating activities		1,426	1,414
Cash flow from investing activities			
Acquisition of subsidiaries and businesses, net of cash acquired	24	(64)	(268)
Investment in equity-accounted investments	6	(20)	(6)
Dividends received from equity-accounted investments		38	47
Disposal of subsidiaries and other businesses, net of cash disposed of		(1)	69
Purchase of intangible assets	3	(168)	(162)
Purchase of property, plant and equipment	4	(402)	(301)
Proceeds from sale of property, plant and equipment		9	5
Purchase of investment property	5	(35)	(30)
Disposal of investment property	5	2	–
Purchases of financial investments, excluding deposits with credit institutions		(3,668)	(2,778)
Proceeds from sale and maturities of financial investments, excluding deposits with credit institutions		3,041	2,037
Net investments into deposits with credit institutions		(119)	(18)
Interest received		457	440
Net cash used in investing activities		(930)	(965)
Cash flow from financing activities			
Payment of Restricted Tier 1 coupon	21	(12)	(12)
Proceeds from issue of interest-bearing liabilities and drawdowns on other borrowings		392	–
Repayment of interest-bearing liabilities and other borrowings		(449)	(318)
Principal repayment of lease liabilities		(143)	(138)
Payment of interest on lease liabilities	18	(54)	(49)
Acquisition of non-controlling interests in subsidiary company		(1)	–
Capital contributions from non-controlling interests in subsidiary		5	72
Interest paid		(66)	(72)
Net receipts on settlement of hedging instruments		50	55
Dividends paid		(212)	(164)
Dividends paid to non-controlling interests	23	(4)	(3)
Net cash used in financing activities		(494)	(629)
Net increase/(decrease) in cash and cash equivalents		2	(180)
Cash and cash equivalents at beginning of year ²		2,095	2,362
Effect of exchange rate changes		(10)	(87)
Cash and cash equivalents at end of year²	16	2,087	2,095

1. 2024 includes a £309m gain as a result of the Group's existing stake in Niva Bupa, prior to the majority stake acquisition, having been remeasured to fair value.
2. Includes restricted cash of £136m (2024: £103m) which are considered cash and cash equivalents and bank overdrafts of £60m (2024: £nil) which are not included in cash and cash equivalents set out in Note 16.

Notes 1-28 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Note	Share Capital £m	Foreign exchange translation reserve £m	Property revaluation reserve £m	Cash flow hedge reserve £m	Income and expenditure reserve £m	Total attributable to shareholder of Bupa Finance plc £m	Restricted Tier 1 notes £m	Non-controlling interests £m	Total equity £m
2025										
Balance as at 1 January 2025		200	21	668	–	6,392	7,281	297	135	7,713
Profit for the year		–	–	–	–	847	847	–	12	859
Other comprehensive income/(expense)										
Unrealised gain on revaluation of property	4	–	–	70	–	–	70	–	–	70
Realised revaluation profit on disposal of property		–	–	(5)	–	5	–	–	–	–
Remeasurement gain on pension schemes	7	–	–	–	–	1	1	–	–	1
Foreign exchange translation differences on goodwill	3	–	(39)	–	–	–	(39)	–	–	(39)
Other foreign exchange translation differences		–	(62)	6	–	(2)	(58)	–	(15)	(73)
Net gain on hedge of net investment in overseas subsidiaries	26.3	–	5	–	–	–	5	–	–	5
Share of other comprehensive income of equity-accounted investments		–	–	–	–	(6)	(6)	–	–	(6)
Change in fair value of financial investments through other comprehensive income		–	–	–	–	(1)	(1)	–	2	1
Change in ECL of financial investments through other comprehensive income		–	–	–	–	2	2	–	–	2
Realised loss on disposal of financial investments at fair value through other comprehensive income		–	–	–	–	(2)	(2)	–	–	(2)
Change in cash flow hedge reserve		–	–	–	(1)	–	(1)	–	–	(1)
Taxation credit/(charge) on income and expense recognised directly in other comprehensive income	2.6	–	1	(15)	–	(1)	(15)	–	–	(15)
Other comprehensive (expense)/income for the year, net of taxation		–	(95)	56	(1)	(4)	(44)	–	(13)	(57)
Total comprehensive (expense)/income for the year		–	(95)	56	(1)	843	803	–	(1)	802
Payment of Restricted Tier 1 coupon, net of taxation	2.6, 21	–	–	–	–	(9)	(9)	–	–	(9)
Recognition of share purchase liability		–	–	–	–	(3)	(3)	–	–	(3)
Gain on disposal/dilution of shares		–	–	–	–	2	2	–	–	2
Changes in non-controlling interests	23	–	–	–	–	1	1	–	4	5
Dividends paid to shareholder of the Company		–	–	–	–	(212)	(212)	–	–	(212)
Dividends paid to non-controlling interests	23	–	–	–	–	–	–	–	(4)	(4)
Balance as at 31 December 2025		200	(74)	724	(1)	7,014	7,863	297	134	8,294

Notes 1-28 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity (continued)

for the year ended 31 December 2025

	Note	Share Capital £m	Foreign exchange translation reserve £m	Property revaluation reserve £m	Cash flow hedge reserve £m	Income and expenditure reserve £m	Total attributable to shareholder of Bupa Finance plc £m	Restricted Tier 1 notes £m	Non-controlling interests £m	Total equity £m
2024										
Balance as at 1 January 2024		200	241	601	(7)	5,648	6,683	297	18	6,998
Profit/(loss) for the year		–	–	–	–	867	867	–	(12)	855
Other comprehensive income/(expense)										
Unrealised gain on revaluation of property	4	–	–	123	–	–	123	–	–	123
Realised revaluation profit on disposal of property		–	–	(9)	–	9	–	–	–	–
Foreign exchange translation differences on goodwill	3	–	(99)	–	–	–	(99)	–	–	(99)
Other foreign exchange translation differences		–	(212)	(22)	–	(36)	(270)	–	(4)	(274)
Net gain on hedge of net investment in overseas subsidiaries	26.3	–	79	–	–	–	79	–	–	79
Share of other comprehensive income of equity-accounted investments		–	–	–	–	(2)	(2)	–	–	(2)
Change in fair value of financial investments through other comprehensive income		–	–	–	–	7	7	–	4	11
Change in ECL of financial investments through other comprehensive income		–	–	–	–	4	4	–	1	5
Change in cash flow hedge reserve		–	–	–	7	–	7	–	–	7
Release of foreign exchange translation reserve on derecognition of equity-accounted investments and subsidiaries		–	11	–	–	–	11	–	–	11
Taxation credit/(charge) on income and expense recognised directly in other comprehensive income	2.6	–	1	(25)	–	(3)	(27)	–	(1)	(28)
Other comprehensive (expense)/income for the year, net of taxation		–	(220)	67	7	(21)	(167)	–	–	(167)
Total comprehensive (expense)/income for the year		–	(220)	67	7	846	700	–	(12)	688
Payment of Restricted Tier 1 coupon, net of taxation	2.6, 21	–	–	–	–	(9)	(9)	–	–	(9)
Recognition of share purchase liability		–	–	–	–	(111)	(111)	–	–	(111)
Release of share purchase liability		–	–	–	–	120	120	–	–	120
Gain on disposal/dilution of shares		–	–	–	–	62	62	–	–	62
Changes in non-controlling interests	23	–	–	–	–	–	–	–	132	132
Dividends paid to shareholder of the Company		–	–	–	–	(164)	(164)	–	–	(164)
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	(3)	(3)
Balance as at 31 December 2024		200	21	668	–	6,392	7,281	297	135	7,713

Notes 1-28 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 December 2025

1 Basis of preparation

This section describes the significant accounting policies and accounting estimates and judgements that relate to the financial statements and notes as a whole. Where accounting policies relate to a specific note, the applicable accounting policies and estimates are contained within the note.

1.1 Basis of preparation

Bupa Finance plc (the 'Company') together with its subsidiaries (collectively the 'Group') is an international healthcare business, providing health insurance, treatment in clinics, dental centres and hospitals, and operating care homes. The Company is incorporated in England and Wales and domiciled in the United Kingdom. Its immediate and ultimate parent company is The British United Provident Association Limited (the 'Parent' or 'Bupa' and together with its subsidiaries, which includes the Company, the 'Bupa Group').

The Group's Consolidated Financial Statements have been prepared in accordance with UK-adopted international accounting standards, in conformity with the requirements of the Companies Act 2006.

The financial statements were approved by the Board of Directors on 4 March 2026. The Group's accounting policies have been applied consistently to all the years presented.

The financial statements are prepared on a going concern basis and under the historical cost convention, modified by the revaluation of property, investment property, and financial investments at fair value, and the application of IAS 29 to balances in hyperinflationary economies.

The presentation of line items within the Consolidated Statement of Financial Position is broadly in order of liquidity. Current assets and liabilities disclosed in the notes to the Consolidated Financial Statements are those expected to be recovered or settled in less than one year.

1.2 Basis of consolidation

The Consolidated Financial Statements for the year ended 31 December 2025 comprise those of the Company and its subsidiaries, and the share of results of equity-accounted investments.

Subsidiaries are those entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group considers all relevant facts and circumstances when determining whether control exists and makes a reassessment whenever those facts and circumstances change.

The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences to the date that control ceases. Accounting policies of subsidiaries are aligned on acquisition to ensure consistency with Group policies. Intra-group transactions and outstanding balances are eliminated in the preparation of the Consolidated Financial Statements.

The Group applies the purchase method in accounting for business combinations. The Group recognises identifiable assets, liabilities and contingent liabilities at fair value, and any non-controlling interests in the acquiree. Non-controlling interests in the net assets of subsidiaries are identified separately from the Group's equity. Non-controlling interests consist of the amount of those interests at the date of the original acquisition and the non-controlling shareholders' share of changes in equity since this date.

Functional currencies are identified at a statutory entity level. These vary across the Group and include sterling, Australian dollar, euro, Indian rupee, New Zealand dollar and US dollar. Each Group entity translates its results and financial position into the Group's presentational currency, sterling. Unless otherwise noted, the amounts shown in the Consolidated Financial Statements are in millions of pounds sterling (£m).

1.3 Accounting estimates and judgements

The preparation of financial statements requires the use of certain accounting estimates and assumptions that affect the reported assets, liabilities, income and expenses. It also requires management to exercise judgement in applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or where estimates are significant to the Consolidated Financial Statements, are set out below. Changes in these estimates could lead to a material adjustment to the carrying value of the assets and liabilities in the next financial year. Further detail is in the related notes.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Area	Details	Note
Goodwill and intangible assets	Goodwill and intangible assets are recognised on acquired businesses based on fair values at the date of acquisition. Goodwill and intangible assets with indefinite lives are tested for impairment on an annual basis, or more frequently when there are indicators of impairment. Other intangible assets are tested for impairment when there are indicators of impairment. Sources of estimation uncertainty Value in use based impairment tests include a number of sources of estimation uncertainty as the key assumptions used when modelling the recoverable amount require estimating the discount rate, terminal growth rate and the forecast cash flows. Estimation uncertainties within these cash flows vary by cash-generating unit (CGU). For provision business, these include number of customers, available clinician hours, fee rates and operating expenses. Accounting judgements Judgement has been applied to determine whether there is an indication of impairment to intangible assets and goodwill or an indication that prior impairments of intangible assets should be reversed. In making these judgements, the Group has considered current trading and future plans associated with each of the assets, along with external market factors, in order to assess whether a full valuation is required to assess for impairments or reversal of impairments.	3
Property valuations	The Group has a significant portfolio of care home, hospital and office properties. These are subject to periodic and at least triennial valuations performed by external independent valuers, with directors' valuations performed in intervening years. In addition, the Group has a significant portfolio of investment properties, primarily retirement villages in New Zealand. These properties are revalued annually. Sources of estimation uncertainty Significant assumptions for freehold property are normalised earnings, average occupancy and capitalisation rates, whereas for investment property significant assumptions are discount and capital growth rates. Accounting judgements In valuing care home property, a judgement is made on the highest and best use of the property. In the majority of cases this leads to the property being valued as part of a group of assets making up a going concern business using market-based assumptions. The business is valued on a fair maintainable trade basis with the fair value thus calculated being allocated to plant and equipment where applicable at net book value (as a proxy for fair value), with the residual value being allocated to property.	4,5
Insurance contracts	Sources of estimation uncertainty <i>Best estimate of claims provisioning</i> Estimates included in the insurance contract liabilities include expected claims payments and expenses required to settle existing insurance contract obligations. The key assumptions used in the calculation of the liability for incurred claims (LFIC) include claims development, claims costs inflation, medical trends and seasonality. Uncertainty exists particularly in relation to estimating the frequency and severity of incurred claims for the most recent months prior to the year end. Accounting judgements <i>Premium allocation approach (PAA)</i> The Group exercises judgement in determining whether the PAA eligibility criteria are met at initial recognition. For a small number of insurance contracts, which have a coverage period that is greater than 12 months, the Group elects to apply the PAA, if at the inception of the contract the Group reasonably expects that it will provide a liability for remaining coverage (LFRC) that would not differ materially from the General Measurement Model (GMM).	12

1.4 Going concern

Following a detailed assessment of the Group's going concern status based on its current position and forecast results, along with scenario-based stress testing and reverse stress testing, the Directors have concluded that the Group has adequate resources to operate for at least the next 12 months from the approval of these financial statements. This assessment considered forecast and reasonably possible adverse changes to the Group's liquidity, regulatory solvency, access to funding and trading profitability over the next 12 months.

Our most severe reasonably plausible stressed scenarios considered a stagflation scenario, characterised by persistent inflation, suppressed consumer spending, minimal or negative economic growth, and elevated unemployment, and a variety of local scenarios developed by each Business Unit, with the majority focusing on affordability pressures, stroke of pen risks (i.e. the risk of sudden government policy changes) and/or weakening market positioning. Under these scenarios, although significant short-term reductions in profitability arise, the Group would continue to operate over the next 12 months and would remain within its risk appetites for liquidity and regulatory solvency. Management actions would allow downside impacts to be mitigated, and risk appetites controlled, by reducing expenditure, obtaining additional funding or divesting investments or businesses. Furthermore, under the stressed scenarios considered, the Group expects to remain compliant with covenants of its £900m revolving credit facility ('RCF', see Note 17(c)) and may further draw down on the RCF in order to meet liquidity needs.

The Directors' assessment of the Group's longer-term viability over a three-year period is described on pages 19-20.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

1.5 Changes in accounting policies

The Group has consistently applied its accounting policies to all periods presented in these Consolidated Financial Statements.

A number of other amended standards and interpretations became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

1.6 Forthcoming financial reporting requirements

A number of financial reporting standards, amendments and interpretations have been issued but are not effective for the year ended 31 December 2025 and have not been early adopted by the Group. These include:

(a) IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024 the International Accounting Standards Board (IASB) issued IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 will supersede IAS 1 Presentation of Financial Statements, providing general presentation requirements for financial statements prepared in line with IFRS accounting standards.

The standard requires new subtotals in the income statement, including operating profit. Entities must provide disclosures about management-defined performance measures. The standard also provides additional guidance on the aggregation and disaggregation of data in financial statements.

IFRS 18 is effective for the Group from 1 January 2027. The application of this standard is currently being evaluated by the Group. The standard is expected to impact presentation and disclosure, but have no impact on recognition and measurement.

(b) IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024 the IASB issued IFRS 19 Subsidiaries without Public Accountability: Disclosures, which introduces reduced disclosure requirements for eligible subsidiary entities but does not change recognition and measurement requirements. IFRS 19 was amended, in August 2025, to reflect recent changes to IFRS accounting standards.

Eligible UK entities may apply IFRS 19 from 1 January 2027, subject to endorsement in the UK, which has not yet taken place. As the Group is not an eligible subsidiary, it will not apply IFRS 19, and the standard will have no impact.

(c) Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024 the IASB issued Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7.

The amendments clarify the date on which a financial asset or financial liability settled through an electronic payment system is derecognised. An accounting policy option is available to derecognise a financial liability before cash is delivered on the settlement date if specified criteria are met. The amendments also provide clarifications on the classification for certain financial assets, such as those with environmental, social and corporate governance and similar features, and amend certain disclosure requirements.

The amendments are effective for the Group from 1 January 2026. The application of these amendments is currently being evaluated by the Group. The amendments may impact the timing of derecognition of financial liabilities settled by cheque, but are expected to have no other impact on recognition or measurement.

(d) Contracts Referencing Nature-dependent Electricity—Amendments to IFRS 9 and IFRS 7

In December 2024 the IASB issued Contracts Referencing Nature-dependent Electricity—Amendments to IFRS 9 and IFRS 7.

These amendments provide requirements for contracts such as power purchase agreements ('PPAs') that expose an entity to variability arising from natural conditions, such as weather, that impact the generation of electricity. For such contracts, the amendments clarify the application of the IFRS 9 'own use' scope exemption, allow a variable portion to be designated as part of a hedging relationship, and add additional disclosure requirements.

The amendments are effective for the Group from 1 January 2026. The application of these amendments is currently being evaluated by the Group. The amendments may require additional disclosure for existing contracts in scope, but are expected to have no impact on recognition or measurement.

(e) Other

A number of other amendments to standards and interpretations have been issued and are not yet effective for the year ended 31 December 2025. None of these are expected to have a material impact on the Group.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

2 Operating segments

The organisational structure of the Group is managed through three Market Units based on geographic locations and customers: Bupa Asia Pacific; Europe and Latin America; and Bupa Global, India and UK. Management monitors the operating results of the Market Units separately to assess performance and make decisions about the allocation of resources. The segmental disclosures below are reported consistently with the way the business is managed and reported internally.

Reportable segments	Service and products
Bupa Asia Pacific	<i>Bupa Health Insurance:</i> Health insurance, international health cover in Australia. <i>Bupa Health Services:</i> Health provision business, comprising dental, optical, audiology, medical assessment services, health centres and healthcare for the Australian Defence Force. <i>Bupa Villages and Aged Care Australia:</i> Nursing, residential, respite care and residential villages. <i>Bupa Villages and Aged Care New Zealand:</i> Nursing, residential, respite care and residential villages. <i>Bupa Hong Kong:</i> Domestic health insurance, primary healthcare and day care clinics including diagnostics.
Europe and Latin America	<i>Sanitas Seguros:</i> Health insurance and related products in Spain and Portugal. <i>Sanitas Dental:</i> Insurance and dental services through clinics and third-party networks in Spain, and the management and operation of a dental clinic in Portugal. <i>Sanitas Hospitales (Prior to 2025: Sanitas Hospitales and New Services):</i> Management and operation of hospitals, rehabilitation centres and health clinics in Spain. <i>Sanitas Mayores:</i> Nursing, residential and respite care in care homes and day centres in Spain. <i>LUX MED:</i> Medical subscriptions, health insurance, and the management and operation of diagnostics, health clinics and hospitals in Poland. <i>Bupa Acibadem Sigorta:</i> Domestic health insurance, related products and dental services through clinics in Türkiye. <i>Bupa Chile:</i> Domestic health funding and the management and operation of health clinics and hospitals in Chile. <i>Care Plus:</i> Domestic health insurance, dental services through clinics and a vaccination centre in Brazil. <i>Bupa Mexico:</i> Health insurance and the management and operation of a hospital in Mexico. <i>Bupa Global Latin America:</i> Health clinics in Peru and international health insurance.
Bupa Global, India and UK	<i>Bupa UK Insurance:</i> Domestic health insurance, and administration services for Bupa health trusts. <i>Bupa Dental Care UK:</i> Dental services and related products. <i>Bupa Care Services:</i> Nursing, residential, respite care and care villages. <i>Bupa Health Services:</i> Clinical services, health assessment related products and management and operation of three private hospitals. <i>Bupa Global:</i> International health insurance to individuals, small businesses and corporate customers. <i>Niva Bupa (India):</i> Health insurance and related products in India. <i>Associate:</i> Highway to Health, Inc. (United States of America) (operating as Blue Cross Blue Shield Global Solutions (Prior to 2025: Geoblue)).
Other businesses	<i>Associate:</i> Bupa Arabia (Kingdom of Saudi Arabia).

A key performance measure of operating segments utilised by the Group is underlying profit. Underlying profit is used to distinguish business performance from other constituents of the IFRS reported profit before taxation not directly related to the trading performance of the business.

Underlying profit

The following items are excluded from underlying profit:

- Impairment of intangible assets and goodwill arising on business combinations – these impairments are considered to be one-off and not reflective of the in-year trading performance of the business.
- Short-term fluctuations on investment return – underlying profit is based on an expected long-term investment return over the period for return-seeking financial assets. Any variance between the total investment return (including realised and unrealised gains) and the expected return over the period is disclosed separately outside underlying profit, in short-term fluctuations. These fluctuations are not considered to be directly related to underlying trading performance.
- Net gains/losses on disposal of businesses and transaction costs on business combinations – gains/losses on disposal of businesses that are material and one-off in nature to the reportable segment are not considered part of the continuing business. Transaction costs that relate to material acquisitions or disposals are not related to the ongoing trading performance of the business.
- Net property revaluation gains/losses – short-term fluctuations which do not reflect underlying trading performance. This includes deficit/surplus on the revaluation of freehold properties and property impairment losses.
- Realised and unrealised foreign exchange gains/losses – fluctuations outside of management control, which do not reflect underlying trading performance. This includes the net impact of applying hyperinflationary accounting.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

- Amortisation of bed licences (2024 only) – Following the Australian Government's announcement of the deregulation of bed licences from 1 July 2024, the amortisation term was reviewed and updated from having an indefinite useful life to amortising over the period to 1 July 2024. The amortisation term was extended to 1 July 2025, when the Australian Government announced that the deregulation was delayed to that date. In November 2024, the remaining carrying value of bed licences was impaired as part of the external care home valuation process. The impact of the amortisation of bed licences was not considered reflective of the trading performance of the business.
- Other Market Unit/Group non-underlying items – includes items that are considered material to the reportable segment or Group and are not reflective of ongoing trading performance. This includes items such as restructuring costs and profit or loss amounts related to changes to strategic investments.

The total underlying profit of the reportable segments is reconciled below to the profit before taxation expense in the Consolidated Income Statement.

(i) Revenues

	Bupa Asia Pacific	Europe and Latin America	Bupa Global, India and UK	Other businesses	Group Functions	Adjustment ¹	Total
2025	£m	£m	£m	£m	£m	£m	£m
Insurance revenue	4,789	3,914	4,347	–	–	52	13,102
Inter-Market Unit revenue	(73)	–	73	–	–	–	–
Insurance revenue for reportable segments	4,716	3,914	4,420	–	–	52	13,102
Care, health and other customer contract revenue	1,541	2,075	1,334	–	–	–	4,950
Other revenue	59	27	2	10	–	4	102
Non-insurance revenue for reportable segments	1,600	2,102	1,336	10	–	4	5,052
Total revenue for reportable segments	6,316	6,016	5,756	10	–	56	18,154

1. Impact of applying IAS 29 Financial Reporting in Hyperinflationary Economies for Türkiye.

	Bupa Asia Pacific	Europe and Latin America	Bupa Global, India and UK	Other businesses	Group Functions	Adjustment ¹	Total
2024	£m	£m	£m	£m	£m	£m	£m
Insurance revenue	4,776	3,575	3,823	–	–	59	12,233
Inter-Market Unit revenue	(65)	–	65	–	–	–	–
Insurance revenue for reportable segments	4,711	3,575	3,888	–	–	59	12,233
Care, health and other customer contract revenue	1,496	1,832	1,261	–	–	–	4,589
Other revenue	70	20	2	9	–	1	102
Non-insurance revenue for reportable segments	1,566	1,852	1,263	9	–	1	4,691
Total revenue for reportable segments	6,277	5,427	5,151	9	–	60	16,924

1. Impact of applying IAS 29 Financial Reporting in Hyperinflationary Economies for Türkiye.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(ii) Segmental result

	Bupa Asia Pacific	Europe and Latin America	Bupa Global, India and UK	Other businesses	Group Functions	Adjustment ¹	Total
2025	£m	£m	£m	£m	£m	£m	£m
Underlying profit	459	461	324	84	9	–	1,337
Borrowing costs	–	–	(3)	–	(74)	–	(77)
Group investment funding	–	–	–	–	(80)	–	(80)
Consolidated underlying profit before taxation expense	459	461	321	84	(145)	–	1,180
Non-underlying items:							
Impairments of intangible assets and goodwill arising on business combinations	–	(8)	–	–	–	–	(8)
Short-term fluctuation on investment returns	–	(1)	6	–	–	–	5
Net (loss)/gain on disposal of businesses and transaction costs on business combinations	(4)	28	(7)	(1)	–	–	16
Net property revaluation (loss)/gain	(5)	–	1	–	–	–	(4)
Realised and unrealised FX (loss)/gain	(1)	(4)	(5)	–	16	(25)	(19)
Other non-underlying items	(13)	(3)	(7)	–	–	–	(23)
Total non-underlying items							(33)
Consolidated profit before taxation expense							1,147

1. Impact of applying IAS 29 Financial Reporting in Hyperinflationary Economies for Türkiye.

	Bupa Asia Pacific	Europe and Latin America ¹	Bupa Global, India and UK	Other businesses ²	Group Functions	Adjustment ³	Total
2024	£m	£m	£m	£m	£m	£m	£m
Underlying profit	442	445	229	97	4	–	1,217
Borrowing costs	–	–	(2)	–	(84)	–	(86)
Group investment funding	–	–	–	–	(37)	–	(37)
Consolidated underlying profit before taxation expense	442	445	227	97	(117)	–	1,094
Non-underlying items:							
Impairments of intangible assets and goodwill arising on business combinations	(2)	–	–	–	–	–	(2)
Short-term fluctuation on investment returns	(1)	–	(8)	–	–	–	(9)
Net (loss)/gain on disposal of businesses and transaction costs on business combinations	(8)	1	(12)	(1)	(1)	–	(21)
Net property revaluation gain	3	1	5	–	–	–	9
Realised and unrealised FX (loss)/gain	–	(2)	23	–	–	(12)	9
Amortisation of bed licences	(13)	–	–	–	–	–	(13)
Other non-underlying items ^{1, 2}	(1)	(199)	(20)	309	–	–	89
Total non-underlying items							62
Consolidated profit before taxation expense							1,156

1. Europe and Latin America includes the impact of recognising a £187m provision in relation to Isapre Cruz Blanca in Chile and the retrospective liability relating to statutory Risk Factor Tables. This is excluded from underlying profit as it is considered a one-off material retrospective matter which is not reflective of on-going trading performance.

2. Other businesses includes a £309m gain as a result of the Group's existing stake in Niva Bupa, prior to the majority stake acquisition, having been remeasured to fair value.

3. Impact of applying IAS 29 Financial Reporting in Hyperinflationary Economies for Türkiye.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(iii) Other information

The Market Unit segmental results set out in table (ii) above include the following material non-cash items:

	Bupa Asia Pacific	Europe and Latin America	Bupa Global, India and UK	Other businesses	Group Functions	Total
2025	£m	£m	£m	£m	£m	£m
Amortisation and depreciation costs	(136)	(205)	(122)	–	(7)	(470)
Unrealised gain on investment property	23	1	–	–	–	24
(Deficit)/surplus on revaluation of property	(5)	–	1	–	–	(4)
Share of profits from associates	–	–	8	74	–	82

	Bupa Asia Pacific	Europe and Latin America	Bupa Global, India and UK	Other businesses	Group Functions	Total
2024	£m	£m	£m	£m	£m	£m
Amortisation and depreciation costs	(152)	(191)	(112)	–	–	(455)
Unrealised gain on investment property	27	–	–	–	–	27
Surplus on revaluation of property	3	1	5	–	–	9
Share of profits from associates	–	–	5	89	–	94

(iv) Geographical information

The following information has been provided based on the geographical location of the business:

Geography	Insurance revenue		Non-insurance revenue		Consolidated non-current assets ¹	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Australia	4,352	4,369	1,204	1,166	2,136	2,026
Brazil	414	379	10	9	51	48
Chile	562	554	473	395	391	362
Hong Kong	437	408	234	236	234	269
India	628	461	–	–	511	578
New Zealand	–	–	162	164	923	879
Poland	–	–	1,134	941	822	710
Spain	1,924	1,710	432	464	841	767
United Kingdom	3,537	3,208	1,336	1,263	3,068	2,851
Rest of the World	1,248	1,144	67	53	195	181
Total	13,102	12,233	5,052	4,691	9,172	8,671

1. Consolidated non-current assets exclude financial investments, restricted assets, deferred taxation assets and post-employment benefit net assets.

(v) Risk concentration

The following table sets out the carrying amount of the Group's insurance and reinsurance contracts by geography:

Geography	Insurance issued		Reinsurance held	
	2025	2024	2025	2024
	£m	£m	£m	£m
Australia	(671)	(704)	–	–
Brazil	(49)	(43)	3	1
Chile	(115)	(112)	–	–
Hong Kong	(207)	(189)	1	1
India	(532)	(466)	78	50
Spain	(333)	(271)	1	–
United Kingdom	(924)	(808)	31	30
Rest of the World	(498)	(472)	16	8
Total	(3,329)	(3,065)	130	90

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

2.1 Insurance service result

The Group generates the insurance service result from its health insurance business. This includes insurance revenues, offset by directly attributable insurance service expenses.

Insurance revenue

The Group recognises insurance revenue based on the passage of time over the coverage period of the group of contracts.

Insurance service expenses

Insurance service expenses comprise expenses directly attributable to fulfilling a group of insurance contracts. Judgement is exercised in determining which expenses are directly attributable to insurance contracts, and therefore included within insurance service expenses. The Group classifies the majority of expenses incurred by insurance entities within insurance service expenses, except for those not directly attributable to insurance contracts.

Insurance claims are amounts payable under insurance contracts arising from the occurrence of an insured claims episode. A claims episode is an insured medical service that the Group has an obligation to fund, which could be consultation fees, diagnostic investigations, hospitalisation or treatment costs.

Incurred claims comprise insurance claims paid during the year together with related claims handling costs, the movement in the gross provision for claims in the period and the Risk Equalisation Special Account levy for the Australia Health Insurance business. Private health insurers in Australia provide private health insurance cover through a community rated scheme. To avoid adverse selection and ensure that the Australian private health insurance scheme is sustainable, a risk equalisation mechanism operates to subsidise insurers with higher risk policyholders. See Note 12 for details of the LFIC.

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. The Group's policy is to expense acquisition costs as they are incurred where the coverage period of each contract in the group is no more than one year. For the remaining contracts with a longer coverage period, insurance acquisition costs are allocated to the relevant group of insurance contracts and are amortised consistently with the pattern of insurance revenue recognition.

Changes in the risk adjustment for non-financial risk are presented in the insurance service result and not disaggregated into an insurance service component and an insurance finance component.

		2025	2024
	Note	£m	£m
Incurred claims and other expenses	12.1	12,339	11,699
Amortisation of insurance acquisition cash flows	12.1	74	26
Losses on onerous contracts and (reversal) of those losses	12.1	22	11
Changes to liabilities for incurred claims relating to past service	12.1	(163)	(136)
Insurance service expenses		12,272	11,600

Reinsurance contracts held

The Group releases ceded insurance premiums on the passage of time basis over the coverage period. Ceding commissions that are not contingent on the claims of the underlying contracts issued reduce ceded premiums.

All directly attributable reinsurance expenses, including claims handling costs, are expensed as incurred.

		2025	2024
	Note	£m	£m
Premiums ceded to reinsurers		(435)	(324)
Reinsurance commission income		78	40
Total allocation of reinsurance premiums	12.2	(357)	(284)
Amounts recoverable for incurred claims and other expenses	12.2	328	275
Changes to amounts recoverable for incurred claims relating to past service	12.2	(3)	(2)
Total amount recoverable from reinsurers for incurred claims		325	273
Net expense from reinsurance contracts held		(32)	(11)

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

2.2 Non-insurance revenues

The Group generates revenues from its trading activities through the provision of healthcare and insurance management services (care, health and other customer contract revenue) and rental income and other fees (other revenue).

Revenue stream	Recognition policy
Care, health and other customer contract revenue	The Group generates income from the operation of its care homes, hospitals, dental centres and other healthcare and wellbeing centres. In instances where Bupa is acting as an agent and another party is primarily responsible for fulfilling the contract, revenue is recognised on a net basis. When considering whether the Group is acting as an agent or as a principal, factors such as which party is primarily responsible for fulfilling the obligation, bears the inventory and credit risk and has discretion in establishing prices are considered. These revenue streams typically relate to short-term services that have fixed, rather than variable, transaction prices and there are no significant judgements required when considering the time pattern of revenue recognition. Payment terms vary from on completion of the service, to payments made monthly in advance. Bupa has the right to bill and receive payment for services rendered to date. Contracts for these revenue streams do not transfer significant insurance risk. The Sanitas Hospitales revenue stream includes one public hospital in Spain that is operated under a separate service concession arrangement granted by the local government (the grantor). This concession arrangement ended during 2024. Revenue was recognised from the construction of infrastructure and from the operation of the hospital. Construction revenues were recognised in line with the stage of completion of the work performed. Operational revenues were recognised in the period in which the services were provided, based on the average operating margin for the life of the contract. As revenue was based on an expected margin, with some potential variability, revenue was only recognised to the extent that it is highly probable a significant reversal will not occur when the uncertainty is resolved. Significant changes in margin resulted in a retrospective margin recalculation. The impact of this on prior years was recognised as a margin catch up in the year the recalculation was performed. Payments, still under dispute, were made in relation to this concession during 2025. Other customer contract revenue includes contracts entered into by the Group's insurance entities that do not result in the transfer of significant insurance risk to the Group and are accounted for as service contracts. These contracts mainly relate to the administration of claims funds on behalf of corporate customers. Revenues from service contracts are recognised as the services are provided. Some of these contracts contain financial liabilities representing deposits repayable to the customer. These are measured at amortised cost.
Other revenue	Other revenue comprises: - Rental income and amenities fees from occupational right agreements, which are recognised on a straight-line basis over the term of the arrangement. - Imputed interest on interest-free refundable accommodation deposits (RADs) in respect of payments for aged care units in Bupa Villages and Aged Care Australia. Revenue is recognised for the imputed interest on RADs, reflecting the Group's position as lessor. Use of the Maximum Permissible Interest Rate (MPIR) is considered most appropriate to determine the imputed revenue and interest amounts. The MPIR is a rate set by the Australian Government and is used to calculate the Daily Accommodation Payment to applicable residents.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Revenue for the year has been analysed at Business Unit level, reflecting the nature of services provided that is reported internally to management.

	Care, health and other customer contract revenue	Other revenue	Total non-insurance revenues
	2025	2025	2025
	£m	£m	£m
Bupa Health Insurance	8	6	14
Bupa Health Services	714	1	715
Bupa Villages and Aged Care Australia	442	33	475
Bupa Villages and Aged Care New Zealand	143	19	162
Bupa Hong Kong	234	–	234
Bupa Asia Pacific	1,541	59	1,600
Sanitas Seguros	19	–	19
Sanitas Dental	162	6	168
Sanitas Hospitales	62	1	63
Sanitas Mayores	182	–	182
LUX MED	1,134	–	1,134
Bupa Acibadem Sigorta	–	15	15
Bupa Chile	473	–	473
Care Plus	9	1	10
Bupa Mexico	17	3	20
Bupa Global Latin America	17	1	18
Europe and Latin America	2,075	27	2,102
Bupa UK Insurance	36	–	36
Bupa Dental Care UK	516	–	516
Bupa Care Services	516	–	516
Bupa Health Services	266	2	268
Bupa Global, India and UK	1,334	2	1,336
Other	–	10	10
Other businesses	–	10	10
Adjustments	–	4	4
Consolidated non-insurance revenues	4,950	102	5,052

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Care, health and other customer contract revenue	Other revenue	Total non-insurance revenues
	2024	2024	2024
	£m	£m	£m
Bupa Health Insurance	8	16	24
Bupa Health Services	681	–	681
Bupa Villages and Aged Care Australia	426	35	461
Bupa Villages and Aged Care New Zealand	145	19	164
Bupa Hong Kong	236	–	236
Bupa Asia Pacific	1,496	70	1,566
Sanitas Seguros	14	4	18
Sanitas Dental	146	5	151
Sanitas Hospitales and New Services	143	1	144
Sanitas Mayores	167	–	167
LUX MED	941	–	941
Bupa Acibadem Sigorta	–	8	8
Bupa Chile	395	–	395
Care Plus	9	–	9
Bupa Mexico	17	1	18
Bupa Global Latin America	–	1	1
Europe and Latin America	1,832	20	1,852
Bupa UK Insurance	29	–	29
Bupa Dental Care UK	512	1	513
Bupa Care Services	498	–	498
Bupa Health Services	222	1	223
Bupa Global, India and UK	1,261	2	1,263
Other	–	9	9
Other businesses	–	9	9
Adjustments	–	1	1
Consolidated non-insurance revenues	4,589	102	4,691

2.3 Other operating expenses

Other operating expenses include staff costs, medical supplies, overheads, depreciation, amortisation of intangible assets, and gains or losses on foreign exchange transactions incurred. Expenses attributed to insurance acquisition cash flows and other directly attributable insurance expenses are included within insurance service expenses.

Operating expenses exclude insurance claims, finance costs and taxation.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Other operating expenses

	Note	Expenses attributed to insurance acquisition cash flows ¹		Other directly attributable insurance expenses ¹		Other operating expenses		Total	
		2025	2024	2025	2024	2025	2024	2025	2024
		£m	£m	£m	£m	£m	£m	£m	£m
Staff costs	2.3.1	178	149	917	809	2,416	2,234	3,511	3,192
Commissions		764	650	–	–	–	–	764	650
Medical supplies and fees		–	–	302	250	1,257	1,140	1,559	1,390
Property costs		3	4	59	51	251	245	313	300
Lease rentals and other expenses ²		2	2	8	7	32	28	42	37
Marketing costs		68	62	74	71	53	45	195	178
Catering and housekeeping costs		–	–	7	6	65	64	72	70
Consultancy fees		8	4	108	92	59	52	175	148
Net (gain)/loss on foreign exchange transactions		–	–	(9)	11	1	1	(8)	12
Amortisation of intangible assets	3	10	4	63	53	74	92	147	149
Depreciation expense	4	3	2	83	80	255	238	341	320
Other operating expenses (including auditors' remuneration) ³	2.3.2	37	31	684	616	511	635	1,232	1,282
Total other operating expenses		1,073	908	2,296	2,046	4,974	4,774	8,343	7,728

- Expenses attributed to insurance acquisition cash flows and other directly attributable insurance expenses incurred by the Group relate directly to the fulfilment of contracts issued within the scope of IFRS 17 and reinsurance contracts held. See Note 2.1.
- Includes short-term and low-value lease rentals, and other lease expenses.
- Other operating expenses in 2024 included £187m expense in respect of a policyholder payment plan for the Isapre business in Chile. The liability will be settled over 12 years (2024: 13 years) in accordance with legislation and the liability has been discounted over this period using a discount rate of 4.245%.

2.3.1 Staff costs

The below table represents the total employee benefit expenses incurred by the Group during the year.

	2025	2024
	£m	£m
Wages and salaries	3,259	2,977
Social security costs	178	149
Contributions to defined contribution schemes	71	65
Other pension costs	3	1
Total staff costs	3,511	3,192

Employee numbers

The average number of employees, including Executive Directors, employed by the Group during the year was:

	2025	2024
Bupa Asia Pacific	19,246	18,531
Europe and Latin America	51,987	48,914
Bupa Global, India and UK	32,616	30,120
Total average employee numbers	103,849	97,565

The figure disclosed for Europe and Latin America includes 20,959 colleagues (2024: 20,226) in Poland who are engaged under contract for service arrangements and are fundamental to the operations of the LUX MED business. Related costs of £472m (2024: £387m) are also included in the above wages and salaries cost.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Directors' remuneration

	2025	2024
	£000s	£000s
Emoluments	3,675	3,511
Company contributions to defined contribution pension schemes	40	39
Amounts receivable under long-term incentive schemes	2,879	2,615
Total	6,594	6,165
The remuneration of the highest paid director was		
Emoluments	1,828	1,753
Company contributions to defined contribution pension schemes	10	10
Amounts receivable under long-term incentive schemes	1,683	1,599
Total	3,521	3,362

There are no Directors who are members of a Bupa defined benefit pension scheme (2024: no Director).

2.3.2 Auditors' remuneration

	2025	2024
	£m	£m
Audit fees for the audit of the Company's annual accounts	0.8	0.8
<i>Fees payable to the Company's auditors and its associates for:</i>		
Audit fees for audit of Company's subsidiaries required by legislation	8.8	8.4
Audit fees for audit-related assurance services	1.0	1.1
Audit fees to the Company's auditors	10.6	10.3
<i>Fees payable to the Company's auditors and its associates for other services:</i>		
All other non-audit services	0.6	0.4
Total non-audit fees	0.6	0.4
Total auditors' remuneration	11.2	10.7

All non-audit services provided during the year were in compliance with the Group's non-audit services policy and the FRC Ethical Standard.

2.4 Other income and charges

Other income and charges comprise income or expenses that are related to the investing and divesting activities of the Group.

		2025	2024
	Note	£m	£m
Fair value gain on acquisition of Niva Bupa		–	309
Sundry income		1	–
Net gain/(loss) on disposal and restructuring of businesses		22	(16)
(Loss)/gain on revaluation of property	4	(4)	9
Research and Development tax credit		1	–
Net loss on disposal of property, plant and equipment		(2)	–
Surplus on fair value of investment property		24	27
Total other income and charges		42	329

2.5 Financial income and expense

Financial income and expense are earned and incurred from the Group's financial assets and liabilities.

Financial income

Interest income is recognised in the Consolidated Income Statement, using the effective interest method.

Changes in the value of financial assets at fair value through profit or loss are recognised within financial income as unrealised gains or losses while the assets are held. Upon derecognition of an asset, the cumulative unrealised gain or loss is reversed and a realised gain or loss is recognised.

Changes in the value of debt instruments at fair value through other comprehensive income are recognised in other comprehensive income as an unrealised gain or loss. The cumulative gain or loss recognised in the income and expenditure reserve is reclassified to realised gain or loss in the Consolidated Income Statement when the financial asset is derecognised.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	2025	2024
	£m	£m
Interest income:		
Investments at fair value through profit or loss	79	79
Investments at fair value through other comprehensive income	111	69
Investments at amortised cost	312	325
Net realised gain/(loss):		
Net realised gain on investments at fair value through profit or loss	34	3
Net realised gain on financial investments held at amortised cost	1	–
Net realised loss on financial investments at fair value through other comprehensive income	(2)	(3)
Net movement in fair value:		
Changes in share purchase liabilities	–	(15)
Investments at fair value through profit or loss	(16)	19
Net foreign exchange translation (loss)/gain	(3)	32
Total financial income	516	509

Financial expense

Interest payable on borrowings is calculated using the effective interest method.

Finance charges in respect of leases and restoration provisions are charged to the Consolidated Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

	2025	2024
	£m	£m
Interest expense on financial liabilities at amortised cost	89	102
Finance charges in respect of leases and restoration provisions	56	51
Other financial expense	59	44
Total financial expense	204	197

Other financial expense for the year ended 31 December 2025 includes £31m (2024: £26m) of imputed financial expenses in relation to interest-free refundable accommodation deposits received by the Group in respect of payment for aged care units in Bupa Villages and Aged Care Australia.

2.5.1 Net financial expense from insurance contracts issued

The Group's insurance financial expense of £105m (2024: £70m) arises from the impact of unwinding discount rates and any change in discount rates from the beginning of the year, which causes movement in the overall insurance contract liability. Discounting of insurance contracts is only applied by exception (see Note 12).

The net financial expense from insurance contracts issued includes £105m of interest expense (2024: £86m interest expense and £16m interest income).

There is an option to disaggregate any insurance financial income or expense between other comprehensive income and the income statement. Bupa has elected to recognise all insurance financial expense within the Consolidated Income Statement.

2.6 Taxation expense

Taxation expense comprises current and deferred taxation. It considers foreign taxation and double taxation relief and includes adjustments in respect of prior periods.

Income taxation is recognised in the Consolidated Income Statement except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised directly in the Consolidated Statement of Comprehensive Income. The Group has determined that any global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax within the scope of IAS 12.

Current taxation is the expected taxation payable on the taxable profit for the year, using taxation rates enacted or substantively enacted at the reporting date, and any adjustments to taxation payable in respect of previous years.

The Group is subject to taxation audits in the territories in which it operates and considers each issue on its merits when deciding whether to hold a provision against the potential tax liability that may arise. However, the amount that is ultimately paid could differ from the amount initially recorded and this difference is recognised in the period in which such a determination is made.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(i) Recognised in the Consolidated Income Statement

	2025 £m	2024 £m
Current taxation expense		
UK taxation on income for the year	51	46
UK taxation adjustments in respect of prior periods	1	11
Total UK current taxation expense	52	57
Double taxation relief	(16)	(15)
Foreign taxation on income for the year	272	273
Foreign taxation adjustments in respect of prior years	(4)	(4)
Total foreign current taxation expense	268	269
Pillar Two global minimum top-up tax	1	–
Total current taxation expense	305	311
Deferred taxation (income)/expense		
Origination and reversal of temporary differences	(17)	(14)
Adjustments in respect of prior periods	–	4
Total deferred taxation income	(17)	(10)
Taxation expense	288	301

(ii) Reconciliation of effective taxation rate

	2025 £m	2024 £m
Profit before taxation expense	1,147	1,156
UK corporation taxation rate	25%	25%
Tax at the UK corporation taxation rate	287	289
Effects of recurring taxation reconciliation items:		
Different taxation rates in foreign jurisdictions	17	(15)
Deductions not allowable for taxation purposes	26	38
Income not taxable or taxable at concessionary rates	(40)	(36)
Property revaluation not included as a temporary difference	(6)	(8)
Results of associates	(20)	(23)
Movement in deferred taxation asset not recognised	11	58
Current tax expense related to Pillar Two global minimum top-up tax	1	–
	(11)	14
Effects of non-recurring taxation reconciliation items:		
Taxation adjustments in respect of prior periods	(3)	11
Loss on disposal of business	4	6
Non-deductible IAS 29 adjustments ¹	11	11
Fair value gain on acquisition of Niva Bupa	–	(52)
Non-residential buildings tax depreciation removal	–	22
	12	(2)
Taxation expense at the effective rate of 25% (2024: 26%)	288	301

1. See Note 26.3 for details of the impacts of IAS 29.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(iii) Current and deferred taxation recognised directly in other comprehensive income and equity

	2025 £m	2024 £m
Deferred taxation charge in respect of:		
Unrealised gain on revaluation of property	(15)	(25)
Other items including foreign exchange translation differences	–	(3)
Taxation charge on income and expenses recognised directly in other comprehensive income	(15)	(28)
Current taxation credit in respect of:		
Restricted Tier 1 coupon payment ¹	3	3
Taxation credit on income and expenses recognised directly in equity	3	3

1. Included within payment of Restricted Tier 1 coupon of £9m (2024: £9m) in the Consolidated Statement of Changes in Equity.

(iv) Global minimum top-up tax

The Group operates in the UK where tax legislation to implement a global minimum top-up tax was enacted in July 2023 and became effective from 1 January 2024. This legislation seeks to establish a 15% global minimum tax rate for multinational enterprises in each territory in which they operate.

In accordance with IAS 12, the Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, and instead accounts for it as a current tax when it is incurred. The current tax charge with respect to the top-up tax for the period was £1m (2024: £nil). This has been calculated by identifying the difference between the local effective tax rate in each territory and the Pillar Two minimum tax rate of 15% and applying this difference to a measure of profits in 2025.

The Group is continuing to monitor the development of Pillar Two rules and guidance from tax authorities.

3 Goodwill and intangible assets

Goodwill and intangible assets are non-physical assets used by the Group to generate revenues.

Goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the Group's share of identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of the business combination. The carrying value of goodwill may be adjusted up to 12 months from the accounting date of acquisition, as the allocation of the purchase price to identifiable intangible assets is finalised within that period. Goodwill arising on business combinations is capitalised and presented within goodwill and intangible assets in the Consolidated Statement of Financial Position. Where the fair value of net assets acquired is greater than the consideration paid, the excess is recognised as a gain immediately in the Consolidated Income Statement.

Goodwill is held at cost less accumulated impairment losses. Impairment reviews are performed annually or more frequently if there is an indication that the carrying value may be impaired. Impairment reviews are performed at the level of the relevant CGU. In identifying CGUs, the Group considers the smallest identifiable group of assets that generates independent cash inflows, how managers monitor operations and the level at which strategic decisions are made.

Other intangible assets

Intangible assets, other than goodwill, that are acquired as part of a business combination are recognised at fair value which represents cost at acquisition and are subsequently held at cost less accumulated amortisation and impairment. Intangible assets acquired separately are held at cost less accumulated amortisation and impairment.

Costs relating to the development of intangible assets, including computer software, are capitalised once all development phase recognition criteria are met.

Amortisation is charged to the Consolidated Income Statement on a straight-line basis as follows, excluding any intangible assets to which an indefinite useful life has been attributed:

• Computer software	2-10 years
• Brands/trademarks	3 years-indefinite
• Customer relationships	3-20 years
• Distribution networks	10-18 years
• Licences to operate care homes	Term of licence
• Bed licences in Australia (2024 only)	From 1 October 2021 to 1 July 2025

Intangible assets that are subject to amortisation are reviewed for impairment if circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Consolidated Income Statement to reduce the carrying amount

Notes to the Consolidated Financial Statements (continued)

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to the recoverable amount. This impairment may be reversed in future periods if there is indication that there will be a significant long-term improvement in the value of the CGU.

Intangible assets with an indefinite useful life, or not yet available for use, are subject to annual impairment reviews and are assessed more frequently if there is an indication that the carrying value may be impaired. Intangible assets, other than goodwill, with an indefinite useful life include brands within the Bupa Chile CGU which have a total carrying value of £61m (2024: £59m). These are well known brands within the market, and it is considered that an average market participant would maintain the use of the brand for an indefinite period, which supports the assessment of an indefinite useful life.

Following the Australian Government's announcement of the deregulation of bed licences from 1 July 2024, the amortisation term was reviewed and updated from having an indefinite useful life to amortising over the period to 1 July 2024. The amortisation term was extended to 1 July 2025, when the Australian Government announced that the deregulation was delayed to that date. In November 2024, the remaining carrying value of bed licences was impaired as part of the external care home valuation process (See Note 4).

	Goodwill	Computer software	Brands/ trademarks	Customer relationships	Other ¹	Total
	£m	£m	£m	£m	£m	£m
2025						
Cost						
At beginning of year	3,718	1,123	293	976	325	6,435
Arising on business combinations	55	4	3	3	–	65
Additions	–	168	–	–	–	168
Disposals	(4)	(25)	(4)	–	(104)	(137)
Other	–	4	–	–	–	4
Foreign exchange	(35)	10	6	(3)	4	(18)
At end of year	3,734	1,284	298	976	225	6,517
Amortisation and impairment loss						
At beginning of year	1,290	750	200	792	258	3,290
Amortisation for year	–	97	8	32	10	147
Impairment loss	2	7	3	1	2	15
Disposals	–	(25)	(4)	–	(104)	(133)
Foreign exchange	4	6	3	(1)	1	13
At end of year	1,296	835	210	824	167	3,332
Net book value at end of year	2,438	449	88	152	58	3,185
Net book value at beginning of year	2,428	373	93	184	67	3,145

1. Predominantly comprises distribution networks and licences to operate care homes.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Goodwill £m	Computer software £m	Brands/ trademarks £m	Customer relationships £m	Other ¹ £m	Total £m
2024						
Cost						
At beginning of year	3,295	1,050	308	961	312	5,926
Arising on business combinations	574	3	2	40	1	620
Additions	–	139	–	–	23	162
Disposals	(8)	(40)	–	–	(1)	(49)
Other	–	(2)	–	–	–	(2)
Foreign exchange	(143)	(27)	(17)	(25)	(10)	(222)
At end of year	3,718	1,123	293	976	325	6,435
Amortisation and impairment loss						
At beginning of year	1,334	704	203	783	242	3,266
Amortisation for year	–	90	8	29	22	149
Impairment loss	–	9	–	–	2	11
Disposals	–	(36)	–	–	–	(36)
Other	–	(2)	–	–	–	(2)
Foreign exchange	(44)	(15)	(11)	(20)	(8)	(98)
At end of year	1,290	750	200	792	258	3,290
Net book value at end of year	2,428	373	93	184	67	3,145
Net book value at beginning of year	1,961	346	105	178	70	2,660

1. Predominantly comprises distribution networks, bed licenses and licences to operate care homes.

Goodwill and intangible assets of £3,185m (2024: £3,145m) include £275m (2024: £325m) attributable to other intangible assets arising on business combinations included within brands/trademarks, customer relationships and other in the above table.

Computer software assets with a net book value of £449m (2024: £373m) include £381m (2024 restated¹: £312m) attributable to capitalised internal development costs. The cost attributable to these assets is £1,062m (2024 restated¹: £932m). £143m of costs (2024: £113m) were capitalised in the year.

1. 2024 computer software categorisation has been updated to reclassify certain assets as internally generated rather than externally acquired, increasing its net book value by £55m (historical cost by £366m).

Impairment testing of goodwill and indefinite life intangible assets

Goodwill and intangible assets with indefinite useful lives are tested at least annually for impairment by either comparing the net carrying value with the recoverable amount, using value in use calculations or the asset's fair value less costs of disposal.

In arriving at the value in use for a CGU, key assumptions have been made regarding future projected cash flows, discount rates and terminal growth rates. The key business drivers of the cash flow forecasts vary by CGU. For aged care, key drivers are occupancy rates, fee rates, staff and agency costs and operating expenses. For provision business, the cash flows are driven by number of customers, available clinician hours, fee rates and operating expenses. For insurance business, key drivers are assumed business volumes, future insurance premium rate rises, claims volatility and claims inflation. Cash flow projections have been calculated from underlying profit projections for a five-year period. These are based on the three-year plan which has been approved by the Board, with further projections added for years four and five. Cash inflows or outflows relating to financing activities have been excluded from the estimated future cash flows.

Cash flow projections beyond the forecast periods have been extrapolated by applying a terminal growth rate between 2.0% and 6.2% (2024: 2.0% and 6.2%) for all CGUs. The terminal growth rates represent an estimate of the long-term growth rate for each CGU, taking into account the future and past growth rates and external sources of data, such as forecast GDP growth rates, inflation and long-term consumer price index rates. The values assigned to the key assumptions are based on past experience of the CGUs and assessment of future trends in the relevant industry.

Taxation has been applied to the pre-taxation underlying profit based on the statutory taxation rates in the country of operation.

Forecast future post-taxation cash flows have been discounted at post-taxation discount rates. Discount rates have been derived using a Weighted Average Cost of Capital (WACC) methodology, representing the minimum return a business must earn on its asset base to satisfy providers of capital. Discount rates used for the value in use calculations for each of the

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Group's CGUs are based on considerations of the systemic risks associated with each CGU, as well as external factors such as inflation and local market leverage. These include a market assessment of the time value of money and the risks inherent in the relevant country where the cash flows are generated.

Management has assessed whether there are indicators that a previously recognised impairment loss should be reversed. As there has been no notable improvement in the underlying cash flows of the business, particularly those most sensitive to available clinician hours and operating expenses, no indicators of an impairment reversal have been identified and, accordingly, no impairment reversal has been recognised.

The following table summarises the pre-taxation discount rates used for impairment testing for the main CGUs, which were determined through grossing up the post-tax discount rates by the applicable corporate taxation rates:

	2025	2024
	%	%
Bupa Australia Health Insurance	10.4	9.5
Bupa Health Services Australia	12.5	12.2
Hong Kong	11.4	11.4
LUX MED	9.9	10.1
Sanitas Seguros	9.5	9.1
Sanitas Mayores	8.9	8.6
Bupa Acibadem Sigorta	44.1	39.8
Care Plus	20.8	16.7
Bupa Mexico	20.2	17.1
Bupa Dental Care UK	12.0	12.2
Bupa Global	12.0	11.7

The following table summarises goodwill by CGU:

	2025	2024
	£m	£m
Bupa Asia Pacific		
Bupa Australia Health Insurance	755	753
Bupa Health Services Australia	287	257
Hong Kong	116	125
Europe and Latin America		
LUX MED	315	282
Sanitas Seguros	74	73
Sanitas Mayores	23	20
Bupa Acibadem Sigorta	65	64
Care Plus	34	33
Bupa Mexico	10	9
Bupa Global, India and UK		
Niva Bupa	467	527
Bupa Dental Care UK	193	193
Bupa Global	68	68
Bupa Health Services	31	24
Total	2,438	2,428

Goodwill of £536m was recognised in 2024 as a result of the additional shares acquired in Niva Bupa both from the write-up of the previously held investment (£321m) and the newly acquired shares (£215m). This goodwill represented the future profit growth that was expected to be achieved through accessing the growing Indian health insurance sector. In November 2024, Niva Bupa successfully completed an IPO. The goodwill has been assessed for impairment based on the fair value of the business, calculated based on the listed share price, adjusted by the Group's control premium. No impairment loss was recognised during the year (2024: £nil).

During the year, £2m impairment loss was recognised in relation to goodwill (2024: £nil).

Sensitivity to changes in key assumptions

As part of the annual impairment test, management considers the sensitivity of the tests to changes in key assumptions including changes in the discount rate, terminal growth rate and cash flows. Management believes that there are no reasonably possible changes to key assumptions that would cause the carrying value of any goodwill or intangible asset with an indefinite useful life to exceed its recoverable amount.

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Management continues to closely monitor the headroom on Bupa Dental Care UK, following the impairments recognised in 2022, to ascertain whether any further impairments to goodwill or reversals to impairment of intangible assets or property, plant and equipment should be recognised. Headroom at 31 December 2025 is £74m (2024: £56m) with the increase in the year largely driven by a decrease in the discount rate and the unwind of discounting.

	Headroom	Discount rate	Terminal growth rate	Reduction in headroom from 1% increase in discount rate	Reduction in headroom from 0.5% reduction in terminal growth rate	Reduction in headroom from 10% reduction in cash flows
2025	£m	%	%	£m	£m	£m
Bupa Dental Care UK	74	12.0	2.1	(37)	(14)	(33)

Impairment of other intangible assets

As at 31 December 2025, other intangible assets with indefinite useful lives were tested for impairment with £nil impairment being recognised (2024: £nil).

A review of intangible assets that are subject to amortisation resulted in impairments of £13m (2024: £11m), of which £7m relates to computer software (2024: £9m), and £3m relates to brands, £2m relates to distribution networks and £1m relates to customer relationships in Mexico (2024: £2m related to bed licences in Australia).

4 Property, plant and equipment

Property, plant and equipment are the physical assets or rights to use leased assets which are utilised by the Group to carry out business activities and generate revenues and profits.

The majority of assets held relate to care homes, hospital properties, equipment, and office buildings.

Freehold properties

Freehold properties comprise care homes, care villages, clinics, hospitals and offices and are initially measured at cost and subsequently at revalued amount less accumulated depreciation and impairment losses. These properties are subject to periodic and at least triennial valuations performed by external independent valuers. Borrowing costs relating to the acquisition or construction of qualifying assets are capitalised as part of the cost of that asset.

Equipment

Equipment (including leasehold improvements) is held at historical cost less subsequent depreciation and impairment losses.

Depreciation

Freehold land and assets under construction, included within freehold properties, are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amount less residual value over estimated useful lives, as follows:

- Freehold property 50 years
- Right-of-use property Lease term
- Leasehold improvements Shorter of useful life or lease term
- Owned equipment 3-10 years
- Right-of-use equipment Lease term

Impairment

Impairment reviews are undertaken where there are indications that the carrying value of an asset may not be recoverable. An impairment loss on an asset carried at amortised cost is recognised in the Consolidated Income Statement within other operating expenses to reduce the carrying value to the recoverable amount. An impairment loss on an asset carried at revalued amount is recognised in the property revaluation reserve, except where an asset is revalued below historical cost, in which case the loss below the historical cost is recognised within other income and charges in the Consolidated Income Statement (see Note 2.4).

For information regarding leased (right-of-use) assets, see Note 18.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Freehold property £m	Right-of-use asset property £m	Leasehold improvements £m	Owned equipment £m	Right-of-use asset equipment £m	Total £m
2025						
Cost or valuation						
At beginning of year	2,127	1,349	339	1,730	20	5,565
Arising on business combinations	41	33	14	11	–	99
Additions	79	128	82	241	6	536
Transfer to assets held for sale	(9)	–	–	(7)	–	(16)
Disposals	(1)	(94)	(9)	(29)	(3)	(136)
Revaluations	32	–	–	–	–	32
Remeasurements	–	63	–	–	1	64
Other	(39)	14	1	(18)	–	(42)
Foreign exchange	17	29	1	15	–	62
At end of year	2,247	1,522	428	1,943	24	6,164
Depreciation and impairment loss						
At beginning of year	42	612	171	1,016	13	1,854
Depreciation charge for year	36	137	22	142	4	341
Transfer to assets held for sale	–	–	–	(3)	–	(3)
Disposals	–	(86)	(6)	(25)	(3)	(120)
Revaluations	(34)	–	–	–	–	(34)
Impairment loss	–	–	–	4	–	4
Other	(4)	2	(1)	(28)	–	(31)
Foreign exchange	–	13	1	(5)	–	9
At end of year	40	678	187	1,101	14	2,020
Net book value at end of year	2,207	844	241	842	10	4,144
Net book value at beginning of year	2,085	737	168	714	7	3,711
2024						
Cost or valuation						
At beginning of year	2,131	1,314	320	1,606	19	5,390
Arising on business combinations	5	17	–	7	–	29
Additions	37	89	40	224	3	393
Transfer to assets held for sale	(8)	–	–	(3)	–	(11)
Disposals	(12)	(80)	(10)	(84)	(2)	(188)
Revaluations	85	–	–	–	–	85
Remeasurements	–	61	–	–	–	61
Other	(4)	–	(1)	7	–	2
Foreign exchange	(107)	(52)	(10)	(27)	–	(196)
At end of year	2,127	1,349	339	1,730	20	5,565
Depreciation and impairment loss						
At beginning of year	58	577	165	974	11	1,785
Depreciation charge for year	36	133	22	125	4	320
Transfer to assets held for sale	–	–	–	(1)	–	(1)
Disposals	(1)	(75)	(11)	(76)	(2)	(165)
Revaluations	(47)	–	–	–	–	(47)
Other	–	–	–	1	–	1
Foreign exchange	(4)	(23)	(5)	(7)	–	(39)
At end of year	42	612	171	1,016	13	1,854
Net book value at end of year	2,085	737	168	714	7	3,711
Net book value at beginning of year	2,073	737	155	632	8	3,605

Revaluation of properties

External valuations are performed at least every three years. To ensure that the carrying value does not differ significantly from fair value at the reporting date, in years where a full external valuation is not completed, a directors' valuation is conducted, based on updated cash flows and other market variables with support from external valuers where necessary. Consideration is also given to whether there are any factors which indicate a full out-of-cycle external revaluation is required.

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In 2025, the external triennial revaluations of properties in the UK have been independently performed by Knight Frank and Colliers, in Chile by Phi Partners, in Poland by Knight Frank and in New Zealand by Jones Lang LaSalle (JLL). In addition, independent external valuations were performed on a small number of freehold properties in Australia by Ernst & Young. Directors' property valuations have been performed across all other geographies.

In valuing care home property, a judgement is made on the highest and best use of the property. In the majority of cases this leads to the property being valued as part of a group of assets making up a going concern business, using market valuations. This approach is in line with market practice. The business is valued on a fair maintainable trade basis with the fair value thus calculated being allocated to plant and equipment applicable at net book value (as a proxy for fair value), with the residual value being allocated to property.

The valuations of care homes across the Group (and hospitals in Spain and Poland) are therefore determined based on a capitalisation of earnings approach. Each facility's normalised earnings are calculated based on what a reasonably efficient operator could be expected to achieve. This is divided by an appropriate capitalisation rate to determine a value in use. The capitalisation rate is the average rate of return for each facility and is based on qualitative and quantitative indicators of the facility's current and future performance.

The valuations of hospitals and clinics in Chile are determined based on discounted future cash flow projections. The discount rate is determined according to the time value of money, the level of risk of the industry and the corresponding premium risk.

Unobservable inputs include the capitalisation or discount rate and, for all properties except those in Poland and Chile, the average occupancy.

All other properties are valued based on observable market values of similar properties. Due to the level of judgement and adjustments required to the observable inputs used in the valuation methodologies, a Level 3 classification, under the fair value hierarchy in accordance with IFRS 13 Fair Value Measurement, is considered appropriate for all properties in the Group.

At each revaluation date, accumulated depreciation is eliminated against the gross carrying amount of the asset.

Sensitivity analysis

The significant assumptions used in the calculation of the fair values of the material Level 3 freehold properties in the Group are shown in the table below. Average occupancy rate and average capitalisation rates or discount rates are inputs to the valuation of care home property, hospitals and clinics. Average price per square metre and average yield are primarily assumptions used in valuing offices or other commercial property.

Freehold properties	Australia	New Zealand	UK	Spain	Chile	Poland
2025						
Valuation assumptions:						
Average occupancy rate	93.1%	94.5%	90.6%	89.7%	N/A	N/A
Average capitalisation/discount rate	15.1%	13.6%	14.0%	16.4%	14.9%	18.8%
Average price per square metre	N/A	N/A	£2,504	£2,008	N/A	N/A
Average yield	N/A	N/A	7.9%	4.9%	N/A	N/A
2024						
Valuation assumptions:						
Average occupancy rate	93.1%	92.2%	90.8%	89.4%	N/A	N/A
Average capitalisation/discount rate	15.1%	12.2%	12.9%	17.3%	10.8%	16.8%
Average price per square metre	N/A	N/A	£2,754	£1,907	N/A	N/A
Average yield	N/A	N/A	7.7%	4.9%	N/A	N/A

The valuations are most sensitive to changes in capitalisation rate assumptions, and an increase/decrease of 0.5% in capitalisation rates would decrease/increase the total carrying value of freehold properties by £(67)m/£79m (2024: £(63)m/£69m). An increase/decrease of 0.5% in occupancy rates would increase/decrease the total carrying value of freehold properties by £9m/£(9)m (2024: £7m/£(9)m).

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The table below shows the date at which freehold properties held as at 31 December 2025 were last subject to external valuation.

	2025
	£m
Valuation – 31 December 2025	1,114
Valuation – 31 December 2024	983
Assets held at cost ¹	150
Cost or valuation	2,247

1. Primarily relates to assets under construction and initial fair value of additions.

Gains and losses on revaluation are recognised in the property revaluation reserve, except where an asset is revalued below historical cost, in which case the deficit is recognised in the Consolidated Income Statement. When a revaluation reverses losses recognised in the Consolidated Income Statement in prior years, the credit is recognised in the Consolidated Income Statement.

In the current year, a £70m net revaluation gain (2024: £123m) has been recognised in the property revaluation reserve, with a revaluation loss of £4m (2024: £9m gain) debited (2024: credited) to the Consolidated Income Statement within other income and charges (see Note 2.4).

Recognised in the carrying amount of freehold property is £64m (2024: £47m) in relation to freehold property in the course of construction.

Historical cost of the Group's revalued freehold property assets

	2025	2024
	£m	£m
Historical cost of revalued assets	2,053	1,971
Accumulated depreciation based on historical cost	(586)	(545)
Historical cost net book value	1,467	1,426
Depreciation charge for the year on historical cost	41	39

Impairment of tangible assets

A review of tangible assets has resulted in impairments of £4m (2024: £nil).

5 Investment property

Investment properties are physical assets that are not occupied by the Group and are leased to third parties to generate rental income. The majority of investment properties held by the Group are part of a portfolio of retirement villages in New Zealand.

Investment properties are initially measured at cost and subsequently at fair value, determined individually, on a basis appropriate to the purpose for which the property is intended. Investment properties are revalued at least annually, with any gain or loss arising from a change in fair value recognised in the Consolidated Income Statement within other income and charges.

In Australia and New Zealand, the retirement village market is fragmented as each village is unique due to building configuration and location. As there are no directly comparable sales from which values can be derived, the fair value of investment property is determined using unobservable inputs. Therefore, the Group has categorised investment property as Level 3 under the fair value hierarchy in accordance with the IFRS 13 Fair Value Measurement. These properties are valued using discounted cash flow projections.

In an active market, the portfolio is valued annually by an independent valuer, holding a recognised and relevant professional qualification, and with recent experience in the location and category of investment property being valued.

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for the year ended 31 December 2025

	2025	2024
	£m	£m
At beginning of year	756	776
Additions	35	30
Transfer to assets held for sale	(3)	–
Disposals	(2)	–
Reclassification from property, plant and equipment	2	–
Increase in fair value	24	27
Foreign exchange	(31)	(77)
At end of year	781	756

In the current year, a revaluation surplus of £24m (2024: £27m) was credited to the Consolidated Income Statement.

The carrying value of investment properties primarily consists of the Group's portfolio of retirement villages in New Zealand of £712m (2024: £687m) and Australia of £55m (2024: £49m). These were valued by management using internally prepared discounted cash flow projections, supported by the terms of any existing lease and other contracts. Discount rates are used to reflect current market assessments of the uncertainty in the amount or timing of the cash flows. During the year, an independent valuation of the New Zealand portfolio was performed by Jones Lang LaSalle (JLL), and this valuation, also based on a discounted cash flow model, was in line with management's valuation.

The historical cost of investment properties is £473m (2024: £460m).

Significant assumptions used in the valuation include:

Australia and New Zealand	2025	2024
Discount rate	14.0% - 14.1%	14.0%
Capital growth rate	3.3% - 3.5%	3.3% - 3.5%

The sensitivity analysis below considers the impact on the year-end valuation of Level 3 investment properties and is based on a change in one assumption while holding all other assumptions constant. In practice, changes in assumptions may be correlated.

Australia and New Zealand	0.5% absolute increase	0.5% absolute decrease
2025		
Discount rate	£14m decrease	£15m increase
Capital growth rate	£20m increase	£18m decrease
2024		
Discount rate	£13m decrease	£15m increase
Capital growth rate	£20m increase	£18m decrease

During the year ended 31 December 2025, the Group's retirement village portfolio in Australia and New Zealand generated £28m (2024: £29m) of income which was recognised as care, health and other customer contract revenue in the Consolidated Income Statement. Total direct operating expenses of these retirement villages amounted to £21m (2024: £22m).

6 Equity-accounted investments

Equity-accounted investments comprise associates and joint ventures in which the Group has significant influence, but not control.

Associates include those entities over which the Group has significant influence, but has no right to direct the activities which determine the variable returns it receives from the entity.

Associates are accounted for using the equity method and are initially recognised at cost. The cost of the investment includes transaction costs. The carrying value of the investment is adjusted for the Group's share of any post-acquisition profits or losses of the associated entity.

If the Group's share of losses exceeds its interest in an equity-accounted investment, the carrying amount of that interest (including any long-term debt interests that, in substance, form part of the Group's net investment), is reduced to £nil. In addition, the recognition of further losses is discontinued except to the extent that the Group has an obligation to make payments on behalf of the equity-accounted investment.

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The Consolidated Financial Statements include the Group's share of income and expenses, and other comprehensive income, from the date that significant influence commences until the date that significant influence ceases. Adjustments are made to align the accounting policies with those of the Group where materially different.

The carrying amount of equity-accounted investments is £1,008m (2024: £1,016m). All equity-accounted investments are included based on coterminous accounting periods.

The Group's principal equity-accounted investments at 31 December 2025 are:

	Business activity	Share of issued capital	Principally operates in	Country of incorporation
Bupa Arabia for Cooperative Insurance Company (Bupa Arabia)	Insurance	43.25%	Saudi Arabia	Saudi Arabia
Highway to Health, Inc. (Highway to Health) (operating as Blue Cross Blue Shield Global Solutions (Prior to 2025: Geoblue)).	Insurance	49.00%	USA	USA

During the year, the Group received dividends of £50m (2024: £55m) from Bupa Arabia.

(i) Summarised financial information for material associates

The tables below provide summarised financial information for those associates that are material to the Group. The information disclosed reflects the full balances for the relevant associates, and not the Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments and modifications for differences in accounting policies.

	Bupa Arabia		Highway to Health	
	2025	2024	2025	2024
	£m	£m	£m	£m
Revenue	3,845	3,713	303	275
Cash and cash equivalents	284	197	123	112
Other current assets	816	685	146	143
Current assets	1,100	882	269	255
Non-current assets	2,288	2,429	24	24
Current liabilities	(2,177)	(2,144)	(165)	(157)
Non-current liabilities	(96)	(72)	(10)	(10)
Net assets	1,115	1,095	118	112

Reconciliation to carrying amounts

	Bupa Arabia		Highway to Health	
	2025	2024	2025	2024
	£m	£m	£m	£m
Opening net assets	1,095	981	112	105
Profit for the year	218	243	20	14
Other comprehensive income/(expense)	2	(6)	–	–
Dividends paid	(121)	(125)	–	–
Other reserve movements	(79)	2	(14)	(7)
Closing net assets	1,115	1,095	118	112
% Ownership	43.25%	43.25%	49.00%	49.00%
Reporting entity's share	482	474	58	55
Goodwill and local accounting differences	248	265	176	189
Carrying amount	730	739	234	244
Reporting entity's share of profit	84	96	7	5

(ii) Individually immaterial equity-accounted investments

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates and a joint venture that are accounted for using the equity method. The aggregate carrying amount of the associates is £15m (2024: £7m). The carrying amount of the joint venture is £29m (2024: £26m). The Group's share of results recognised during the year for these is a loss of £9m (2024: loss of £7m).

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7 Post-employment benefits

The Group operates several funded and an unfunded defined benefit and defined contribution pension schemes for the benefit of employees.

Defined contribution pension schemes

The defined contribution pension schemes provide employees with a retirement fund accumulated through investment of contributions made by Bupa and the employees. Members of the scheme use their funds to secure benefits at retirement. Benefits are not known in advance and the investment and longevity risks are assumed solely by the members of the scheme. Contributions payable by the relevant sponsoring employers are defined in the scheme rules or plan specifications and these contributions are recognised as an expense in the Consolidated Income Statement as incurred.

Defined benefit post-employment schemes

The defined benefit pension schemes provide benefits based on final pensionable salary. The Group's net obligation in respect of defined benefit pensions is calculated separately for each scheme and represents the present value of the defined benefit obligation less the fair value of scheme assets. The discount rate used is the yield at the reporting date on high-quality corporate bonds denominated in the currency in which the benefit will be paid and taking account of the maturities of the defined benefit obligations. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of any future refunds from the scheme or reductions in future contributions to the scheme.

The charge to the Consolidated Income Statement for defined benefit schemes represents the net interest cost and administrative expenses.

All remeasurements are recognised in full in the Consolidated Statement of Comprehensive Income in the period in which they occur.

(i) Amounts recognised in the Consolidated Income Statement

The charge to service costs in the Consolidated Income Statement for defined benefit schemes is £2m (2024 £nil).

The charge to other operating expenses in respect of cash contributions to defined contribution schemes is £71m (2024: £65m).

(ii) Amounts recognised directly in other comprehensive income

The amounts (credited)/charged directly to equity are:

	2025 £m	2024 £m
Actual return less expected return on assets	(2)	3
Gain arising from changes to financial assumptions	–	(3)
Loss arising from changes to experience assumptions	1	–
Total remeasurement (gain)/loss (credited)/charged directly to equity	(1)	–

7.1 Group post-employment benefit schemes

Defined contribution pension schemes

The principal defined contribution pension scheme in the UK during the year was the My Bupa LifeSight Plan. The Group automatically enrolls any eligible non-pensioned employees into the National Employment Savings Trust (NEST).

Defined benefit post-employment schemes

The principal defined benefit scheme in the UK is The Bupa Pension Scheme which has been closed to new entrants since 1 October 2002 and closed to future accrual since 31 December 2020. The British United Provident Association Limited is the principal sponsoring employer for The Bupa Pension Scheme. The Company (which is not an employer in respect of the scheme) had entered into a legally binding and irrevocable guarantee for the benefit of the trustee in respect of the payments due from Bupa. The latest triennial valuation, dated 1 July 2023, showed that The Bupa Pension Scheme was in surplus on its technical provisions basis. The scheme was also in surplus on the more prudent actuarial basis which the Trustees use to set their long-term funding target. As a result, no deficit reduction contributions are currently due. This position could change as a result of future valuations.

There are several other smaller defined benefit pension schemes operated by UK and overseas subsidiaries. The defined benefit pension schemes are assessed by independent scheme actuaries in accordance with UK or local practice and under IAS 19 as at 31 December 2025 for the purposes of inclusion in the Group's Consolidated Financial Statements.

Trustees are appointed for each scheme as determined by its respective trust documentation and Trustees are required to act in the best interests of the schemes' beneficiaries. The long-term investment objectives of the Trustees and the employers are

Notes to the Consolidated Financial Statements (continued)

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to limit the risk of the assets failing to meet the liabilities of the schemes over the long term, and to maximise returns consistent with an acceptable level of risk.

The smaller defined benefit pension schemes are not individually material to the Group on a net surplus/deficit basis, but details have been disclosed within the subsidiary financial statements of the relevant sponsoring employer of each scheme.

(a) Assets and liabilities of schemes

	2025	2024
	£m	£m
Present value of funded obligations	(54)	(52)
Fair value of scheme assets	52	49
Net liabilities of funded schemes	(2)	(3)
Present value of unfunded obligations	(2)	(2)
Net recognised liabilities	(4)	(5)
In the Consolidated Statement of Financial Position:		
Net liabilities	(6)	(7)
Net assets	2	2
Net recognised liabilities	(4)	(5)

(b) Present value of schemes' obligations

The movements in the present value of the schemes' obligations are:

	2025	2024
	£m	£m
At beginning of year	54	56
Current service costs	1	1
Past service costs	1	–
Interest on obligations	3	2
Gain from changes to financial assumptions	–	(3)
Loss from changes to experience assumptions	1	–
Benefits paid	(4)	(2)
At end of year	56	54

(c) Fair value of funded schemes' assets

The movements in the fair value of the funded schemes' assets are:

	2025	2024
	£m	£m
At beginning of year	49	50
Interest income	3	2
Return on assets excluding interest income	2	(3)
Contributions by employer	2	2
Benefits paid	(4)	(2)
At end of year	52	49

The market values of the assets of the funded schemes are as follows:

	2025	2025	2024	2024
	£m	%	£m	%
Government bonds	15	29	13	27
Equities	17	33	17	35
Corporate bonds	7	13	10	20
Cash/other assets	8	15	8	16
Loans	5	10	1	2
Total market value	52	100	49	100

Aside from corporate and government bonds and equities in the table above, no other assets have a quoted market price. Amounts reported in the table above include those held through pooled investment funds in which Bupa is not the sole investor, as well as direct investments.

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for the year ended 31 December 2025

7.2 Actuarial assumptions

The responsibility for setting the assumptions underlying the IAS 19 valuations rests with Bupa's Directors, having first taken advice from the Group's independent actuary.

The key weighted average financial assumptions used when valuing the obligations of the post-employment benefit schemes under IAS 19 for the schemes within the Group are as follows:

	2025	2024
	%	%
Inflation rate	3.0	3.2
Rate of increase in salaries	2.8	2.9
Rate of increase of pensions in payment	3.5	3.5
Rate of increase of pensions in deferment	2.9	3.2
Discount rate for scheme assets and obligations	5.5	5.4

(a) Actuarial assumptions underlying the valuation of obligations

The inflation rate assumption is set by reference to the difference between the yield on long-term fixed interest gilts and the real yield on index-linked gilts, with a deduction of 0.2% to reflect an inflation risk premium.

The rate of increase in salaries is equal to the long-term expected annual average salary pay increase for the employees who are members of the respective schemes. This assumption is set relative to the inflation rate assumption.

The rate of increase of pensions in payment is the same as the inflation rate, with the exception of benefits which receive fixed increases in payment as defined under the respective scheme rules.

The rate of increase of pensions in deferment is set relative to the inflation rate assumption and adjusted for any relevant caps or collars.

The discount rate used to value scheme liabilities is the yield at the reporting date on high-quality corporate bonds of appropriate term.

An increase/decrease in the discount rate by 0.5%, while holding all other assumptions constant, would result in a decrease/increase in the defined benefit pension scheme liabilities by £2m (2024: £3m).

(b) Mortality assumptions

The mortality tables adopted as at 31 December 2025 are the S3PA year of birth mortality tables using the CMI 2024 projection model, with a long-term rate of improvement of 1.5% p.a. adjusted by 105% (male non-pensioners); 95% (female non-pensioners); 99% (male pensioners) and 95% (female pensioners) (2024: CMI 2023 projection model, with a long-term rate of improvement of 1.5% p.a. adjusted by 104% (male non-pensioners); 95% (female non-pensioners); 97% (male pensioners) and 94% (female pensioners)).

The average life expectancy on retirement at age 60 are as follows:

	2025	2024
For members aged 60, on the valuation date:		
Male	26.6	26.4
Female	28.9	28.9
For members aged 45, on the valuation date:		
Male	27.5	27.2
Female	30.3	30.2

(c) Assumptions over duration of liabilities

The weighted average duration of the defined benefit obligation is approximately 9 years (2024: approximately 10 years).

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

8 Deferred taxation assets and liabilities

Deferred taxation is an amount which recognises the differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for taxation purposes. An example is the variance between the carrying value of equipment due to depreciation being charged for financial reporting purposes and written down allowances being applied for the relevant tax authorities.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not recognised: goodwill not deductible for taxation purposes; and the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and temporary differences relating to investments in associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable the temporary difference will not reverse in the foreseeable future. The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the reporting date.

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred taxation assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and when the Group can settle its current taxation assets and liabilities on a net basis.

Recognised deferred taxation assets and liabilities

Deferred taxation assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Accelerated capital allowances	34	34	(165)	(116)	(131)	(82)
Post-employment benefits	2	3	(2)	(2)	–	1
Employee benefits (other than post-employment)	77	69	–	–	77	69
Revaluation of properties to fair value	2	3	(110)	(104)	(108)	(101)
Provisions	126	100	–	–	126	100
Taxation value of losses carried forward	68	60	–	–	68	60
Goodwill and intangible assets	7	9	(100)	(117)	(93)	(108)
Other	28	18	(5)	(12)	23	6
Deferred taxation (before allowable netting)	344	296	(382)	(351)	(38)	(55)
Allowable netting of deferred taxation	(215)	(210)	215	210	–	–
Deferred taxation – net	129	86	(167)	(141)	(38)	(55)

Unrecognised deferred taxation assets

As at 31 December 2025, the Group had deductible temporary differences relating to trading losses of £194m (2024: £390m), to capital losses of £173m (2024: £154m), and to other temporary differences of £300m (2024: £93m) for which no deferred taxation asset was recognised due to uncertainty of utilisation of those temporary differences.

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for the year ended 31 December 2025

Movement in net deferred taxation (liabilities)/assets

2025	At beginning of year	Recognised in Consolidated Income Statement	Recognised in other comprehensive income	Arising on business combinations	Transfers to held for sale	Foreign exchange	At end of year
	£m	£m	£m	£m	£m	£m	£m
Accelerated capital allowances	(82)	(42)	(7)	–	–	–	(131)
Post-employment benefits	1	–	(1)	–	–	–	–
Employee benefits (other than post-employment)	69	8	–	–	–	–	77
Revaluation of properties to fair value	(101)	2	(8)	–	–	(1)	(108)
Provisions	100	26	1	1	–	(2)	126
Taxation value of losses carried forward	60	9	(1)	–	–	–	68
Goodwill and intangible assets	(108)	10	5	–	–	–	(93)
Other	6	4	(4)	(1)	14	4	23
Total	(55)	17	(15)	–	14	1	(38)

2024	At beginning of year	Recognised in Consolidated Income Statement	Recognised in other comprehensive income	Arising on business combinations	Transfers to held for sale	Foreign exchange	At end of year
	£m	£m	£m	£m	£m	£m	£m
Accelerated capital allowances	(22)	(64)	–	1	–	3	(82)
Post-employment benefits	–	1	–	–	–	–	1
Employee benefits (other than post-employment)	60	14	–	–	–	(5)	69
Revaluation of properties to fair value	(83)	–	(25)	–	–	7	(101)
Provisions	105	11	–	(5)	–	(11)	100
Taxation value of losses carried forward	32	22	–	9	–	(3)	60
Goodwill and intangible assets	(106)	(1)	–	(10)	–	9	(108)
Other	(6)	27	(3)	1	(15)	2	6
Total	(20)	10	(28)	(4)	(15)	2	(55)

9 Restricted assets

Restricted assets are amounts held in respect of specific obligations and potential liabilities and may be used only to discharge those obligations and potential liabilities if and when they crystallise.

	2025	2024
	£m	£m
Non-current restricted assets	29	32
Current restricted assets	138	105
Total restricted assets	167	137

The non-current restricted assets balance of £29m (2024: £32m) consists of cash deposits held in respect of a charge over certain unfunded pension scheme obligations in the Parent. Included in current restricted assets is £135m (2024: £103m) cash in respect of claims funds held on behalf of corporate customers.

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for the year ended 31 December 2025

10 Financial investments

The Group generates cash from its underwriting, trading and financing activities and invests the surplus cash in financial investments. These include government bonds, corporate bonds, pooled investment funds, deposits with credit institutions and equities.

All financial investments are initially recognised at fair value, which includes transaction costs for financial investments not classified at fair value through profit or loss. Financial investments are recorded using trade date accounting at initial recognition.

Financial investments are derecognised when the rights to receive cash flows from the financial investments have expired or where the Group has transferred substantially all risks and rewards of ownership.

The Group has classified its financial investments into the following categories: at fair value through profit or loss, at fair value through other comprehensive income (FVOCI) and at amortised cost.

Classification	Criteria and treatment under IFRS 9
Fair value through profit or loss	Debt and equity instruments where performance is managed and evaluated on a fair value basis and the objective is to realise cash flows through the sale of the assets. The investments are carried at fair value, with gains and losses arising from changes in this value recognised in the Consolidated Income Statement in the period in which they arise.
Fair value through other comprehensive income	Non-derivative debt instruments where the contractual characteristics of the financial assets represent solely payments of principal and interest and the objective is to hold the instrument to collect cash flows and sell, with a greater frequency and value of sales than instruments at amortised cost. The investments are carried at fair value and fair value changes are recognised in the Consolidated Statement of Comprehensive Income, except for interest and foreign exchange gains or losses and impairment gains and losses that are derived using the same methodology that is applied to financial assets measured at amortised cost, which are recognised in the Consolidated Income Statement. The cumulative gain or loss that was recognised in other comprehensive income is recognised in the Consolidated Income Statement when a financial asset at FVOCI is derecognised.
Amortised cost	Non-derivative debt instruments where the contractual characteristics of the financial assets represent solely payments of principal and interest and the objective is to hold the instrument to collect cash flows over its life. Any disposals are expected to be infrequent or insignificant. The investments are measured at amortised cost using the effective interest method, less any impairment losses. Any discount or premium on purchase is amortised over the life of the investment in the Consolidated Income Statement.

In 2025 Bupa Health Insurance Australia has changed investment strategy and business model from 'buy to hold' to 'buy to hold and sell'. The newly acquired financial investments are recognised and measured at FVOCI and the existing financial investments are measured at amortised cost. This resulted in an increase in the overall value of financial investments held at FVOCI.

Under IFRS 9, impairment provisions for expected credit losses (ECL) are recognised for financial investments measured at amortised cost and FVOCI. An allowance for either a 12-month or lifetime ECL is required, depending on whether there has been a significant increase in credit risk since initial recognition. For trade receivables, lifetime ECL is always applied. An assumption can be made that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date (e.g. it is investment grade). The Group applies a 12-month ECL allowance to all assets other than trade receivables, as no significant increases in credit risk since initial recognition have been identified.

The measurement of ECL should reflect a probability-weighted outcome, the time value of money and the best available forward-looking information. An analysis of ECL provisions is provided in Note 26.5.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Financial investments are analysed as follows:

	Carrying value 2025 £m	Fair value 2025 £m	Carrying value 2024 £m	Fair value 2024 £m
Fair value through profit or loss				
Corporate debt securities and secured loans	435	435	386	386
Government debt securities	50	50	44	44
Pooled investment funds	471	471	429	429
Deposits with credit institutions	4	4	11	11
Equities	8	8	33	33
Fair value through other comprehensive income				
Corporate debt securities and secured loans	1,497	1,497	504	504
Government debt securities	464	464	316	316
Amortised cost				
Corporate debt securities and secured loans	858	860	1,293	1,298
Government debt securities	413	418	614	617
Deposits with credit institutions	1,162	1,164	1,063	1,064
Total financial investments	5,362	5,371	4,693	4,702
Non-current	2,378	2,385	1,645	1,648
Current	2,984	2,986	3,048	3,054

Fair value of financial investments

An asset's fair value is the price at which an orderly transaction to sell or transfer the asset would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of the market participant that holds the asset). The objective of a fair value measurement is to estimate this price.

The fair values of quoted investments in active markets are based on current bid prices. The fair values of unlisted securities and quoted investments for which there is no active market are established by using valuation techniques supported by market transactions and observable market data provided by independent third parties. These may include reference to the current fair value of other investments that are substantially the same and discounted cash flow analysis.

The fair values of financial investments are determined using different valuation inputs categorised into a three-level hierarchy. The different levels are defined by reference to the lowest level input that is significant to the fair value measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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An analysis of the financial investment fair values by hierarchy level is as follows:

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
2025				
Fair value through profit or loss				
Corporate debt securities and secured loans	58	377	–	435
Government debt securities	11	39	–	50
Pooled investment funds	148	300	23	471
Deposits with credit institutions	4	–	–	4
Equities	1	–	7	8
Fair value through other comprehensive income				
Corporate debt securities and secured loans	643	854	–	1,497
Government debt securities	452	12	–	464
Amortised cost				
Corporate debt securities and secured loans	381	478	1	860
Government debt securities	378	40	–	418
Deposits with credit institutions	–	1,164	–	1,164
Total financial investments	2,076	3,264	31	5,371
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
2024				
Fair value through profit or loss				
Corporate debt securities and secured loans	21	365	–	386
Government debt securities	8	36	–	44
Pooled investment funds	64	340	25	429
Deposits with credit institutions	11	–	–	11
Equities	1	–	32	33
Fair value through other comprehensive income				
Corporate debt securities and secured loans	59	445	–	504
Government debt securities	303	13	–	316
Amortised cost				
Corporate debt securities and secured loans	360	937	1	1,298
Government debt securities	370	247	–	617
Deposits with credit institutions	–	1,064	–	1,064
Total financial investments	1,197	3,447	58	4,702

Transfers between fair value hierarchy levels

The Group's policy is to determine whether transfers have occurred between fair value hierarchy levels at the end of a reporting period. Classification is reassessed based on the lowest level input that is significant to the fair value measurement as a whole.

There were no transfers between fair value hierarchy levels in the year (2024: £nil).

The Group currently holds Level 3 financial investments totalling £31m (2024: £58m). The majority of Level 3 investments are unlisted equities and pooled investment funds valued at recent subscription values and conversion prices, which are considered to be unobservable inputs.

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for the year ended 31 December 2025

The table below shows movement in the Level 3 assets measured at fair value.

	2025	2024
Level 3	£m	£m
At beginning of year	58	61
Additions	2	3
Net decrease in fair value ¹	(29)	(1)
Disposals	–	(1)
Foreign exchange	–	(4)
At end of year	31	58

1. All gains and losses are recognised in financial income and financial expense in the Consolidated Income Statement. 2025 includes dividend and return of capital from George Health Enterprises Pty Ltd.

The Group uses a market interest curve supported by third parties as at the reporting date to discount financial assets, borrowings and derivatives, where the fair value cannot otherwise be found from quoted market values. The interest rate used is based on the duration of the financial asset/liability resulting in a range as follows:

	2025	2024
	%	%
Sterling assets and liabilities	3.7 - 5.4	4.5 - 5.2
Australian dollar assets and liabilities	4.0 - 5.4	3.8 - 3.9
Euro assets and liabilities	2.2 - 2.3	2.0 - 2.3
US dollar assets and liabilities	3.5 - 4.2	4.1 - 4.6

11 Derivatives

A derivative is a financial instrument whose value is based on one or more underlying variables. The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risk. Derivatives are not held for speculative reasons.

Derivative financial instruments are accounted for at fair value through profit or loss unless hedge accounting requires another treatment. See Note 26 for details on how the Group accounts for derivatives that qualify for hedge accounting. Derivatives that have been purchased or issued as part of a hedge that subsequently do not qualify for hedge accounting are accounted for at fair value through profit or loss.

Fair values are obtained from market observable pricing information including interest rate yield curves.

Fair values have been calculated for each type of derivative as follows:

- The fair value of currency contracts, including forwards, swaps and options is determined using third-party sourced market data at the reporting date. The resulting value reflects changes in spot exchange rates and interest differential between the currency pair involved, over the life of the contract, discounted back to the present value.
- The fair value of interest rate swaps is determined as the present value of the estimated future cash flows based on observable yield curves.

Valuation inputs are classified as Level 2 in the fair value hierarchy.

	2025	2024
	£m	£m
Derivative assets		
Non-current	9	16
Current	43	49
Total derivative assets	52	65
Derivative liabilities		
Non-current	(12)	(30)
Current	(21)	(10)
Total derivative liabilities	(33)	(40)

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12 Insurance and reinsurance contracts

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

Unit of account

A portfolio of insurance contracts is defined as insurance contracts subject to similar risks and managed together. The Group defines portfolios as insurance Business Units at a minimum, as the Group essentially sells one health insurance product line where cash flows are generally expected to respond similarly in direction and timing to changes in assumptions and as the Group manages the insurance business at geographical Business Unit level. There may be further disaggregation if there are business lines which are managed separately and have different risk profiles.

Each portfolio is subsequently disaggregated into groups of contracts:

- that are onerous at initial recognition;
- that have no significant possibility of becoming onerous subsequently; and
- all remaining contracts.

The Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. An assessment is made whether contracts that are not onerous at initial recognition have no significant possibility of subsequently becoming onerous by assessing the likelihood of changes in applicable facts and circumstances. The Group assesses the profitability of a set of contracts for which it has reasonable and supportable information that the contracts will all be in the same group. Each set generally contains contracts issued in a single half year period, which is a subset of one issuing year of a portfolio. Insurance contracts remain within the same group from initial recognition until they are derecognised.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. The Group's policy is that for reinsurance contracts held, each individual reinsurance contract is considered a group.

Recognition and derecognition

Groups of insurance and reinsurance contracts are initially recognised from the earliest of: the beginning of the coverage period; the date when the first payment from a policyholder in the group becomes due or when the first payment is received; and when the group of contracts or the underlying insurance contract becomes onerous.

For proportional reinsurance, recognition is the later of the date that any underlying insurance contract is initially recognised or the beginning of the coverage period of the group of reinsurance contracts held.

A group of insurance contracts or reinsurance contracts are derecognised when all rights and obligations are extinguished or a contract modification occurs.

Contract boundary and fulfilment cash flows

Cash flows are within the boundary of an insurance or reinsurance contract if they arise from substantive rights and obligations that exist during the reporting period. For insurance contracts, the Group has a substantive right when it can compel the policyholder to pay the premiums or a substantive obligation when it is required to provide the policyholder with insurance contract services.

For reinsurance contracts held, the substantive right is to receive reinsurance services and the substantive obligation is to pay amounts to the reinsurer.

Cash flows within the contract boundary directly relate to the fulfilment of the contract and include cash flows relating to the collection of premiums and payments for claims, benefits and expenses.

Cash flows are outside of the contract boundary of an insurance contract when the Group's substantive rights and obligations end. This mainly occurs when the Group has the practical ability to reprice the risks of a particular policyholder or change the level of benefits so that the price fully reflects those risks.

Cash flows outside the contract boundary relate to future insurance contracts. These future insurance contracts are recognised only when they meet the recognition criteria.

PAA eligibility

The Group applies the PAA for the measurement of the majority of insurance contracts. The majority of the Group's contracts automatically qualify as the coverage period of each contract in the group is one year or less.

As a result, the Group has taken the available policy choice to apply the PAA to these contracts. The Group also has a small number of policy groups with a coverage period of greater than one year. For these groups of contracts, the Group assesses whether the measurement of the LFRC under the PAA is expected to differ materially from that under the GMM. This requires the use of GMM and materiality thresholds determined by management for these policies, as well as the selection of reasonably

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expected scenarios against which eligibility is assessed. As a result of this assessment, these remaining contracts are also eligible to use the PAA measurement model with the exception of one legacy portfolio of individual health contracts in Brazil which the Group disposed of in February 2025.

Measurement

Liability for remaining coverage

On initial recognition of each group of insurance contracts, the carrying amount of the LFRC is based on the premiums received less any directly attributable acquisition costs not expensed as incurred. In subsequent periods, the LFRC is increased for any additional premiums received and the release of any insurance acquisition cash flows and decreased for the recognition of insurance revenue that is generally released on a straight-line basis over the coverage period. The Group's default policy is not to adjust the LFRC to reflect the time value of money and the effect of financial risk, as the Group expects on initial recognition of each group of contracts that the time between providing each part of the services and the related premium due date is typically no more than one year. However, discounting may be applied in exceptional circumstances, as described below in the Discounting section.

Insurance acquisition cash flows

Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. It includes external and internal costs and incremental direct and indirect costs.

The Group's policy is to expense acquisition costs as they are incurred where the coverage period of each contract in the group is no more than one year. For the remaining contracts with a longer coverage period, insurance acquisition costs are allocated to the relevant group of insurance contracts and reduce the LFRC. The allocated acquisition costs are amortised consistently with the pattern of insurance revenue recognition.

Onerous contracts

If facts and circumstances indicate that a group of contracts is onerous, detailed testing is performed by comparing the carrying amount of the LFRC to the estimated fulfilment cash flows, which include an assessment of the risk adjustment using a confidence level approach. If the carrying amount of the LFRC is less than the estimated fulfilment cash flows, a loss component is recognised. The loss component increases the LFRC and an increase in loss component is recognised as an expense in the Consolidated Income Statement. Subsequently, the loss component is reassessed, with any movements in the loss component adjusting the LFRC and being recognised within the Consolidated Income Statement.

Liability for incurred claims

The LFIC represents the estimated liability arising from claims episodes in current and preceding financial years which have not yet given rise to claims paid. A claims episode is an insured medical service that the Group has an obligation to fund which could be consultation fees, diagnostic investigations, hospitalisation or treatment costs. The liability includes an allowance for claims management and handling expenses.

The Group recognises the LFIC of a group of insurance contracts as the present value of the expected cash flows required to settle the obligation with an adjustment for non-financial risk. The Group does not adjust the future cash flows either for the time value of money or for the effect of financial risk for portfolios in which incurred claims are expected to be paid within one year of occurrence, except in exceptional circumstances, as described below in the Discounting section.

The LFIC across the Group is set in line with Bupa's Claims Reserving standards, at a level to achieve an appropriate probability of sufficiency and is estimated based on current information. The ultimate liability may vary as a result of subsequent information and events. Adjustments to claims estimates for prior years are included in the Consolidated Income Statement in the financial year in which the change is made. The methods used and estimates made for the LFIC are reviewed regularly.

Risk adjustment

The risk adjustment reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts. The Group has estimated the risk adjustment using a confidence level approach at the 85th percentile (2024: 85th percentile) which is in line with the Group's risk appetite for claims reserving risk, and any movements in the risk adjustment are recognised in full within the insurance service result.

Discounting

Discounting is optional for the LFRC carrying amount if the time between providing each part of the coverage and the related premium due date is one year or less and for the LFIC if claims are expected to be paid in one year or less from the date the claims are incurred. The Group does not apply discounting to the majority of policies. However, Bupa Acıbadem Sigorta has applied discounting to the LFRC and LFIC due to the high interest rate and high inflation environment in Türkiye. Bupa Global has also applied discounting to the LFIC for certain groups of insurance contracts as a material proportion of claims are settled more than one year after being incurred. The LFRC for the legacy individual health policies in Brazil was discounted due to the long-term nature of these contracts prior to its disposal in February 2025.

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for the year ended 31 December 2025

Where discounting is applied, the Group policy is to use either the PRA published discount rates or European Insurance and Occupational Pensions Authority (EIOPA) specified discount rates or discount rates derived from Bloomberg published data. The exception to this was the discount rate applied to the legacy portfolio of individual health contracts in Brazil, measured on a GMM basis, for which the rates were derived from the yields of local Brazilian Government bonds with an adjustment applied to bring the applied discount rate broadly in line with EIOPA's published discount rates. Discount rates are calculated based on a bottom-up approach.

Reinsurance contracts held

For reinsurance contracts held, the Group applies the PAA for the majority of reinsurance contracts as the coverage period is one year or less. The Group assesses the remaining contracts and applies the PAA as the resulting measurement would not differ materially from the result of applying the requirements in the GMM for reinsurance contracts held.

The Group measures the asset for remaining coverage (AFRC) on initial recognition of a group of reinsurance contracts held as the amount of ceded premiums paid. Subsequently the remaining coverage is increased for ceded premiums paid and decreased for amounts of ceded premiums recognised as reinsurance expenses for the services received in the period. The Group releases ceded reinsurance premiums on a passage of time basis over the coverage period. The Group does not adjust the AFRC for the time value of money or for the effect of financial risk as the time between providing the coverage and the related underlying premium is one year or less.

The carrying amount of a group of reinsurance contracts held also includes the asset for incurred claims (AFIC) comprising the fulfilment cash flows related to the past service allocated to the group. The Group does not adjust the AFIC for the time value of money or effect of financial risk as recoveries are expected to be paid within one year of occurrence.

The estimates for future cash flows of a group of reinsurance contracts held should allow for the risk of non-performance by reinsurers, which is the probability weighted expected value of the effect of reinsurance counterparty failure to fulfil the contractual obligations. Bupa's policy is to set the non-performance risk to zero as there are restrictions in place on the credit quality and amount of reinsurance ceded to individual counterparties and Bupa uses reinsurance only to a limited extent to mitigate insurance risks.

Investment components

An investment component is an element within an insurance contract that would require Bupa to repay a policyholder in all circumstances, regardless of whether an insured event occurs. An insurance provision was included in LFIC which was a non-distinct investment component for cash payments to Australian Health Insurance customers under a COVID-19 customer support programme. The provision was recognised at the point the Group formally announced the payment and insurance revenue recognised within the Consolidated Income Statement was reduced accordingly. The insurance provision was subsequently utilised on payment to the eligible customers or paid to an Australian State Revenue Office under the unclaimed money process. As at 31 December 2025, the insurance provision included in LFIC relating to these cash giveback payments is £nil (2024: £16m).

The Group does not recognise any other material investment components or separate components from insurance contracts.

An analysis of the amounts presented on the Consolidated Statement of Financial Position for insurance and reinsurance contracts is included in the tables below, along with the presentation of current and non-current portions of the balances:

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
Insurance contracts						
Non-current	–	–	(192)	(168)	(192)	(168)
Current	–	–	(3,137)	(2,896)	(3,137)	(2,896)
Total insurance contract liabilities	–	–	(3,329)	(3,064)	(3,329)	(3,064)
Reinsurance contracts						
Non-current	2	2	–	–	2	2
Current	128	88	–	–	128	88
Total reinsurance contract assets	130	90	–	–	130	90

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12.1 Insurance contracts roll forward

For year ended 31 December 2025	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component £m	Loss component £m	Estimates of present value of future cash flows £m ¹	Risk adjustment £m	
Insurance contract liabilities at beginning of year	1,656	40	1,335	33	3,064
Insurance revenue	(13,102)	–	–	–	(13,102)
Insurance service expenses	74	22	12,170	6	12,272
Incurred claims and other expenses	–	–	12,300	39	12,339
Amortisation of insurance acquisition cash flows	74	–	–	–	74
Losses on onerous contracts and (reversal) of those losses	–	22	–	–	22
Changes to liabilities for incurred claims relating to past service	–	–	(130)	(33)	(163)
Insurance service result	(13,028)	22	12,170	6	(830)
Foreign exchange	(82)	(5)	(31)	–	(118)
Net finance expense from insurance contracts issued	59	4	42	–	105
Total changes in statement of comprehensive income	(13,051)	21	12,181	6	(843)
Other movements¹	–	–	(159)	–	(159)
Non-distinct investment components	(29)	–	29	–	–
Cash flows					
Premiums received	13,357	–	–	–	13,357
Claims and other expenses paid	–	–	(11,961)	–	(11,961)
Insurance acquisition cash flows	(129)	–	–	–	(129)
Total cash flows	13,228	–	(11,961)	–	1,267
Insurance contract liabilities at end of year	1,804	61	1,425	39	3,329

1. Other movements include £159m of amortisation and depreciation expenses included within insurance service expense (see Note 2.3) that are non-cash items that do not form part of the insurance contract liabilities balance.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

For year ended 31 December 2024	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component £m ¹	Loss component £m ²	Estimates of present value of future cash flows £m ³	Risk adjustment £m	
Insurance contract liabilities at beginning of year	1,177	91	1,313	27	2,608
Insurance revenue	(12,233)	–	–	–	(12,233)
Insurance service expenses	26	11	11,555	8	11,600
Incurred claims and other expenses	–	–	11,665	34	11,699
Amortisation of insurance acquisition cash flows	26	–	–	–	26
Losses on onerous contracts and (reversal) of those losses	–	11	–	–	11
Changes to liabilities for incurred claims relating to past service	–	–	(110)	(26)	(136)
Insurance service result	(12,207)	11	11,555	8	(633)
Foreign exchange	(53)	(4)	(75)	(2)	(134)
Net finance expense from insurance contracts issued	45	(14)	39	–	70
Total changes in statement of comprehensive income	(12,215)	(7)	11,519	6	(697)
Other movements ^{1, 2, 3}	305	(44)	(139)	–	122
Non-distinct investment components	(23)	–	23	–	–
Cash flows					
Premiums received	12,518	–	–	–	12,518
Claims and other expenses paid	–	–	(11,381)	–	(11,381)
Insurance acquisition cash flows	(106)	–	–	–	(106)
Total cash flows	12,412	–	(11,381)	–	1,031
Insurance contract liabilities at end of year	1,656	40	1,335	33	3,064

1. Other movements include £301m of insurance contract liabilities recognised on the consolidation of Niva Bupa.
2. Other movements include £44m within the loss component related to the legacy portfolio of individual health contracts in Brazil which have been reclassified to liabilities associated with assets held for sale. See Note 15.
3. Other movements include £139m of amortisation and depreciation expenses included within insurance service expense (see Note 2.3) that are non-cash items that do not form part of the insurance contract liabilities balance.

Contracts measured on a GMM basis

The Group previously had a legacy portfolio of individual health contracts in Brazil, measured on a GMM basis, which was included within the loss component. This portfolio was onerous as, due to regulatory restrictions on pricing, the insurance contracts continued to renew at premium rates that did not reflect the current cost of claims.

As at 31 December 2024, the Brazil portfolio was classified as being held for sale and the previous loss component balance of £44m was transferred to liabilities associated with assets held for sale within the Consolidated Statement of Financial Position. The disposal was completed in February 2025. See Note 15.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

12.2 Reinsurance contracts roll forward

	Asset for remaining coverage £m	Amount recoverable on incurred claims £m	Total £m
For year ended 31 December 2025			
Reinsurance contract assets at beginning of year	(26)	116	90
Allocation of reinsurance premiums	(357)	–	(357)
Amounts recoverable from reinsurers for incurred claims:			
Amounts recoverable for incurred claims and other expenses	–	328	328
Changes to amounts recoverable for incurred claims relating to past service	–	(3)	(3)
Net expense from reinsurance contracts held	(357)	325	(32)
Foreign exchange	(1)	(7)	(8)
Cash flows			
Premiums paid	348	–	348
Recoveries from reinsurance	–	(268)	(268)
Total cash flows	348	(268)	80
Reinsurance contract assets at end of year	(36)	166	130

A risk adjustment is estimated on the amount recoverable on incurred claims using a confidence level approach at the 85th percentile (2024: 85th percentile). As this totals £1m (2024: less than £1m), it has not been separately presented.

	Asset for remaining coverage £m ¹	Amount recoverable on incurred claims £m	Total £m
For year ended 31 December 2024			
Reinsurance contract assets at beginning of year	(16)	54	38
Allocation of reinsurance premiums	(284)	–	(284)
Amounts recoverable from reinsurers for incurred claims:			
Amounts recoverable for incurred claims and other expenses	–	275	275
Changes to amounts recoverable for incurred claims relating to past service	–	(2)	(2)
Net expense from reinsurance contracts held	(284)	273	(11)
Foreign exchange	(1)	(1)	(2)
Other movements ¹	46	–	46
Cash flows			
Premiums paid	229	–	229
Recoveries from reinsurance	–	(210)	(210)
Total cash flows	229	(210)	19
Reinsurance contract assets at end of year	(26)	116	90

1. Other movements include £46m of reinsurance contract assets recognised on the consolidation of Niva Bupa.

Assumptions for general insurance business

The process of recognising liabilities arising from general insurance entails the estimation of future payments to settle incurred claims and associated claims handling expenses, as well as assessing the extent to which any groups of contracts have become onerous.

The principal assumptions in the estimation of the LFIC relate to the expected frequency, average claim amount and settlement patterns of insurance claims, which are expected to be consistent with recently observed experience and trends. The aim of claims reserving is to select assumptions and reserving methods that will produce the best estimate of the future cash outflows for the subject claims; it is an uncertain process which also requires judgements to be made.

Claims development patterns are analysed during the claims reserving process in each of the Group's insurance Business Units. Various established actuarial reserving methods for general insurance are considered, typically basic chain ladder, Bornhuetter-Ferguson and pure risk cost methods. Additional consideration is given to the treatment of large claims, claims seasonality, claims inflation and currency effects, for which appropriate adjustments to assumptions and methods are made.

While there is some diversity in the development profile of health insurance claims across the Group, such claims are generally predictable in both frequency and average amount, and claims are settled relatively quickly following the medical event for which benefit is claimed. Medical expense claims are, typically, substantially fully settled within just a few months.

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Estimation uncertainty exists in determining a loss component, where facts and circumstances are identified that may indicate that a group of onerous contracts exists. As described above, a loss component is measured by comparing the current estimates of the fulfilment cash flows that relate to the remaining coverage to the carrying amount of the LFRC. Uncertainty is driven by the future cash flows which are uncertain due to their timing, size and, or probability. The underlying cash flows are determined by forecasting future claims and any other expenses, based on internal and external historical claims and other experience data and updated to reflect current expectations of future events and current conditions at the reporting date. Estimation is also involved in deriving an appropriate discount rate applied, where applicable, to the fulfilment cash flows. In particular, this was applicable for the legacy individual health policies in Brazil due to the long-term nature of these contracts.

Insurance provisions are inevitably estimates. Actual experience or losses incurred may vary from that anticipated in the reserving estimates.

The following tables show the impact on profit before taxation of reasonably possible variations in the key assumptions used to determine the best estimate of claims provisioning and in estimating the fulfilment cash flows used in onerous contract testing. Changes to these assumptions are made while holding all other assumptions constant, however in practice, it is likely that variations in some of the assumptions may be correlated. The sensitivity analysis reflects one-off impacts at the reporting date and should not be interpreted as predictions.

The sensitivity analysis excludes the legacy portfolio of individual health contracts in Brazil, measured on a GMM basis, as it was classified to held for sale as at 31 December 2024. The disposal was completed in February 2025. See Note 15.

Any loss is reduced only to a limited extent by reinsurance provided by third-party reinsurers. As the mitigation impact is not material for the Group, the impact of reinsurance is not separately disclosed in the tables below.

As the impact on equity will not be materially different from the profit before taxation impact, this has not been separately disclosed.

Best estimate of claims provisioning

	Claims ¹	Expenses ²
2025		
Change in variable	Increase/decrease by 2%	Increase/decrease by 10%
Impact on profit before taxation	Decrease/increase by £26m	Decrease/increase by £3m
2024		
Change in variable	Increase/decrease by 2%	Increase/decrease by 10%
Impact on profit before taxation	Decrease/increase by £25m	Decrease/increase by £3m

Onerous contract testing

	Claims ²	Expenses ²	Discount rate ^{2,3}
2025			
Change in variable	Increase/decrease by 2%	Increase/decrease by 10%	Increase/decrease by 1%
Impact on profit before taxation	Decrease by £12m/ increase by £9m	Decrease by £8m/ increase by £5m	Increase/decrease by £nil
2024			
Change in variable	Increase/decrease by 2%	Increase/decrease by 10%	Increase/decrease by 1%
Impact on profit before taxation	Decrease by £11m/increase by £8m	Decrease by £7m/increase by £4m	Increase/decrease by £nil

1. The impact of any movement in claims is shown net of reinsurance as both gross and ceded claims are affected by this sensitivity.
2. Sensitivity analysis excludes the impact of reinsurance as any movements would not be passed on to ceded insurance contracts.
3. Sensitivity of the discount rate on onerous contract testing has only been applied to profitability groups in which discounting has been applied.

13 Inventories

Inventories comprise drugs, prostheses, consumables and housing stock utilised in the course of our care, health and dental operations.

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in first-out method, or methods that approximate this, and includes costs incurred in acquiring the inventories and in bringing them to their current location and condition.

As at 31 December 2025, inventories were £73m (2024: £67m). Inventory write-downs of £1m were made during the year (2024: £nil). The Group consumed £240m (2024: £221m) of inventories, which are recognised within other operating expenses in the Consolidated Income Statement.

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14 Trade and other receivables

Trade and other receivables arise in the ordinary course of business.

	Note	2025 £m	2024 £m
Trade receivables	(a)	512	435
Amounts owed by Parent	27	44	68
Other receivables	(a)	167	151
Prepayments		138	105
Contract costs		1	2
Accrued income		78	76
Total trade and other receivables		940	837
Non-current		46	25
Current		894	812

Trade and other receivables are carried at amortised cost, net of provisions for ECLs. Trade receivables relate to consideration due from non-insurance customer contracts. All trade receivables and service concession receivables are classified as receivables under IFRS 15, as a receivable is an entity's right to consideration that is unconditional, i.e. only the passage of time is required before payment is due. Other receivables relate to consideration due from non-insurance customer contracts that are outside the scope of IFRS 15, e.g. rental receivables. Information regarding the ageing of trade and other receivables is shown in Note 26.5.

The carrying value of trade and other receivables is a reasonable approximation of fair value.

(a) Impairment of financial assets

Financial assets comprise trade and other receivables and financial investments. See Note 10 for financial investments.

All receivables are measured net of lifetime ECL. Where appropriate, a provision matrix is used to estimate ECL.

Under a provision matrix, receivables are grouped into customer segments and further divided into categories by age. Historical credit loss experience and any relevant forward-looking information are then used to establish the ECL provision for each category. An analysis of ECL provisions for trade and other receivables is disclosed in Note 26.5. All impairment losses are recognised in the Consolidated Income Statement within net impairment on financial assets. Impairment losses on trade receivables of £14m have been recognised in the year (2024: £16m).

15 Assets and liabilities held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if their carrying amount will be recovered primarily through sale rather than continuing use and a sale within 12 months is considered to be highly probable.

Classification as held for sale

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Subsequent to initial classification as held for sale, any impairment losses and gains or losses on remeasurement are recognised in the Consolidated Income Statement.

On classification as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

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Assets and liabilities classified as held for sale

	2025 £m	2024 £m
Assets held for sale		
Property, plant and equipment	16	14
Investment property	3	–
Deferred taxation assets	–	14
Total assets held for sale	19	28
Liabilities associated with assets held for sale		
Provisions for liabilities and charges	(2)	–
Insurance contract liabilities	–	(39)
Total liabilities held for sale	(2)	(39)
Net assets/(liabilities) held for sale	17	(11)

Net assets held for sale as at 31 December 2025 predominantly comprise a number of care homes within Bupa Care Services, and care home and retirement village within Bupa Villages and Aged Care New Zealand.

An impairment loss of £1m (2024: £1m) has been recognised within other income and charges (see Note 2.4) in the Consolidated Income Statement resulting from write-downs on the classification of assets as held for sale in the year.

Net liabilities held for sale as at 31 December 2024 predominantly comprised a legacy portfolio of individual health contracts in Brazil and a number of care homes within Bupa Care Services.

16 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and other short-term highly liquid investments (including money market funds) with original maturities of three months or less which are subject to an insignificant risk of change in value.

	2025 £m	2024 £m
Cash at bank and in hand	963	1,095
Short-term deposits	1,048	897
Total cash and cash equivalents	2,011	1,992

Bank overdrafts of £60m (2024: £nil) that are repayable on demand are reported within other interest-bearing liabilities (see Note 17) in the Consolidated Statement of Financial Position. Demand deposits with restrictions on use set by a third party that fundamentally change their nature are reported within restricted assets (see Note 9) in the Consolidated Statement of Financial Position. Both of these are considered components of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows.

17 Borrowings

The Group has various sources of funding including subordinated bonds, senior unsecured bonds and loans.

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequently, they are held at amortised cost, with any difference between the initial recognition value and redemption value being recognised in the Consolidated Income Statement over the period of the borrowings on an effective interest method basis.

The Group uses interest rate swaps to manage its interest rate risk on certain borrowings under fair value hedges. Changes in the fair value of swaps designated and qualifying as fair value hedges are recorded in the Consolidated Income Statement together with changes in the fair value of the borrowings, due to the hedged risk. A gain or loss relating to any ineffective portion is directly recognised in the Consolidated Income Statement.

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	Note	2025 £m	2024 £m
Subordinated liabilities			
Subordinated unguaranteed bonds	(a)	872	772
Total subordinated liabilities		872	772
Other interest-bearing liabilities			
Senior unsecured bonds	(b)	630	714
Fair value adjustment in respect of hedged interest rate risk		2	(14)
Bank loans and overdrafts	(c)	86	27
Other debt	(d)	5	32
Total other interest-bearing liabilities		723	759
Total borrowings		1,595	1,531
Non-current		1,504	1,477
Current		91	54

	Subordinated liabilities		Other interest-bearing liabilities		Total	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
At beginning of year	772	747	759	1,090	1,531	1,837
Arising on business combinations	–	24	49	–	49	24
Net proceeds/(repayments)	99	–	(123)	(316)	(24)	(316)
Interest payments	(36)	(37)	(30)	(35)	(66)	(72)
Accrued interest and amortisation	40	38	31	34	71	72
Fair value adjustment in respect of hedged risk	–	–	15	5	15	5
Other movements	–	–	–	5	–	5
Foreign exchange	(3)	–	22	(24)	19	(24)
At end of year	872	772	723	759	1,595	1,531

(a) Subordinated unguaranteed bonds

The total carrying value of subordinated unguaranteed bonds, net of accrued interest, capitalised issue costs and discounts, was £872m (2024: £772m).

On 18 November 2025, the Company issued £400m of subordinated unguaranteed bonds, which mature on 18 November 2045. Interest is payable on the bonds at 6.625% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

On 18 November 2025, the Company early redeemed 73% (£292m in aggregate nominal amount) of the £400m subordinated unguaranteed bonds that were issued on 8 December 2016 and originally due to mature on 8 December 2026. This led to a loss of £2m charged to the Consolidated Income Statement within other financial expenses (see Note 2.5). Maturity of the remaining outstanding £108m bonds is unchanged and interest is payable on the bonds at 5.000% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

On 8 January 2024, the Group acquired an additional 21.57% of the ordinary share capital of Niva Bupa. This has resulted in Bupa holding a controlling interest of 62.98%, leading to the full consolidation of Niva Bupa as a subsidiary. Niva Bupa has two subordinated debt instruments, issued on 15 November 2021 and 15 March 2022 of INR1,500m and INR1,000m, which have a carrying value of £21m (2024: £24m). These are due to mature on 15 November 2031 and 15 March 2032. Interest is payable on the bonds at 10.700% per annum. The total fair value of these bonds, including accrued interest, is £21m.

On 25 June 2020, the Company issued £350m of subordinated unguaranteed bonds, which mature on 14 June 2035. Interest is payable on the bonds at 4.125% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

(b) Senior unsecured bonds

On 18 November 2025, the Company early redeemed 36% (£108m in aggregate nominal amount) of the £300m senior unsecured bonds, guaranteed by the Company that were issued on 25 June 2020 and originally due to mature on 14 June 2027. This led to a loss of £1m charged to the Consolidated Income Statement within other financial expenses (see Note 2.5). A portion of an interest rate swap hedging the bond, equal to the redeemed nominal, was terminated. The carrying value of the fully collateralised derivative was cash settled through collateral exchange and there was no material impact to the Consolidated Income Statement. Maturity of the remaining outstanding £192m bonds is unchanged and interest is payable on the bonds at 1.750% per annum. The total hedged fair value of the outstanding senior unsecured bonds, including accrued

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interest, capitalised issue costs and discounts, is £186m (2024: £274m). The change in value arising from interest rate risk is matched, subject to any hedge ineffectiveness, by the fair value of swap contracts in place to hedge this risk.

On 5 April 2024, the Company redeemed the maturing £300m of senior unsecured bonds, issued in April 2017.

On 12 October 2023, the Company issued €500m of senior unsecured bonds, guaranteed by the Parent, which mature on 12 October 2030. The bonds bear interest on their outstanding principal amount at a fixed rate of 5.000% per annum. The total hedged fair value of these bonds, including accrued interest, capitalised issue costs and discounts, is £446m (2024: £426m). The change in value arising from interest rate risk is matched, subject to any hedge ineffectiveness, by the fair value of swap contracts in place to hedge this risk.

See Note 26.4 for details of the Group's interest rate hedging activities.

(c) Bank loans and overdrafts

Bank loans and overdrafts are £86m (2024: £27m), which includes a portfolio of loans held in Bupa Chile totalling £26m (2024: £27m) and bank overdrafts in Bupa Insurance Services Limited totalling £60m (2024: £nil). In May 2025, the bank facility held in Grupo Bupa Sanitas S.L. was renewed to May 2026 and is undrawn at 31 December 2025 (2024: undrawn).

The Group maintains a £900m revolving credit facility which matures in December 2028. The facility was undrawn at 31 December 2025 (2024: undrawn). Drawings under the £900m facility are guaranteed by the Parent. Drawings are classified as a non-current liability, as the Group has the ability to roll over borrowings during the facility's term, subject to compliance with covenants. These covenants consider the Group's level of debt and ability to make interest payments on that debt. The covenants are assessed each six months, therefore drawings could become payable within twelve months of the reporting date if covenants were breached. The Group was significantly above covenant requirements at 31 December 2025, and expects to remain so over the next twelve months. Despite classifying drawings as non-current the Group may repay any amounts owed, or increase drawings, within twelve months of the reporting date as part of its regular cash management strategy.

The overdraft facilities are subject to cross guarantees within the Group. The bank loans and overdrafts bear interest at commercial rates linked to SONIA for sterling or equivalent for other currencies.

(d) Other debt

The Group has other debt of £5m (2024: £32m), which included a loan from George Health Enterprises Pty Ltd settled in February 2025 (2024: £27m).

Fair value of financial liabilities

The fair value of a financial liability is defined as the amount for which the liability could be exchanged in an arm's-length transaction between informed and willing parties. Fair values of subordinated liabilities and senior unsecured bonds are calculated based on quoted prices.

The fair values of quoted liabilities in active markets are based on current offer prices. The fair values of financial liabilities for which there is no active market are established using valuation techniques. These may include reference to the current fair value of other instruments that are substantially the same and discounted cash flow analysis.

Financial liabilities are categorised into a three-level hierarchy. A description of the different levels is detailed in Note 10. Where the fair value of a bond cannot be otherwise determined from quoted market values, the instrument is discounted using similar duration treasuries and applying an instrument-specific spread.

An analysis of borrowings by fair value classification is as follows:

	2025				2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Subordinated liabilities	819	21	–	840	695	24	–	719
Senior unsecured bonds	654	–	–	654	729	–	–	729
Other debt	–	–	5	5	–	–	32	32
Bank loans and overdrafts	60	27	–	87	–	27	–	27
Total fair value	1,533	48	5	1,586	1,424	51	32	1,507

The Group does not have any material Level 3 financial liabilities except for the other debt disclosed in (d).

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

18 Leases

Leases are contracts that convey the right to use an asset for a period of time in exchange for consideration. The majority of the Group's leases relate to properties.

The Group's leases primarily relate to hospitals, care homes, clinics and office buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Property leases often include extension and termination options, open market rent reviews, indexation uplifts or fixed uplifts.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the individual lessee company's incremental borrowing rate taking into account the duration of the lease. The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to the Consolidated Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. The lease liability is recalculated using a revised discount rate if the lease term changes as a result of a modification or reassessment of an extension or termination option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs contractually required to restore properties to their original condition, less any lease incentives received. The right-of-use asset, excluding restoration costs, is typically depreciated on a straight-line basis over the lease term. In addition, the right-of-use asset may be adjusted for certain remeasurements of the lease liability, such as indexation and market rent review uplifts. Restoration costs included in the right-of-use asset are amortised over the same term as the corresponding provision, which may be longer than the IFRS 16 contractual lease term where occupancy of the property is expected to be longer than the existing contract. The movement of the right-of-use asset is disclosed in Note 4.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less or leases that are of low value (£4,000 or less). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

	2025	2024
Lease liabilities	£m	£m
At beginning of year	878	894
Arising on business combinations	38	17
Additions	100	88
Disposals	–	(9)
Remeasurement	85	59
Interest on lease liabilities	54	49
Repayments	(197)	(187)
Other	(5)	–
Foreign exchange	15	(33)
At end of year	968	878
Non-current	829	746
Current	139	132

See Note 26.6 for maturity analysis of lease liabilities.

Expenses

The Consolidated Income Statement includes expenses relating to short-term leases of £6m (2024: £4m) and expenses relating to leases of low-value assets of £1m (2024: £nil). Depreciation of right-of-use assets is reported in Note 4. Interest on lease liabilities is reported within financial expenses (see Note 2.5).

Extension options

Some of the Group's property leases contain extension options exercisable by the lessee before the end of the non-cancellable contract period. The periods covered by extension options are only included in the lease term if the lessee is reasonably certain to exercise the options. At lease commencement an assessment is performed of whether the lessee is reasonably certain to exercise the extension options, taking into account factors such as the future timing of the options, economic incentives for the lessee to exercise the options or the lessee's past practice. The Group reassesses whether it is reasonably certain to exercise the extension options if there is a significant event or change in circumstances within its control.

As at 31 December 2025, potential discounted future cash outflows of £205m (2024: £233m) have not been included within lease liabilities because it is not reasonably certain that the related extension options will be exercised.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Termination options

A number of the Group's lease contracts contain termination options. Periods covered by a termination option are only included in the lease term if the lessee is reasonably certain not to exercise the option.

As at 31 December 2025, potential discounted future cash outflows of £51m (2024: £54m) have not been included within lease liabilities because it is not reasonably certain that the related termination options will not be exercised.

Future lease commitments

The Group is committed to leases that have not yet commenced to the value of £8m as at 31 December 2025 (2024: £3m).

Variable lease payments

Some leases, predominantly of care home properties in Spain, contain variable lease payments that are based on earnings. The future potential cash flows arising from variable lease payments not included within lease liabilities are estimated at £35m (2024: £31m).

19 Provisions for liabilities and charges

A provision is recognised when the Group is expected to make future payments as a result of a past event.

These payments can result from a legal obligation or a constructive obligation, where an expectation has been created by the Group. A provision is made where an outflow of resources is probable and where the payments can be reliably estimated. If the effect is material, provisions are determined by discounting the estimated future payments at a pre-taxation rate that reflects a current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Although provisions are made where payments can be reliably estimated, the amounts provided are based on a number of assumptions which are inherently uncertain and therefore the amounts that are ultimately paid could differ from the amounts recorded.

	Long service and annual leave	Customer remediation and legal provisions	Provision for underpayment of employee entitlements	Property restoration provisions	NHS dental contract clawback provision	Contract provisions	Other	Total
2025	£m	£m	£m	£m	£m	£m	£m	£m
At beginning of year	113	20	17	28	32	66	57	333
Arising on business combinations	1	–	–	3	–	–	–	4
Interest on obligations	–	–	–	1	–	–	–	1
Charge for year	56	12	26	5	47	18	20	184
Released in year	(1)	(7)	(4)	(1)	(1)	(38)	(23)	(75)
Utilised in year	(35)	–	(8)	(1)	(37)	(4)	(14)	(99)
Foreign exchange	(2)	1	–	–	–	(2)	–	(3)
At end of year	132	26	31	35	41	40	40	345
Non-current	32	12	–	22	–	40	5	111
Current	100	14	31	13	41	–	35	234

Long service and annual leave

The long service leave provisions relate to territories where employees are legally entitled to substantial paid leave after completing a certain length of qualifying service. Uncertainty around both the amount and timing of future outflows arises as a result of variations in employee retention rates, which may vary based on historical experience. The annual leave provisions relate to territories where the annual entitlement of leave is not required to be taken within a predetermined time nor does it expire. Therefore, uncertainty exists around the timing of future outflows as well as around the amount of future outflows due to wage inflation.

Customer remediation and legal provisions

Customer remediation provisions relate to the costs of compensating customers for losses or damages associated with a failure to comply with regulations or to treat customers fairly. Legal provisions relate to potential and ongoing legal claims and represent the discounted fair value of total estimated liabilities. Due to the nature of these provisions, the timing and potential costs are uncertain.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

Provision for underpayment of employee entitlements

The provision, held in respect of underpayments of employee entitlements affecting some current and former employees in Australia, has been updated to reflect additional factors, including recent legislative developments and further interpretation by the courts in similar matters. Due to the nature of the provision, the timing and potential costs are uncertain.

Property restoration provisions

Property restoration provisions relate to the estimate of costs to be incurred by the Group in its capacity as a lessee, when dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. Due to potential future renewals of leases, the timing and potential costs are uncertain.

NHS dental contract clawback provision

A provision is held in respect of amounts that are expected to be deducted from future NHS contracts held by Bupa Dental Care UK, as a result of not meeting required treatment targets set by the NHS in the current contract period.

Contract provisions

Provisions are held in respect of amounts potentially due to third parties to settle liabilities arising in relation to performance under certain contracts. Due to the nature of the matters arising, the timing and potential costs are uncertain.

Other

Other provisions include regulatory provisions relating to settlements, penalties and levies payable to the Group's various regulators and other smaller provisions.

20 Trade and other payables

Trade and other payables arise in the ordinary course of business.

	Note	2025 £m	2024 £m
Accruals		899	841
Refundable accommodation deposits	(a)	553	474
Amounts owed to Parent	27	166	126
Trade payables		422	345
Other payables ¹		481	430
Occupational right agreement liabilities	(b)	381	377
Deferred revenue	(c)	160	136
Social security and other taxes		97	67
Total trade and other payables		3,159	2,796
Non-current		249	173
Current		2,910	2,623

1. Includes £180m (2024: £181m) in respect of a policyholder payment plan for the Isapre business in Chile. The liability will be settled over 12 years (2024: 13 years) in accordance with legislation and the liability has been discounted over this period using a discount rate of 4.245% (2024: 4.245%).

Trade and other payables (excluding deferred revenue) are carried at amortised cost. The carrying value of trade and other payables is a reasonable approximation of their fair value. Information regarding the maturity of accruals, refundable accommodation deposits, trade payables, other payables and occupational rights agreement liabilities is shown in Note 26.6.

(a) Refundable accommodation deposits

Refundable accommodation deposits are non-interest-bearing deposits paid by some residents of care homes held in Bupa Aged Care Australia as payment for a place in the care home facility. These deposits are repayable at any time when the resident leaves the facility and are therefore not discounted but are recognised as current liabilities in the Consolidated Statement of Financial Position. From 1 November 2025 legislation was introduced that permits aged care operators to withhold a retention of 2% per year for a maximum of 5 years from deposits paid by residents to whom the new legislation applies. The deposits are recorded as the proceeds received, net of retentions and amounts deducted at the election of the resident.

(b) Occupational right agreement liabilities

Occupational right agreement liabilities represent the amount payable to a resident on termination of the resident's occupation rights to an independent living unit in a retirement village in New Zealand or Australia or a care home resident occupying a care suite in New Zealand. The liability varies according to the agreement with the resident. Changes in the value of the liability are recorded as income in the Consolidated Income Statement. Residents have the right to cancel their residency agreement with the Group at any time. As such, the liability is not discounted but is recognised as a current liability in the Consolidated Statement of Financial Position. Occupational right agreement liabilities are held net of deferred management fees and amenities fees receivable.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(c) Deferred revenue

The total balance of £160m (2024: £136m) includes £83m (2024: £88m) of deferred revenue under IFRS 15, related primarily to care home government funding received in advance. The liability is released and recognised as revenue as the services are provided and the performance obligations are satisfied.

Changes in this deferred revenue balance during the year are as follows:

	2025	2024
	£m	£m
At beginning of year	88	80
Revenue recognised	(468)	(551)
Revenue deferred	462	563
Foreign exchange	1	(4)
At end of year	83	88

Revenue recognised includes £86m (2024: £77m) of revenue that was deferred at the beginning of the year. £75m (2024: £86m) of revenue deferred as at 31 December 2025 will be recognised during 2026 as the performance obligations are satisfied. £8m (2024: £2m) of revenue deferred as at 31 December 2025 will be recognised over the remaining contract period.

21 Restricted Tier 1 (RT1) notes

The RT1 notes meet the classification of equity and are presented as a separate category of equity in the Consolidated Statement of Financial Position at an amount equal to the proceeds of issue less transaction costs. RT1 coupons are recognised directly in the Consolidated Statement of Changes in Equity, net of tax, upon payment.

	2025	2024
	£m	£m
Restricted Tier 1 notes	297	297

On 24 September 2021, the Company issued £300m of RT1 notes with a fixed coupon of 4.000% paid semi-annually in arrears. Transaction costs of £3m were recognised in respect of the issue. The total coupon paid during the year was £12m (2024: £12m).

The RT1 notes are perpetual, with no fixed maturity or redemption date. The notes have a first call date of 24 March 2032 and interest is payable at the sole and absolute discretion of the Company, with cancelled interest providing no rights to the holder of the notes nor being considered a default. The RT1 notes are therefore treated as equity. The notes are convertible to share capital of the Company on the occurrence of certain trigger events.

22 Share capital

	2025	2024
	£m	£m
Allocated, called-up and fully paid		
200,050,000 ordinary shares of £1 each	200	200

23 Non-controlling interests

Additional information is provided for entities which are consolidated where the Group does not hold a 100% interest.

(i) Non-controlling interests (NCI)

On 8 January 2024, the Group acquired an additional 21.57% of the ordinary share capital of Niva Bupa for consideration of £263m, strengthening the Group's presence in the growing Indian health insurance sector. The additional shareholding acquired resulted in Bupa holding a controlling interest in Niva Bupa of 62.98%, leading to the full consolidation of the company as a subsidiary. Non-controlling interests of £87m were recognised on acquisition based on a proportionate share of identifiable net assets.

In November 2024, Niva Bupa successfully completed an IPO, reducing the Group's shareholding to 55.98%. During 2025 the Group's shareholding has decreased by 0.62% due to share-based payments.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Business activity	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principally operates in	Country of incorporation
Niva Bupa Health Insurance Company Limited (Niva Bupa)	Insurance	55.36%	44.64%	India	India

Movement in non-controlling interests in the year is disclosed below:

	Niva Bupa		Other		Total	
	2025	2024	2025	2024	2025	2024
	£m	£m	£m	£m	£m	£m
At beginning of year	120	–	15	18	135	18
Profit/(loss) for the year attributable to NCI	8	(14)	4	2	12	(12)
Other movements including foreign exchange translation differences	(13)	2	–	(2)	(13)	–
Other comprehensive (expense)/income for the year, net of taxation	(5)	(12)	4	–	(1)	(12)
Acquisition of subsidiaries attributable to non-controlling interests	–	87	–	1	–	88
Changes in share-based payments	1	–	–	–	1	–
Changes in subsidiaries attributable to non-controlling interests	3	45	2	1	5	46
Disposal of subsidiaries attributable to non-controlling interests	–	–	(2)	(2)	(2)	(2)
Dividends paid to non-controlling interests	–	–	(4)	(3)	(4)	(3)
At end of year	119	120	15	15	134	135

Summarised financial information for material non-controlling interests

The table below provides summarised financial information showing the interest that Niva Bupa non-controlling interests have in the Group's activities and net assets. Dividends paid to material non-controlling interests are already disclosed in movement during the year above.

	Niva Bupa	
	2025	2024
	£m	£m
Revenue	628	461
Profit/(loss) for the year	20	(53)
Comprehensive income/(expense)	20	(53)
Comprehensive expense attributable to non-controlling interests	(5)	(12)
Cash and cash equivalents	29	40
Other current assets	174	182
Current assets	203	222
Non-current assets	702	601
Current liabilities	(515)	(440)
Non-current liabilities	(124)	(111)
Net assets	266	272
Net assets attributable to non-controlling interests	119	120

(ii) Consolidation of entities in which the Group holds less than 50% equity interest

Eurocredit Investment Fund 1 plc

Eurocredit Investment Fund is a structured entity set up for the purpose of investing in primary and secondary secured loans. Bupa is the only investor in the issued debt of the entity and is exposed to the risks and rewards of the fund.

24 Business combinations and disposals

A business combination refers to the acquisition of a controlling interest in a business, which is further defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing economic benefits to the owners. A disposal refers to the sale of a subsidiary, liquidation or closure of a company or a business.

Business combinations are accounted for using the acquisition method. Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any non-controlling interests are recognised as a proportionate share of the acquiree's net identifiable assets.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

The identification and valuation of intangible assets arising on business combinations is subject to a degree of estimation and judgement. We engage independent third parties to assist with the identification and valuation process. In valuing these intangible assets, market-accepted methodologies have been applied. Customer relationships are valued using methodologies such as the Multi-Period Excess Earnings Method (where the value of an intangible asset is equal to the present value of the after-tax cash flows attributable only to that intangible asset). Brands and trademarks are valued using methodologies such as the Relief from Royalty Method (applying an estimated royalty rate to the projected sales relating to each asset over the economic life).

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable assets acquired is recorded as goodwill.

Acquisition accounting must be completed within 12 months of the transaction date.

Costs related to the acquisition are expensed as incurred.

(a) 2025 acquisitions

During the year, the Group made acquisitions for a total consideration of £74m, recognising net assets on acquisition of £18m.

The following table summarises acquisitions recognised during the year:

	Fair value £m
Intangible assets	10
Property, plant and equipment	99
Deferred taxation assets	5
Inventories	1
Trade and other receivables	18
Cash and cash equivalents	5
Lease liabilities	(38)
Deferred taxation liabilities	(5)
Provisions for liabilities and charges	(4)
Trade and other payables	(24)
Other interest-bearing liabilities	(49)
Net assets acquired¹	18
Net assets acquired	18
Goodwill ¹	55
Consideration¹	73
Consideration satisfied by:	
Cash	67
Deferred and contingent consideration	6
Total consideration paid¹	73
Purchase consideration settled in cash	67
Cash acquired on acquisition	(5)
Net cash outflow on acquisition	62
Settlement of deferred and contingent consideration	2
Net cash outflow associated with acquisitions	64

1. Includes adjustments to goodwill £(1)m and consideration £(1)m from prior year acquisitions.

In January 2025, the Group acquired the business and assets of Eastbrooke Medical Centres for consideration of £22m which comprised £18m cash payments and contingent consideration of £4m. This transaction expands Bupa's healthcare centres network in Australia by an additional 16 health clinics. Goodwill of £22m was recognised on acquisition.

In April 2025, the Group acquired Medical Magnus, a leading private multi profile hospital in Łódź, Poland, for consideration of £12m. Intangible assets consisting of customer relationships, computer software and brands/trademarks totalling £2m, other net assets of £7m and resulting goodwill of £3m were recognised on acquisition. The Group also acquired KROMED which is the subsidiary of Medical Magnus.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

In August 2025, the Group completed the acquisition of 100% of New Victoria Hospital, a charity-owned private hospital in Kingston-upon-Thames, for an enterprise value of £47m being the settlement of pre-existing debt of £47m. Other net liabilities of £8m and goodwill of £8m were recognised on acquisition.

In November 2025, the Group acquired King Edward VII's Hospital in London, for consideration of £13m, net assets of £13m were recognised on acquisition. The Group also acquired the Guardian Medical Centres group for consideration of £10m, net assets of £1m and goodwill of £9m were recognised on acquisition.

Other smaller acquisitions in the year included acquisitions of A2 Clinic, Dentika and Mental Path in Poland for a total consideration of £11m, goodwill of £11m was recognised on acquisition. The Group acquired 60% of Platform Sağlık Hizmetleri ve Danışmanlık Org. A.Ş for consideration of £3m, intangible assets consisting of customer relationships and brands/trademarks totalling £3m were recognised on acquisition. The Group acquired Residencia Pinar del Rey for consideration of £2m, goodwill of £2m was recognised on acquisition. The Group also acquired the business and assets of Mount Waverley Medical Centre for consideration of £1m and goodwill of £1m was recognised on acquisition.

There was an adjustment to goodwill and consideration in respect of the prior year acquisitions of the Dermatology Partnership and London Medical in the UK. Both goodwill acquired and consideration decreased by £1m.

Included in the Group Consolidated Income Statement is revenue of £9m and a profit before taxation of £4m in relation to those businesses acquired in the year.

If the acquisition date of the businesses acquired during the year had been 1 January 2025, the Group would have reported revenue of £18,126m and a profit before taxation of £1,145m for the year ended 31 December 2025.

(b) 2025 disposals

During 2025, the Group made disposals for a total consideration paid of £1m, recognising net gain on disposals of £22m.

In February 2025, the Group completed the sale of the legacy portfolio of individual health contracts in Brazil, which was held for sale at 31 December 2024 (see Note 15), for a consideration paid by the Group of £13m. This has resulted in a pre tax gain on disposal of £28m.

During the year, the Group completed the sale of 3 care homes in Bupa UK Care Services for a total consideration of £11m. Other minor disposals in the year include the sale of units at the Cedar Manor Retirement Village in New Zealand as well as dental clinics in Australia and the UK.

25 Capital management

The Parent, Bupa, is a company limited by guarantee, with no shareholders. It is funded through retained earnings and borrowings. Bupa's capital management objective is to maintain sufficient capital to protect the interests of its customers, investors, regulators and trading partners while deploying capital efficiently and managing risk to enable Bupa to continue to deliver its purpose in a sustainable manner. All profits are reinvested to develop Bupa's business for the benefit of current and future customers.

The Bupa Group is subject to the requirements of the UK Solvency II framework. Bupa must hold sufficient capital to cover its Group Solvency Capital Requirement (SCR), which takes account of the risks in the Group, including those related to non-insurance businesses.

Bupa's SCR is calculated in accordance with the Standard Formula specified under UK Solvency II. Bupa has obtained approval from the PRA to substitute the insurance premium risk parameter in the Standard Formula with a Group Specific Parameter (GSP) which reflects Bupa's own loss experience.

The capital positions of the Bupa Group and its regulated insurance entities are kept under regular review and these are reported quarterly to the Board.

Bupa's capital resources are managed in line with the Bupa Group Capital Management Policy. While Bupa is subject to the UK Solvency II requirements at a consolidated level, all regulated entities within the Group maintain sufficient capital resources to meet any minimum capital requirement required by respective local regulators. In addition, Bupa and its regulated entities are required to maintain a buffer over the regulatory minimum requirements in line with capital risk appetites set by the respective Boards. During the year, Bupa and its regulated entities complied with all external capital requirements. The ability of the Group's regulated entities to transfer funds to parent entities is subject to local solvency requirements.

Bupa has a target operating range for solvency coverage and maintains prudent levels of leverage and interest cover with a view to maintaining investment grade access to both senior and subordinated bond markets. Bupa as a whole is not rated by

Notes to the Consolidated Financial Statements (continued) for the year ended 31 December 2025

any rating agency. Individual debt issues and certain subsidiaries within the Group have public ratings from both Fitch and Moody's.

At least annually, the Bupa Group carries out an Economic Capital Assessment (ECA) in which it makes its own quantification of how much capital is required to support its risks. The ECA forms part of the Own Risk and Solvency Assessment (ORSA) which comprises all the activities by which the Group establishes the level of capital required to meet its solvency needs over the planning period given Bupa's strategy and risk appetite. The ECA is used to assess how well the Standard Formula SCR reflects the Group's actual risk profile. The conclusions from these activities are summarised in the ORSA report which is reviewed by the Risk Committee, approved by the Board and submitted to the PRA annually.

Bupa's eligible Own Funds include the Group IFRS net assets of £8.7bn valued on a UK Solvency II basis, together with eligible subordinated liabilities, subject to adjustments for non-available assets and non-controlling interests.

As at 31 December 2025, the Group's eligible Own Funds, determined in accordance with the UK Solvency II valuation rules, were £6.2bn¹ (2024: £5.4bn), which was in excess of the Group estimated SCR of £3.3bn¹ (2024: £3.1bn). This represented a solvency coverage ratio of 187%¹ (2024: 176%).

1. The UK Solvency II Capital position (eligible Own Funds, SCR and coverage ratio) is estimated and unaudited.

26 Risk management

The Bupa Risk Committee has responsibility to the Board for the oversight of risk. It recommends to the Board a risk appetite that reflects Bupa's purpose and expresses the degree of risk Bupa should accept in delivering on its strategy.

Bupa operates a 'three lines' approach to the governance of risk management:

1. Business management and employees are responsible for managing business risks within the approved risk appetites and applicable policies and regulations, including risk and control identification and assessment, effective control design and operation, ongoing monitoring and reporting, issue remediation, and prompt escalation of breaches.
2. Risk and Compliance functions provide support and challenge the completeness and accuracy of risk assessments and the adequacy of mitigation plans.
3. Internal Audit provides independent and objective assurance on the robustness of the risk management framework, and the appropriateness and effectiveness of internal controls.

The operations of the risk management framework and current principal risks of the Group and how they are mitigated are described on pages 9-13 of this report.

The Group has adopted a risk management strategy that endeavours to mitigate these risks, which is approved by the Board. In managing these exposures, the Corporate Finance Executive Committee reviews and recommends changes to the management of insurance and investment risks.

The Group has exposure to a number of financial risks associated with its insurance business and from its use of financial instruments. As we operate in highly regulated industries these risks can also be impacted by regulatory or government policy changes. These have been categorised into the following types of financial risk, and details of the nature, extent, and how the Group has managed these risks is described below.

- Insurance risk
- Market risk
- Foreign exchange risk
- Interest rate risk
- Credit risk
- Liquidity risk

26.1 Insurance risk

Insurance risk only affects the insurance entities in the Group (see Note 12). It consists of underwriting risks which relate to the potential inadequacy of insurance premiums as well as reserving risk which relates to the potential inadequacy of claims provisions.

(i) Underwriting risk

Underwriting risk refers to the potential deviation of claims experience from the actuarial assumptions used for setting insurance premium rates which could lead to premium inadequacy. Underwriting risk is therefore concerned with both the setting of adequate premium rates (pricing risk) and the management of claims (claims risk) for insurance policies underwritten by the Group.

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Pricing risk

Pricing risk relates to the setting of inadequate premium rates taking into consideration the volume and characteristics of the insurance policies issued. External influences on pricing risk include (but are not limited to) competitors' pricing and product design initiatives, regulatory environments, economic factors and claims. The level of influence from these external factors can vary significantly between regions and largely depends on the maturity of health insurance markets and the role of the regulator. Actuarial analysis performed on a regular basis combined with an understanding of local market dynamics and the ability to change insurance premium rates when necessary, subject to any pricing controls, are effective risk mitigations.

The direct impacts of climate change on health are relatively unclear but these impacts are likely to emerge over time and the short-tailed nature of the Group's products allows for responses to be made to any developments relatively promptly, although this can be limited by pricing controls in some markets.

In every health insurer in the Group, the dominant product or policy category is an annually renewable health insurance contract. This permits insurance premium rate revisions to respond quickly to changes in customer risk profiles, claims experience and market considerations.

The ability to review premium rates is a significant mitigant to pricing risk. The Group does not underwrite a significant amount of health insurance business that commits it to cover risks at premiums fixed beyond a 12-month period from inception or renewal.

Claims risk

Claims risk is the risk of claims exceeding the amounts assumed in the premium rates. This can be driven by adverse fluctuations in the amount and incidence of claims incurred and external factors such as medical inflation and changing customer demographics.

Claims risk is managed and controlled by means of pre-authorisation of claims, outpatient benefit limits, the use of consultant networks and/or agreed networks of hospitals and charges. Specific claims management processes vary across the Group depending on the local requirements, market environment and practice.

Any identified recent adverse fluctuations in claims experience to date are reflected in these Consolidated Financial Statements in the claims paid and movements in the LFIC. Factors underlying such fluctuations could include changes in medical inflation, customer claiming behaviours, changing customer demographics, utilisation and other internal and external factors. Adverse movements in respect of claims experience relating to future periods will be reflected in the next financial year's Consolidated Financial Statements.

Generally, the Group's health insurance contracts provide for the reimbursement of incurred medical expenses, typically treatments related to acute, rather than chronic, medical conditions. The contracts do not provide for capital sums or indemnified amounts. Therefore, claims experience is underpinned by prevailing rates of acute sickness events giving rise to treatments. Claims risk is generally mitigated by having processes to ensure that both the treatments and the resulting reimbursements are appropriate.

(ii) Reserving risk

Reserving risk is the risk that provisions made for claims prove to be insufficient in light of later events and claims experience. There is a relatively low exposure to reserving risk compared with underwriting risk due to the very short-term nature of the claims development patterns. The short-term nature of the Group's health insurance contracts means that movements in claims development assumptions are generally not significant. The development claims settlement patterns are kept under regular review to maintain the validity of the assumptions and, hence, the validity of the estimation of recognised health insurance liabilities. In most jurisdictions, the Group has established fee agreements with healthcare provider groups to limit the impact of unexpected claims cost inflation.

The amount of claims provision at any given time that relates to potential claims payments that have not been resolved within one year is less than 5% in the context of the Group. The small provisions that relate to longer than one year can be calculated with reasonable confidence.

(iii) Other risks related to underwriting health insurance business

Except for the circumstances described in Note 12, claims provisions are not discounted as claims are expected to be materially settled in one year or less from the date that the claim has been incurred. The short-term nature of the claims means that changes in interest rates have no material impact on reserving risk. In addition, the future premium income and claims outflows of health insurance premium liabilities are largely unaffected by changes in interest rates. However, changes to inflationary factors such as wage inflation and medical cost inflation affect the value of future claims outflows.

The Group's health insurance contracts do not contain embedded derivatives; however, the Group is exposed to foreign currency risk through some of the insurance liabilities which are settled in a local currency. Where possible, these liabilities are matched to assets in the relevant currency to hedge this exposure, as described in Note 26.3.

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The majority of the Group's health insurance activities are single-line health portfolios. Even though only one line of business is involved, the Group does not have significant concentration of insurance risk for the following reasons:

- Broad geographical diversity across several markets – across the UK, Spain, Türkiye, Australia, Latin America, India, the Middle East and Hong Kong.
- Product diversity between domestic and expatriate, and individual and corporate health insurance.
- A variety of claims type exposures across diverse medical providers: consultants, clinics, individual hospitals and hospital groups.

The Group as a whole, and its principal health insurance entities, are well diversified in respect of insurance risk. In select circumstances the Group uses reinsurance to transfer risk. The reinsurance used does not give rise to a material counterparty default credit risk exposure for the Group. Restrictions are in place on the credit quality and amount of reinsurance ceded to individual counterparties.

(iv) Catastrophe risk

A natural disaster or a man-made disaster could potentially lead to a larger than expected number of claims being received over a short period of time, resulting in higher than expected claims costs. In the majority of jurisdictions, the Group is not contractually liable for such claims. Risks are reduced to a limited extent by excess of loss reinsurance provided by third party reinsurers. Bupa's Group Actuarial function oversees and implements strategic improvements to ensure the overall adequacy of these arrangements.

26.2 Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in interest rates, foreign exchange rates, commodity prices, credit spreads and equity prices. The focus of the Group's long-term financial strategy is to facilitate growth without undue balance sheet risk.

In order to reduce the risk of assets being insufficient to meet future policyholder obligations, the Group actively manages assets using an approach that balances duration, quality, diversification, liquidity and investment return.

The Group invests in a limited portfolio of return-seeking assets (principally bonds and loans) via the regulated entities in the UK and Australia. These assets totalled £668m as at 31 December 2025 (2024: £647m). These entities use value at risk analysis (VaR) to quantify risk, taking account of asset volatility and correlation between asset classes.

In addition to local VaR thresholds, the Group applies an aggregate VaR limit to all cash and investments within regulated insurance entities, which is designed to limit the expected decline in capital coverage by a fixed percentage in stress scenarios of 1-in-20 year probability. Additional supporting controls are applied to manage the level of exposure to market risk, which include limits on exposure to individual counterparties and a cap on the overall exposure to Sub-Investment Grade issuers.

26.3 Foreign exchange risk

The Group is exposed to foreign exchange risks arising from commercial transactions and from recognising assets, liabilities and investments in overseas operations. The Group is exposed to both transaction and translation risk. The former is the risk that a company's cash flows and realised profits may be impacted by movements in foreign exchange rates. The latter arises from translating the financial statements of a foreign operation into the Group's presentational currency.

The results and financial position of the Group's foreign entities that do not have a functional currency of sterling are translated into sterling as follows:

- Assets and liabilities at the exchange rate at the reporting date.
- Income and expenses at average rates for the period.

All foreign exchange differences arising on translation are recognised initially in other comprehensive income, and are only subsequently reclassified to the Consolidated Income Statement in the period in which the entity is eventually disposed.

Foreign currency transactions in the Group's subsidiaries are measured using the functional currency of the subsidiary, which is based on the primary economic environment in which the subsidiary operates. The transactions are translated into the functional currency at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the reporting date; the resulting foreign exchange gain or loss is recognised in operating expenses, except where the gain or loss arises on financial assets or liabilities, when it is presented in financial income or financial expense as appropriate.

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Non-monetary assets and liabilities denominated in a foreign currency at historical cost are translated using the exchange rate at the date of the transaction; therefore, no exchange differences arise.

Non-monetary assets and liabilities denominated in a foreign currency at fair value are translated using the exchange rate ruling at the date that the fair value was determined. Transactional foreign exchange differences are recognised in operating expenses.

Transactional exposures arise as a result of differences between the currency of local revenues and claims, typically in the case of international private medical insurance. The currency exposures are deemed to be acceptable but are kept under review by management.

Türkiye is a hyperinflationary economy and IAS 29 Financial Reporting in Hyperinflationary Economies has been applied from June 2022 onwards. In addition, all Turkish lira amounts, including transactions in the Income Statement during the year, are translated to the Group's presentation currency of sterling, using the closing exchange rate in effect on 31 December 2025.

The impact of this adjustment is recorded within other foreign exchange translation differences in the Consolidated Statement of Comprehensive Income and within the foreign exchange translation reserve in the Consolidated Statement of Financial Position. The Group recognises the remaining exchange difference arising on consolidation within other foreign exchange translation differences through other comprehensive income in the foreign exchange translation reserve.

As a consequence, the results and balances for the Group's Turkish operations have been adjusted for changes in the general purchasing power of the Turkish lira. In order to make this adjustment the Group refers to the CPI index published by the Turkish Statistical Institute. The value of CPI at 31 December 2025 was 3,513.93 (2024: 2,684.47) and the movement in CPI for the year ended 31 December 2025 was 829 (2024: 825), an increase of 30.9% (2024: 44.4%).

A loss of £30m (2024: £16m) arising from the devaluation of net monetary assets has been recognised within net financial expense in the Consolidated Income Statement. This includes the impact of indexing amounts in the Consolidated Income Statement for the application of IAS 29, with the net impact reducing profit before tax by £25m (2024: £12m) for the year.

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
	2025	2024	2025	2024
Australian dollar	2.04	1.94	2.02	2.02
Brazilian real	7.37	6.89	7.38	7.74
Chilean peso	1,254.03	1,206.35	1,212.19	1,244.25
Danish krone	8.71	8.81	8.56	9.01
Egyptian pound	64.95	57.98	64.17	63.65
Euro	1.17	1.18	1.15	1.21
Hong Kong dollar	10.28	9.97	10.48	9.72
Indian rupee	114.95	106.94	121.03	107.14
Mexican peso	25.30	23.43	24.25	26.14
New Zealand dollar	2.27	2.11	2.34	2.24
Polish zloty	4.95	5.09	4.84	5.17
Saudi riyal	4.95	4.80	5.05	4.70
Turkish lira ¹	57.79	44.26	57.79	44.26
US dollar	1.32	1.28	1.35	1.25

1. Closing rate of Turkish lira applied to average rate due to the application of IAS 29.

Foreign exchange hedging activities

The Group manages its exposure to foreign exchange risk by entering into hedging transactions using derivative financial instruments. The Group also uses non-derivative financial instruments, specifically foreign currency borrowings to hedge foreign currency risk on its net investments in foreign operations. The Group applies fair value, cash flow and net investment hedge accounting.

The hedging relationship between a hedging instrument and a hedged item is formally documented. Documentation includes the risk management objectives and the strategy in undertaking the hedge transaction.

(a) Fair value hedges

Where a derivative financial instrument hedges the change in fair value of a recognised asset or liability or an unrecognised firm commitment, any gain or loss on remeasurement of the hedging instrument at fair value is recognised in the Consolidated

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Income Statement. The hedged item is fair valued for the hedged risk with any gain or loss on remeasurement being recognised in the Consolidated Income Statement.

(b) Cash flow hedges

Where a derivative financial instrument hedges the change in cash flows related to a recognised asset or liability, or a highly probable forecast transaction, it is accounted for as a cash flow hedge.

The effectiveness of a cash flow hedge is the degree to which the cash flows attributable to a hedged risk are offset by changes in the cash flows of the hedging instrument. The effective portion of any gain or loss on the hedging instrument is recognised directly in other comprehensive income until the forecast transaction occurs, i.e. when a hedged interest payment is recognised in the Consolidated Income Statement, the related hedging gain or loss is also recycled to the Consolidated Income Statement, and when a hedged business combination is recognised, the hedging gain or loss is also recycled to goodwill in the Consolidated Statement of Financial Position. The ineffective portion of the gain or loss is always recognised in the Consolidated Income Statement.

If the hedged cash flow is no longer expected to take place, all deferred gains and losses are released to the Consolidated Income Statement immediately. If the hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss at that point remains in other comprehensive income and is recognised in accordance with the above policy when the transaction occurs.

The impact of cash flow hedging activity is set out below.

	2025	2024
	£m	£m
Notional amounts	26	26
Carrying amount – Liabilities	2	–
	Derivative assets/ liabilities	Derivative assets/ liabilities
Financial statement line item		
Change in value used for calculating hedge ineffectiveness	2	2
Hedging loss recognised in other comprehensive income	1	2
	Financial Income/ Expense	Financial income
Consolidated Income Statement line item (for ineffectiveness)		
Amount reclassified from foreign currency translation reserve to the Consolidated Income Statement	–	(5)
	Financial Income/ Expense	Financial income
Consolidated Income Statement line item (for reclassifications)		
Financial statement line item (for reclassifications)	Goodwill	Goodwill
Change in value used for calculating hedge ineffectiveness	3	–
Amounts in reserves for continuing hedges	3	–

As at 31 December 2025, the cash flow hedge reserve amounted to £1m (2024: £nil).

(c) Net investment hedging

The Group hedges appropriate levels of its net asset exposures after taking into consideration key regulatory and financial metrics. In using derivatives to hedge currency risk, the Group designates the forward element of foreign currency forward and swap contracts as hedging instruments. The Group hedges the net investments only to the extent of the notional amount of the foreign exchange leg of the hedging derivative.

Where the Group uses foreign currency denominated debt to hedge currency risk, the Group designates the foreign currency exposure on the debt as the hedge of the change in the value of the investment in foreign operation attributable to a change in the spot rate. Changes in foreign currency exposure on the debt are determined in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

Changes in the fair value of the hedging instruments are initially recognised in other comprehensive income to the extent that the hedge is effective. Exchange differences arising on the consolidation of these net assets are deferred in equity until the foreign operation is disposed of or liquidated, when the differences are then recognised in the Consolidated Income Statement as part of the gain or loss on disposal.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instruments and the hedged items by comparing changes in the fair value of the hedging instrument with changes in the fair value of a hypothetical derivative, representing the net investment. An amount equal to the excess of the cumulative change in the fair value of the hedging instruments over the cumulative change in the fair value of the hypothetical derivative, is recorded in the Consolidated Income Statement as ineffectiveness. When using derivatives as hedging instruments, ineffectiveness is expected to arise from the effect of the counterparty and the Group's credit risk on the fair value of the derivative which is not reflected in the

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hypothetical derivative. Ineffectiveness could also arise from currency basis, which is present in the hedging derivative but excluded from the hypothetical derivative.

Effect of foreign exchange hedging transactions

The table below shows the notional amounts and carrying values of the currency contracts and other interest-bearing liabilities held by the Group to hedge its net investment in foreign operations as at the end of the year, along with the impact of net investment currency hedging activity.

	2025	2024
	£m	£m
Notional amounts	1,215	1,340
Carrying amount – Assets	21	44
Carrying amount – Liabilities ¹	(453)	(429)
Financial statement line item	Derivative assets/ Derivative liabilities/ Other interest- bearing liabilities	Derivative assets/ Derivative liabilities/ Other interest-bearing liabilities
Change in value used for calculating hedge ineffectiveness	5	79
Net gain on hedging recognised in other comprehensive income	5	79
Consolidated Income Statement line item (for ineffectiveness)	Financial expense	Financial expense
Consolidated Income Statement line item (for reclassifications)	Financial expense	Financial expense
Change in value used for calculating hedge ineffectiveness	5	79
Amounts in reserves for continuing hedges	103	79

1. Includes €500m of senior unsecured bonds which has been designated as a hedge of net investment in foreign operations. A gain of £22m (2024: £19m) has been recognised in hedging gain recognised in other comprehensive income and change in value used for calculating hedge ineffectiveness. Details of the bond are included in Note 17.

In the Consolidated Financial Statements, where a loan between Group entities results in an exchange gain or loss, then it is recognised in the Consolidated Statement of Comprehensive Income to the extent that it relates to the Group's net investment in overseas operations.

The Group has exposure to both translational and transactional foreign exchange risk arising from its overseas operations. Currency exposures as at 31 December 2025 are as follows:

	Net currency exposure ¹	Currency contracts	Net currency exposure including hedges
	£m	£m	£m
2025			
Australian dollar	2,443	(372)	2,071
Euro ¹	560	(96)	464
Indian rupee	737	–	737
New Zealand dollar	529	(184)	345
Polish zloty	666	(16)	650
US dollar	232	(523)	(291)
Other	771	238	1,009
Total foreign currency denominated net assets	5,938	(953)	4,985
Percentage of Group net assets	72%		60%

1. Euro net currency exposure includes €500m of senior unsecured bonds utilised as a hedging instrument. Details of the bond are included in Note 17.

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	Net currency exposure ¹ £m	Currency contracts £m	Net currency exposure including hedges £m
2024			
Australian dollar	2,433	(497)	1,936
Euro ¹	433	(90)	343
Indian rupee	799	–	799
New Zealand dollar	504	(192)	312
Polish zloty	573	(29)	544
US dollar	149	(522)	(373)
Other	751	263	1,014
Total foreign currency denominated net assets	5,642	(1,067)	4,575
Percentage of Group net assets	73%		59%

1. Euro net currency exposure includes €500m of senior unsecured bonds utilised as a hedging instrument. Details of the bond are included in Note 17.

Currency risk exposure for insurance contracts is provided below:

	Net insurance contracts £m	Reinsurance held £m	Total £m
2025			
Australian dollar	(671)	–	(671)
Euro	(365)	1	(364)
Indian rupee	(532)	78	(454)
US dollar	(243)	17	(226)
Other	(722)	16	(706)
Total foreign currency denominated insurance/reinsurance contracts	(2,533)	112	(2,421)
Percentage of Group net assets	31%	1%	30%

	Net insurance contracts £m	Reinsurance held £m	Total £m
2024			
Australian dollar	(704)	–	(704)
Euro	(303)	–	(303)
Indian rupee	(466)	50	(416)
US dollar	(250)	14	(236)
Other	(675)	6	(669)
Total foreign currency denominated insurance/reinsurance contracts	(2,398)	70	(2,328)
Percentage of Group net assets	31%	1%	30%

The impact of reasonably possible changes in sterling against the currencies below, with all other variables constant, would have (decreased)/increased profit and equity by the amounts shown below. As currency risk is managed by the Group on a net asset basis, the impact of reasonably possible changes in the currencies of insurance contract liabilities and reinsurance contract assets are not considered separately.

These tables consider both translation and transaction risk.

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	Strengthening 10%		Weakening 10%	
	Losses included in Consolidated Income Statement	(Losses)/gains included in equity	Gains included in Consolidated Income Statement	Gains/(losses) included in equity
	£m	£m	£m	£m
2025				
Australian dollar	(27)	(188)	32	230
Euro	(17)	(42)	21	52
Indian rupee	(2)	(67)	3	82
New Zealand dollar	(3)	(31)	3	38
Polish zloty	(7)	(59)	8	72
US dollar	(6)	37	7	(45)
Other	(18)	(103)	24	124
Total sensitivity	(80)	(453)	98	553

	Strengthening 10%		Weakening 10%	
	(Losses)/gains included in Consolidated Income Statement	(Losses)/gains included in equity	Gains/(losses) included in Consolidated Income Statement	Gains/(losses) included in equity
	£m	£m	£m	£m
2024				
Australian dollar	(27)	(176)	34	215
Euro	(22)	(31)	27	38
Indian rupee	6	(73)	(7)	89
New Zealand dollar	(1)	(28)	2	35
Polish zloty	(5)	(49)	7	60
US dollar	(12)	34	15	(41)
Other	(24)	(93)	26	112
Total sensitivity	(85)	(416)	104	508

26.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk arising from fluctuations in market rates. This affects the return on variable-rate assets, the cost of variable-rate liabilities and the Statement of Financial Position value of its investment in fixed rate bonds. Variable-rate assets represent a natural hedge for variable-rate liabilities.

The net asset balance on which the Group is exposed as at 31 December 2025 was £4,980m (2024: £3,511m). The rate at which maturing deposits are reinvested, in currencies such as sterling and Australian dollar where the Group has a significant variable-rate net asset exposure, represents a significant potential risk to the Group.

The Group has also used interest rate swaps to manage interest rate exposure whereby the requirement to settle interest at fixed rates has been swapped for variable rates. This increases the ability to match variable-rate assets with variable-rate liabilities.

Variable loans are repriced at intervals of between one and six months. Interest is settled on all loans in line with agreements and is settled at least annually.

The impact of a reasonably possible rise of 100 basis points (bps) in interest rates at the reporting date, on an annualised basis, would have decreased equity by £43m and increased profit by £9m (2024: decrease of £29m and increase of £7m respectively). The impact of a fall of 100 bps in interest rates, on an annualised basis, would have the inverse effect. This calculation is based on the assumption that all other variables, in particular foreign exchange rates, remain constant.

Interest rate hedging activities

The Group applies fair value hedges and cash flow hedges to hedge its exposure to interest rate risk on its borrowings.

As at 31 December 2025, interest rate swaps totalling £410m (2024: £507m) have been entered into, to swap the fixed rate coupon of the £192m senior unsecured bond and 50% of the €500m senior unsecured bond, to a variable rate. As part of the November 2025 Senior unsecured bond buyback, a portion of the swap hedging the £300m June 2027, equivalent to the senior bond amount repurchased, was terminated. These interest rate swaps are designated as fair value hedges of the underlying interest rate risk on the debt. The fair value movement in the bonds attributable to the hedged risk for the year ended

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31 December 2025 amounted to a loss of £16m (2024: loss of £7m). The fair value movement on the interest rate swaps amounted to a gain of £15m (2024: gain of £8m) and the fair value and carrying value of this derivative is £nil (2024: £15m liability).

26.5 Credit risk

Credit risk is the risk that those that are in debt to the Group default on their obligations. Examples of credit risk would be non-payment of a trade receivable or a corporate bond failing to repay the capital sum and related interest.

Investment exposure with external counterparties is managed by the Enterprise Treasury Policy which ensures that there is a sufficient spread of investments and that cash and investment counterparties are rated at least A/A2 unless otherwise approved. The Corporate Finance Executive Committee reviews counterparties used on a periodic basis. There are exceptions to the A/A2 rating requirement for a number of reasons including where local country ratings are below this level and due to certain regulatory and commercial requirements in specific markets.

In estimating ECL on financial investments held at amortised cost and FVOCI, the Group reviews individual issuer's default probability based on a credit score model over a 12-month horizon to determine whether there has been a material change in an issue score from the preceding period. Where a specific default score is not available for a single investment, average default probabilities for instruments with a similar credit rating are used. Determining when an issuer is in financial difficulty and that a lifetime ECL allowance is required, requires the use of judgement. The Group considers a number of factors including economy wide and industry specific risk factors, issuer's financial and liquidity position, near-term prospects, credit rating declines and known breaches of contracts in determining financial difficulty.

When there is objective evidence of impairment of a financial asset as a result of one or more events and the event has an impact on the estimated future cash flows of the assets that can be reliably estimated, the Group considers such investment as credit impaired. To the extent that an investment is impaired, it is written down to its recoverable amount, measured as the present value of expected future cash flows discounted at the original effective interest rate on the instrument. Subsequent recoveries in excess of the written-down carrying value are credited to the Consolidated Income Statement.

The investment profile (including financial investments, restricted assets and cash and cash equivalents) as at 31 December is as follows:

	2025 £m	2024 £m
Investment grade counterparties	6,017	5,491
Non-investment grade counterparties	1,523	1,331
Total	7,540	6,822

Investment grade counterparties include restricted assets of £165m (2024: £135m). Non-investment grade counterparties are those rated below BBB-/Baa3, and mainly comprise corporate bonds, government bonds, deposits with credit institutions and pooled investment funds of £886m (2024: £605m), and cash and cash equivalents of £184m (2024: £266m).

Assets pledged as security include £167m (2024: £137m) of cash held in restricted access deposits.

Information regarding the credit risk exposure for financial assets held at fair value through other comprehensive income and amortised cost is provided below.

	Government debt securities £m	Corporate debt securities and secured loans £m	Deposits with credit institutions £m	Reinsurance contract assets £m	Restricted assets £m	Cash and cash equivalents £m
2025						
AAA	106	182	–	–	–	19
AA- to AA+	134	504	608	53	1	745
A- to A+	122	865	303	30	163	1,031
BBB- to BBB+	314	372	3	–	2	32
BB+ and below (below investment grade)	204	432	248	47	1	184
Total	880	2,355	1,162	130	167	2,011
Loss allowance ¹	(3)	–	–	–	–	–
Carrying amount	877	2,355	1,162	130	167	2,011

1. In addition to the loss allowance shown in the table above, a provision for expected credit losses on financial investments at FVOCI of £5m has been recognised.

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	Government debt securities	Corporate debt securities and secured loans	Deposits with credit institutions	Reinsurance contract assets	Restricted assets	Cash and cash equivalents
	£m	£m	£m	£m	£m	£m
2024						
AAA	93	182	–	–	–	18
AA- to AA+	276	587	700	25	1	618
A- to A+	86	516	268	20	134	1,009
BBB- to BBB+	258	221	3	–	1	81
BB+ and below (below investment grade)	219	292	92	45	1	266
Total	932	1,798	1,063	90	137	1,992
Loss allowance ¹	(2)	(1)	–	–	–	–
Carrying amount	930	1,797	1,063	90	137	1,992

1. In addition to the loss allowance shown in the table above, a provision for expected credit losses on financial investments at FVOCI of £4m has been recognised.

Information regarding the ageing and impairment of financial assets is shown below.

	Not past due	0-3 months	3-6 months	6 months - 1 year	Greater than 1 year	Total carrying value
	£m	£m	£m	£m	£m	£m
2025						
Trade and other receivables gross value	478	167	49	61	144	899
ECL	(23)	(4)	(5)	(19)	(47)	(98)
Trade and other receivables net value¹	455	163	44	42	97	801

1. Comprises trade receivables, other receivables, amounts owed by Parent and accrued income detailed in Note 14.

	Not past due	0-3 months	3-6 months	6 months - 1 year	Greater than 1 year	Total carrying value
	£m	£m	£m	£m	£m	£m
2024						
Trade and other receivables gross value	458	127	44	52	124	805
ECL	(22)	(6)	(3)	(8)	(36)	(75)
Trade and other receivables net value^{1,2}	436	121	41	44	88	730

1. Comprises trade receivables, other receivables, amounts owed by Parent and accrued income detailed in Note 14.

2. Trade and other receivables in 2024 have been updated to include amounts owed by Parent.

Information regarding the ECL allowance by class of financial assets held at fair value through other comprehensive income and amortised cost is shown below.

	Government debt securities		Corporate debt securities and secured loans		Deposits with credit institutions		Trade and other receivables ¹		Restricted assets		Cash and cash equivalents	
	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2025												
At beginning of year	932	(4)	1,798	(3)	1,063	–	805	(75)	137	–	1,992	–
Recognition and settlement	(26)	(1)	575	(1)	113	–	85	(21)	30	–	46	–
Foreign exchange and other	(26)	–	(18)	1	(14)	–	9	(2)	–	–	(27)	–
At end of year	880	(5)	2,355	(3)	1,162	–	899	(98)	167	–	2,011	–

1. Comprises trade receivables, other receivables, amounts owed by Parent and accrued income detailed in Note 14.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Government debt securities		Corporate debt securities and secured loans		Deposits with credit institutions		Trade and other receivables ^{1,3}		Restricted assets		Cash and cash equivalents	
	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL	Gross	ECL
2024	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At beginning of year	547	(3)	1,074	(1)	1,091	(1)	769	(57)	122	–	2,278	–
Recognition and settlement ²	410	(1)	762	(2)	26	–	73	(23)	16	–	(187)	–
Foreign exchange and other	(25)	–	(38)	–	(54)	1	(37)	5	(1)	–	(99)	–
At end of year	932	(4)	1,798	(3)	1,063	–	805	(75)	137	–	1,992	–

1. Comprises trade receivables, other receivables, amounts owed by Parent and accrued income detailed in Note 14.

2. Includes £477m of financial investments, £44m of cash and cash equivalents and £2m of trade and other receivables recognised on the consolidation of Niva Bupa.

3. Trade and other receivables in 2024 have been updated to include amounts owed by Parent.

Offsetting financial assets and financial liabilities

The following financial assets and liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial liabilities set off in the Consolidated Statement of Financial Position	Net amounts of financial assets/ (liabilities) presented in the Consolidated Statement of Financial Position	Related amounts not set off in the Consolidated Statement of Financial Position		Net amount
				Financial instruments	Cash collateral received	
2025	£m	£m	£m	£m	£m	£m
Derivative financial assets	52	–	52	(12)	(9)	31
Derivative financial liabilities	(33)	–	(33)	12	5	(16)
Cash and cash equivalents	2,012	(1)	2,011	–	–	2,011
Total	2,031	(1)	2,030	–	(4)	2,026

	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial liabilities set off in the Consolidated Statement of Financial Position	Net amounts of financial assets/ (liabilities) presented in the Consolidated Statement of Financial Position	Related amounts not set off in the Consolidated Statement of Financial Position		Net amount
				Financial instruments	Cash collateral received	
2024	£m	£m	£m	£m	£m	£m
Derivative financial assets	65	–	65	(23)	(4)	38
Derivative financial liabilities	(40)	–	(40)	23	14	(3)
Cash and cash equivalents	2,069	(77)	1,992	–	–	1,992
Total	2,094	(77)	2,017	–	10	2,027

The Group also mitigates credit risk in derivative contracts by entering into collateral agreements where appropriate. The amount of collateral received or posted is shown in the table above.

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities where both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis; however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

26.6 Liquidity risk

Liquidity risk is the risk that the Group will not have available funds to meet its liabilities when they fall due.

The Group's insurance contract liabilities are predominantly backed by liquid assets, held locally, including cash held in bank accounts, deposits, liquidity funds and covered bonds so reducing the liquidity risk exposure relating to insurance contract liabilities.

The Group's main source of short-term funding is via a £900m revolving credit facility which matures in December 2028. The facility was undrawn as at 31 December 2025 (2024: undrawn).

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

The Group monitors funding risk as well as compliance with existing financial covenants within the banking arrangements. There were no concerns regarding bank covenant coverage in 2025 and that position is not expected to change in the foreseeable future.

The Group holds a strong liquidity position and adheres to strict liquidity management policies as set by the Risk Committee as well as adhering to liquidity parameters for the Group's regulated entities. Regular stress testing is conducted to assess liquidity risk.

The contractual maturities of undiscounted financial liabilities and the expected maturities of insurance liabilities based on the present value of future cash flows and including estimated interest payments of the Group are as follows:

	Subordinated liabilities	Other interest- bearing liabilities	Lease liabilities	Insurance contract liabilities	Trade and other payables ¹	Derivative liabilities	Total
	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2025							
2026	(157)	(85)	(194)	(3,136)	(2,720)	(21)	(6,313)
2027	(43)	(216)	(177)	(129)	(34)	(10)	(609)
2028	(43)	(22)	(157)	(44)	(23)	–	(289)
2029	(43)	(22)	(133)	(14)	(20)	–	(232)
2030	(43)	(458)	(107)	(6)	(20)	–	(634)
2031-2035	(571)	–	(324)	–	(99)	(2)	(996)
After 2035	(665)	–	(291)	–	(41)	–	(997)
Total	(1,565)	(803)	(1,383)	(3,329)	(2,957)	(33)	(10,070)
Carrying value in the Consolidated Statement of Financial Position	(872)	(723)	(968)	(3,329)	(2,902)	(33)	(8,827)

1. Comprises accruals, refundable accommodation deposits, amounts owed to Parent, trade payables, other payables and occupational rights agreement liabilities detailed in Note 20.

	Subordinated liabilities	Other interest- bearing liabilities	Lease liabilities	Insurance contract liabilities	Trade and other payables ¹	Derivative liabilities	Total
	£m	£m	£m	£m	£m	£m	£m
As at 31 December 2024							
2025	(37)	(26)	(176)	(2,897)	(2,401)	(10)	(5,547)
2026	(437)	(30)	(153)	(122)	(40)	(1)	(783)
2027	(17)	(323)	(136)	(34)	(15)	(29)	(554)
2028	(17)	(21)	(118)	(9)	(16)	–	(181)
2029	(17)	(21)	(100)	(2)	(17)	–	(157)
2030-2034	(101)	(434)	(276)	–	(89)	–	(900)
After 2034	(357)	–	(242)	–	(73)	–	(672)
Total	(983)	(855)	(1,201)	(3,064)	(2,651)	(40)	(8,794)
Carrying value in the Consolidated Statement of Financial Position	(772)	(759)	(878)	(3,064)	(2,593)	(40)	(8,106)

1. Comprises accruals, refundable accommodation deposits, amounts owed to Parent, trade payables, other payables and occupational rights agreement liabilities detailed in Note 20.

Interest payments are included in the cash flows for subordinated liabilities other interest-bearing liabilities and lease liabilities.

Maturity profile of financial assets

The majority of reinsurance contract assets and trade and other receivables fall due within one year as detailed in Notes 12 and 14, respectively. The maturity profile of other financial assets (excluding ECLs), which are also available to fund the repayment of liabilities as they crystallise, is as follows:

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

	Cash and cash equivalents	Deposits with credit institutions	Government debt securities	Corporate debt securities, other loans and equities	Pooled investment funds	Total
	£m	£m	£m	£m	£m	£m
As at 31 December 2025						
2026	2,011	1,031	312	1,236	404	4,994
2027	–	135	186	289	–	610
2028	–	–	133	414	10	557
2029	–	–	67	321	–	388
2030	–	–	30	232	–	262
2031-2035	–	–	121	235	57	413
After 2035	–	–	81	71	–	152
Total	2,011	1,166	930	2,798	471	7,376

	Cash and cash equivalents	Deposits with credit institutions	Government debt securities	Corporate debt securities, other loans and equities	Pooled investment funds	Total
	£m	£m	£m	£m	£m	£m
As at 31 December 2024						
2025	1,992	1,045	515	1,148	346	5,046
2026	–	29	134	314	15	492
2027	–	–	86	141	–	227
2028	–	–	17	231	16	264
2029	–	–	43	149	–	192
2030-2034	–	–	126	185	52	363
After 2034	–	–	55	49	–	104
Total	1,992	1,074	976	2,217	429	6,688

27 Related party transactions

Related party transactions are transactions between the Group and individuals or entities related by nature of influence or control. The Group has such relationships with its key management personnel, equity-accounted investments and the Parent. The disclosure of transactions with these parties in this note enables readers to form a view of the impact of related party relationships on the Group.

All transactions with related parties are conducted on an arm's-length basis.

There were no material transactions during the year with any related parties, as defined by IAS 24 Related Party Disclosures, other than those disclosed in this note.

(i) Transactions with key management personnel

The key management personnel are the Company's Directors and the Chief Executive Officers of the Group's Market Units. No Director had any material interest in any contracts with Group companies as at 31 December 2025 (2024: no Director) or at any time during the year. The remuneration of the Company's Directors is disclosed in Note 2.3.

The total remuneration of the Market Unit Chief Executive Officers is as follows:

	2025	2024
	£'000	£'000
Short-term employee benefits and other remuneration	9,146	5,017
Long Term Incentive Plan awards	3,446	3,570
Post-employment benefits	133	128
Total	12,725	8,715

The total remuneration of key management personnel is included in staff costs (see Note 2.3).

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2025

(ii) Transactions with the Parent

	2025	2024
	£m	£m
Management charges paid	443	371
Expenses received	(16)	(13)
Dividends paid	212	164

(iii) Amounts owed by/(to) the Parent

	Note	2025	2024
		£m	£m
Trade and other receivables	14	44	68
Trade and other payables	20	(166)	(126)

28 Commitments and contingencies

A commitment is future expenditure that is committed to as at year end. These relate to contracted capital expenditure. Contingent liabilities are those that are considered possible at year end, whose existence will be determined by uncertain future events, or present obligations that are not sufficiently probable or cannot currently be measured with sufficient reliability to give rise to provisions.

(i) Capital commitments

Capital expenditure for the Group contracted as at 31 December 2025 but for which no provision has been made amounted to £63m (2024: £59m). Of this, £59m (2024: £58m) relates to aged care and retirement village property development project commitments in Australia and New Zealand and the extension of Cromwell Hospital, lease properties development commitments and care homes purchase commitments in the UK; specifically £38m (2024: £40m) in relation to property, plant and equipment and £21m (2024: £18m) in relation to investment property. £4m (2024: £1m) relates to computer software projects commitments in Australia, the UK and India.

(ii) Contingent assets

The Group currently has no contingent assets.

(iii) Contingent liabilities

The Group has contingent liabilities arising in the ordinary course of business. These include losses which might arise from litigation, consumer matters, other disputes, regulatory compliance (including data protection) and interpretation of law (including employment law and tax law). It is not considered that the ultimate outcome of any contingent liabilities could have a significant adverse impact on the financial condition of the Group.

(iv) Defined benefit post-employment schemes

The Company has entered into a legally binding and irrevocable guarantee for the benefit of the trustee of the principal defined benefit scheme in the UK, The Bupa Pension Scheme, in respect of the payments due from the Parent.

Financial Statements of the Company

for the year ended 31 December 2025

Statement of Financial Position

as at 31 December 2025

	Note	2025 £m	2024 £m
Assets			
Property, plant and equipment	C	53	33
Investment in subsidiaries	D	4,574	4,439
Deferred taxation assets	E	8	4
Restricted assets	F	29	31
Derivative assets	G	30	56
Current taxation assets		19	25
Trade and other debtors	H	179	203
Cash and cash equivalents	I	482	226
Total assets		5,374	5,017
Liabilities			
Borrowings	J	(1,482)	(1,448)
Lease liabilities	K	(50)	(34)
Derivative liabilities	G	(17)	(32)
Provisions for liabilities and charges		(5)	(3)
Trade and other creditors	L	(702)	(614)
Total liabilities		(2,256)	(2,131)
Net assets		3,118	2,886
Equity			
Called-up share capital	M	200	200
Profit and loss account		2,621	2,389
Total attributable to ordinary shareholder		2,821	2,589
Restricted Tier 1 notes	N	297	297
Total equity		3,118	2,886

Approved by the Board of Directors and signed on its behalf on 4 March 2026 by

James Lenton

Director

Registered Number 2779134

Notes A-Q form the associated notes to the Company financial statements.

Financial Statements of the Company

for the year ended 31 December 2025

Statement of Changes in Equity

For the year ended 31 December 2025

	Called-up share capital	Profit and loss account	Total attributable to ordinary shareholder	Restricted Tier 1 notes	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2025	200	2,389	2,589	297	2,886
Comprehensive income for the year					
Profit for the year	–	453	453	–	453
Total comprehensive income for the year	–	453	453	–	453
Transactions recorded directly in equity					
Dividends	–	(212)	(212)	–	(212)
Total distributions to shareholder	–	(212)	(212)	–	(212)
Payment of Restricted Tier 1 coupon, net of taxation	–	(9)	(9)	–	(9)
Balance as at 31 December 2025	200	2,621	2,821	297	3,118

	Called-up share capital	Profit and loss account	Total attributable to ordinary shareholder	Restricted Tier 1 notes	Total equity
	£m	£m	£m	£m	£m
Balance as at 1 January 2024	200	2,139	2,339	297	2,636
Comprehensive income for the year					
Profit for the year	–	423	423	–	423
Total comprehensive income for the year	–	423	423	–	423
Transactions recorded directly in equity					
Dividends	–	(164)	(164)	–	(164)
Total distributions to shareholder	–	(164)	(164)	–	(164)
Payment of Restricted Tier 1 coupon, net of taxation	–	(9)	(9)	–	(9)
Balance as at 31 December 2024	200	2,389	2,589	297	2,886

Notes A-Q form the associated notes to the Company financial statements.

Financial Statements of the Company

for the year ended 31 December 2025

Notes to the Financial Statements

A. Basis of preparation

Bupa Finance plc (the 'Company') together with its subsidiaries (collectively the 'Group') is an international healthcare business, providing health insurance, treatment in clinics, dental centres and hospitals, and operating care homes. The Company is incorporated in England and Wales and domiciled in the United Kingdom. Its immediate and ultimate parent company is The British United Provident Association Limited (the 'Parent' or 'Bupa' and together with its subsidiaries, which includes the Company as an intermediary holding company, the 'Bupa Group').

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting standards (IFRS) as adopted by the UK (UK-adopted international accounting standards) and makes amendments where necessary in order to comply with the Companies Act 2006. The Company has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is taking advantage of the exemption in Section 408 of the Companies Act 2006 not to present its individual profit and loss account. As the consolidated financial statements of the Group include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of compensation of key management personnel;
- Certain disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not held as either part of a trading portfolio or derivatives; and
- IAS 24 disclosures for related party transactions entered into between two or more members of a group, provided that any subsidiary party to the transaction is wholly owned by such a member.

Company accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

(a) Accounting estimates and judgements

The impairment review of investments in subsidiaries is a source of significant estimation uncertainty in the preparation of the Company financial statements. Annual impairment tests include a number of sources of estimation uncertainty as the key assumptions used when modelling the recoverable amount include estimating the discount rate, terminal growth rate and the forecast cash flows. Changes to these assumptions could materially change the calculation of the recoverable amount.

(b) Changes in accounting policies

The Company has consistently applied its accounting policies to all periods presented in these financial statements.

(c) Going concern

The Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for at least the next 12 months from the date of approval of these financial statements. They continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(d) Foreign currency

The financial statements are presented in sterling, which is also the currency of the primary economic environment in which the Company operates (its functional currency). Transactions in currencies other than the functional currency are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the reporting date. Non-monetary items denominated in a foreign currency at historical cost are translated using the exchange rate at the date of the transaction therefore, no exchange differences arise.

Exchange differences are recognised in the profit and loss account in the period in which they arise except for exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting).

Financial Statements of the Company

for the year ended 31 December 2025

(e) Financial income and expenses

Financial income comprises interest receivable, realised gains and losses on investments, foreign exchange gains and losses, dividend income on equity investments and changes in the fair value of financial assets recognised at fair value through profit or loss.

Interest income, except in relation to assets classified as at fair value through profit or loss, is recognised in the profit and loss account as it accrues, using the effective interest method.

Changes in the value of financial investments at fair value through the profit and loss account are recognised within financial income as an unrealised gain or loss while the asset is held. Upon derecognition of these assets, the cumulative unrealised gain or loss is reversed and a realised gain or loss is recognised.

Financial expense includes interest payable on borrowings, calculated using the effective interest method, and other financial expenses.

(f) Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- They include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- Where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called-up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument contains both equity and financial liability components, these components are separated and accounted for individually under the above policy.

(g) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

(h) Property, plant and equipment

Property, plant and equipment are held at historical cost less accumulated depreciation and recognised impairment losses. Depreciation is charged to the profit and loss account on a straight-line basis to allocate cost less residual value over the estimated useful life, as follows:

- | | |
|--------------------------|--------------------------------------|
| • Right-of-use property | Lease term |
| • Leasehold improvements | Shorter of useful life or lease term |
| • Owned equipment | 3-10 years |

No depreciation is charged on assets under construction. Useful lives, depreciation method and residual values are reviewed at each reporting date.

Impairment reviews are undertaken where there are indicators that the carrying value may not be recoverable. An impairment loss is recognised in the profit and loss account to reduce the carrying value to the recoverable amount. Assets classified as under construction are also reviewed for impairment at each reporting date.

(i) Leases of property

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate taking into account the duration of the lease.

The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the Company changes its assessment of whether it will exercise an extension or termination option. The lease liability is recalculated using a revised discount rate if the lease term changes as a result of a modification or reassessment of an extension or termination option. The leases currently held by the Company do not contain any extension or termination options.

Financial Statements of the Company for the year ended 31 December 2025

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs, contractually required to restore properties to their original condition, less any lease incentives received. The right-of-use asset, excluding restorations costs, is typically depreciated on a straight-line basis over the lease term. In addition, the right-of-use asset may be adjusted for certain remeasurements of the lease liability, such as indexation and market rent review uplifts. Restoration costs included in the right-of-use asset are amortised over the same term as the corresponding provision, which may be longer than the IFRS 16 contractual lease term where occupancy of the property is expected to be longer than the existing contract.

The Company has elected not to recognise the right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less or leases that are of low value (£4,000 or less). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

(j) Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less impairment. Investments are reviewed annually to test whether any indicators of impairment exist. Where there is objective evidence of such an asset being impaired, the investment is impaired to its recoverable value and any unrealised loss is recorded in the profit and loss account.

When any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased, the recoverable amount of an investment is assessed. Should the recoverable value exceed the carrying value, an impairment reversal is recognised in the profit and loss account up to the value of previously recorded impairments.

Dividends received from subsidiaries are recognised in the profit and loss account when the right to receive is established.

All loans and receivables to and from subsidiary undertakings are shown at cost less amounts written off where deemed irrecoverable.

(k) Restricted assets

Restricted assets are amounts held in respect of specific obligations and potential liabilities and may be used only to discharge those obligations and potential liabilities if and when they crystallise.

(l) Derivative financial instruments

Derivative financial instruments are accounted for at fair value through profit or loss. The gain or loss on remeasurement to fair value is recognised immediately in the profit and loss account. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Derivative fair value

Fair values of derivative instruments are obtained from market observable pricing information including interest yield curves. Fair value of currency contracts, including forwards, swaps and options is determined using third party sourced market data at the reporting date. The resulting value reflects changes in spot exchange rates and interest differential between the currency pair involved, over the life of the contract, discounted back to present value. The fair value of interest rate swaps is determined as the present value of the estimated future cash flows based on observable yield curves.

Hedge accounting

The Company applies fair value hedge accounting. The Company formally documents the hedging relationship between a hedging instrument and a hedged item. Documentation includes the risk management objectives and the strategy in undertaking the hedge transaction.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the profit and loss account. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the profit and loss account (even if those gains would normally be recognised directly in equity).

(m) Trade and other debtors

Amounts owed by subsidiaries

Amounts are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for expected credit loss (ECL).

The ECL is measured at an amount equal to the lifetime ECL. Where appropriate, a provision matrix is used to estimate ECL. Under a provision matrix, receivables are grouped into customer segments and further divided into categories by age. Historical credit loss experience and any relevant forward looking information are then used to establish the ECL provision for each category.

Financial Statements of the Company

for the year ended 31 December 2025

Other trade and other debtors

This predominantly relates to pledges of cash collateral in respect of certain derivative contracts. Collateral pledged in the form of cash is recognised and subsequently measured at fair value.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits and other short-term highly liquid investments (including money market funds) with original maturities of three months or less which are subject to an insignificant risk of change in value.

(o) Trade and other creditors

Trade and other creditors are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method.

(p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, they are held at amortised cost using the effective interest method.

(q) Restricted Tier 1 (RT1) debt

The RT1 notes meet the classification of equity and are presented as a separate category of equity in the Statement of Financial Position at an amount equal to the proceeds of issue less transaction costs. RT1 coupons are recognised directly in the Statement of Changes in Equity, net of taxation, upon payment.

(r) Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

(s) Taxation including deferred taxation

Taxation on the profit or loss for the year comprises current and deferred taxation. Taxation is recognised directly in equity to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current taxation is the expected taxation payable or receivable on the taxable income or loss for the year, using taxation rates enacted or substantively enacted at the reporting date, and any adjustment to taxation payable in respect of previous years.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not recognised: goodwill not deductible for taxation purposes; and the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and temporary differences relating to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the reporting date.

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

(t) Provisions

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the estimated future payments at a pre-taxation rate that reflects a current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Profit attributable to the Company

The profit within the financial statements of the Company is £453m (2024: profit of £423m). In accordance with the exemption granted under Section 408 of the Companies Act 2006, a separate profit and loss account for the Company has not been presented.

Financial Statements of the Company

for the year ended 31 December 2025

B. Directors and employees

The Company employed no employees during 2025 (2024: nil) and had four Directors as at 31 December 2025 (2024: four). During the year four individuals served as Directors (2024: four). Details of Directors serving during the year can be found on page 2.

Directors' remuneration

Remuneration paid to the Directors is borne by the Company or other Group companies and is disclosed in Note 2.3.1.

C. Property, plant and equipment

	2025				2024			
	Right-of-use asset property	Leasehold improvements	Owned equipment	Total	Right-of-use asset property	Leasehold improvements	Owned equipment	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Cost or valuation								
At beginning of year	48	9	1	58	48	9	1	58
Additions	22	2	1	25	–	–	–	–
At end of year	70	11	2	83	48	9	1	58
Depreciation and impairment loss								
At beginning of year	20	5	–	25	15	5	–	20
Depreciation charge for year	4	–	1	5	5	–	–	5
At end of year	24	5	1	30	20	5	–	25
Net book value at end of year	46	6	1	53	28	4	1	33
Net book value at beginning of year	28	4	1	33	33	4	1	38

D. Investment in subsidiaries

	At beginning of year	Additions	Disposals	Foreign exchange revaluation	At end of year
2025	£m	£m	£m	£m	£m
Group Undertakings:					
Shares in subsidiary undertakings	6,057	268	(155)	4	6,174
Loans to Group companies	82	4	–	–	86
	6,139	272	(155)	4	6,260
Provision for impairment	(1,700)	–	14	–	(1,686)
Net book value	4,439	272	(141)	4	4,574
	At beginning of year	Impairment loss	Additions	Foreign exchange revaluation	At end of year
2024	£m	£m	£m	£m	£m
Group Undertakings:					
Shares in subsidiary undertakings	5,950	–	258	(151)	6,057
Loans to Group companies	79	–	3	–	82
	6,029	–	261	(151)	6,139
Provision for impairment	(1,692)	(8)	–	–	(1,700)
Net book value	4,337	(8)	261	(151)	4,439

Additions in the year of £268m (2024: £258m) relate to capital injections to existing subsidiaries. Loans to Group companies comprise loan facilities of a fixed amount and a long-term maturity date, with the movements in the year driven principally by capitalised interest.

No impairment was recognised in relation to the Company's shareholdings in 2025. During 2024, an £8m impairment was recognised in relation to the Company's shareholding in Bupa Care Homes (Holdings) Limited of £3m, Bupa Care Homes (CFG) plc of £4m and Bupa Healthcare Services Limited of £1m.

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The subsidiary undertakings of the Company as at 31 December 2025 are listed in Note Q.

E. Deferred taxation assets

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxation assets relating to provisions and unused taxation losses are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred taxation assets are attributable to the following:

	2025 £m	2024 £m
Provisions	1	1
Taxation value of losses carried forward	7	3
Deferred taxation assets	8	4

Unrecognised deferred taxation assets

As at 31 December 2025, the Company had deductible temporary differences relating to trading losses of £5m (2024: £7m), to capital losses of £35m (2024: £27m) and to other temporary differences of £49m (2024: £29m) for which no deferred taxation asset was recognised due to uncertainty of utilisation of those temporary differences.

Movement in net deferred taxation assets:

	At beginning of year £m	Recognised in Income Statement £m	At end of year £m
2025			
Provisions	1	–	1
Taxation value of losses carried forward	3	4	7
Total	4	4	8

	At beginning of year £m	Recognised in Income Statement £m	At end of year £m
2024			
Provisions	1	–	1
Taxation value of losses carried forward	–	3	3
Total	1	3	4

F. Restricted assets

	2025 £m	2024 £m
Restricted assets	29	31

The restricted assets balance of £29m (2024: £31m) consists of cash deposits held to secure a charge over the unfunded pension scheme obligations held in the Parent.

G. Derivative assets and liabilities

A derivative is a financial instrument whose value is based on one or more underlying variables. The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risk. Derivatives are not held for speculative reasons.

The fair value of non-current derivative assets relate to interest rate swaps which are recognised at fair value. The interest rate swaps are held to hedge the 2027 £192m and 2030 €500m unsecured bonds issued by the Company.

Derivatives are held at fair value through profit or loss, and therefore the carrying value is equal to fair value.

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	2025 £m	2024 £m
Derivative assets		
Non-current	9	16
Current	21	40
Total derivative assets	30	56
Derivative liabilities		
Non-current	(10)	(30)
Current	(7)	(2)
Total derivative liabilities	(17)	(32)

Valuation techniques and assumptions applied for the purposes of measuring fair value

Derivatives that have been purchased or issued as part of a hedge that subsequently do not qualify for hedge accounting are accounted for at fair value through profit or loss.

Fair values are obtained from market observable pricing information including interest rate yield curves.

H. Trade and other debtors

	2025 £m	2024 £m
Amounts owed by subsidiaries	165	178
Other trade and other debtors	13	25
Prepayments	1	–
Total trade and other debtors	179	203

All balances are current.

I. Cash and cash equivalents

	2025 £m	2024 £m
Cash at bank and in hand	1	–
Short-term deposits	481	226
Cash and cash equivalents	482	226

J. Borrowings

	Note	2025 £m	2024 £m
Subordinated liabilities			
Subordinated unguaranteed bonds	(a)	850	748
Total subordinated liabilities		850	748
Other interest-bearing liabilities			
Senior unsecured bonds	(b)	632	700
Total other interest-bearing liabilities		632	700
Total borrowings		1,482	1,448
Non-current		1,482	1,448
Current		–	–

a) Subordinated unguaranteed bonds

The total carrying value of subordinated unguaranteed bonds, net of accrued interest, capitalised issue costs and discounts, was £850m (2024: £748m).

On 18 November 2025, the Company issued £400m of subordinated unguaranteed bonds, which mature on 18 November 2045. Interest is payable on the bonds at 6.625% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

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On 18 November 2025, the Company early redeemed 73% (£292m in aggregate nominal amount) of the £400m subordinated unguaranteed bonds that were issued on 8 December 2016 and originally due to mature on 8 December 2026. This led to a loss of £2m charged to the Income Statement within other financial expenses. Maturity of the remaining outstanding £108m bonds is unchanged and interest is payable on the bonds at 5.000% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

On 25 June 2020, the Company issued £350m of subordinated unguaranteed bonds which mature on 14 June 2035. Interest is payable on the bonds at 4.125% per annum. In the event of the winding up of the Company, the claims of the bondholders are subordinated to the claims of other creditors of the Company.

The Company has not had any defaults of principal, interest or other breaches with respect to subordinated liabilities during 2025 or 2024.

b) Senior unsecured bonds

The total senior unsecured bonds balance of £632m (2024: £700m) is net of initial issue costs, discount on issue, accrued interest and, where hedged, a fair value adjustment in respect of hedged interest rate risk.

On 18 November 2025, the Company early redeemed 36% (£108m in aggregate nominal amount) of the £300m senior unsecured bonds, guaranteed by Parent that were issued on 25 June 2020 and originally due to mature on 14 June 2027. This led to a loss of £1m charged to the Income Statement within other financial expenses. A portion of an interest rate swap hedging the bond, equal to the redeemed nominal, was terminated. The carrying value of the fully collateralised derivative was cash settled through collateral exchange and there was no material impact to the Income Statement. Maturity of the remaining outstanding £192m bonds is unchanged and interest is payable on the bonds at 1.750% per annum. The total hedged fair value of the outstanding senior unsecured bonds, including accrued interest, capitalised issue costs and discounts, is £186m (2024: £274m). The change in value arising from interest rate risk is matched, subject to any hedge ineffectiveness, by the fair value of swap contracts in place to hedge this risk.

On 5 April 2024, the Company redeemed the maturing £300m of senior unsecured bonds, issued in April 2017.

On 12 October 2023, the Company issued €500m of senior unsecured bonds, guaranteed by the Parent, which mature on 12 October 2030. The bonds bear interest on their outstanding principal amount at a fixed rate of 5.000% per annum. The total hedged fair value of these bonds, including accrued interest, capitalised issue costs and discounts, is £446m (2024: £426m). The change in value arising from interest rate risk is matched, subject to any hedge ineffectiveness, by the fair value of swap contracts in place to hedge this risk.

See Note 26.4 for details of the Group's interest rate hedging activities.

c) Revolving credit facility

The Company has a £900m revolving credit facility which matures in December 2028. The facility was undrawn at 31 December 2025 (2024: undrawn). Drawings under the £900m facility are guaranteed by the Parent.

The overdraft facilities are subject to cross guarantees within the Group. The bank loans and overdrafts bear interest at commercial rates linked to SONIA for sterling or equivalent for other currencies.

K. Lease Liabilities

	2025	2024
	£m	£m
At the beginning of the year	34	39
Remeasurement	21	–
Interest on lease liabilities	1	1
Repayments	(6)	(6)
At end of year	50	34
Non-current	48	29
Current	2	5

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L. Trade and other creditors

	2025	2024
	£m	£m
Amounts owed to subsidiaries	688	606
Other creditors	14	8
Total trade and other creditors	702	614

All balances are current.

M. Called-up share capital

	2025	2024
	£m	£m
Allocated, called-up and fully paid		
200,050,000 ordinary shares of £1 each	200	200

N. Restricted Tier 1 (RT1) notes

	2025	2024
	£m	£m
Restricted Tier 1 notes	297	297

On 24 September 2021, the Company issued £300m of RT1 notes with a fixed coupon of 4.000% paid semi-annually in arrears. Transaction costs of £3m were recognised in respect of the issue. The total coupon paid during the year was £12m (2024: £12m).

The RT1 notes are perpetual, with no fixed maturity or redemption date. The notes have a first call date of 24 March 2032 and interest is payable at the sole and absolute discretion of the Company, with cancelled interest providing no rights to the holder of the notes nor being considered a default. The RT1 notes are therefore treated as equity. The notes are convertible to share capital of the Company on the occurrence of certain trigger events.

O. Commitments, guarantees and contingencies

Guarantees

As at 31 December 2025, the Company was party to a £900m multi-currency revolving credit facility. The Company has joint and several liability for all obligations under the multi-currency revolving credit facility described in Note J(c). The revolving credit facility was undrawn at 31 December 2025 (2024: undrawn).

The Company has provided guarantees to certain other Group undertakings. These are either as part of the Group banking arrangements in respect of the overdrafts, or, if called on to do so, to provide or procure necessary support to enable certain other Group undertakings to meet their liabilities as they fall due.

Contingent liabilities

Under a Group registration the Company is jointly and severally liable for Value Added Tax due by certain other companies in the Group.

Pension contributions

The Company has given a legally binding and irrevocable guarantee for the benefit of the trustees of The Bupa Pension Scheme, in respect of any payments that the Parent was obliged to make between 31 December 2024 and 31 December 2025 to The Bupa Pension Scheme.

P. Ultimate Parent

The Company's immediate and ultimate parent undertaking is The British United Provident Association Limited which includes the Company in its consolidated financial statements. The consolidated financial statements of The British United Provident Association Limited are prepared in accordance with UK-adopted international accounting standards and are available to the public. Copies of the consolidated financial statements of The British United Provident Association Limited are available from the Company Secretary at the registered office address: 1 Angel Court, London, United Kingdom, EC2R 7HJ, or available online at www.bupa.com.

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Q. Related Undertakings

In compliance with Section 409 of the Companies Act 2006, disclosed below is a list of the Company's related undertakings as at 31 December 2025, comprising subsidiaries, joint ventures, associated undertakings and other significant holdings, together with the country of incorporation, registered office address, each share class held by the Company and the Group and the proportion of the nominal value of the shares of that class represented by those shares.

See Notes 1.2 and 6 for further information on basis of consolidation and accounting policies.

Subsidiaries

Unless otherwise stated, the subsidiaries listed below are wholly owned indirectly by the Company with 100% of the nominal value of each share class held by Group subsidiaries. Where a subsidiary is not wholly owned, the proportion of the nominal value of each share class held by the Company or the Group, together with the Group's effective ownership, calculated by reference to the voting rights, is shown below. All subsidiaries are included in the Group consolidation unless otherwise stated.

Name	Share Class	Proportion of class held (%)	Effective % ownership
Australia			
Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia			
Benefit Pocket Pty Ltd	AUD Ordinary		
Bupa Aged Care Australasia Pty Limited	AUD Ordinary		
Bupa Aged Care Australia Holdings Pty Ltd	AUD Ordinary		
Bupa Aged Care Australia Pty Ltd	AUD Ordinary		
Bupa Aged Care Holdings Pty Ltd	AUD Ordinary		
Bupa Aged Care Property No.2 Trust	Trust Interest		
Bupa Aged Care Property No.3 Trust	Trust Interest		
Bupa Aged Care Property No.3A Trust	Trust Interest		
Bupa Aged Care Property Trust	Trust Interest		
Bupa ANZ Finance Pty Ltd	AUD Ordinary		
Bupa ANZ Group Pty Ltd	AUD Ordinary		
Bupa ANZ Healthcare Holdings Pty Ltd	AUD Ordinary		
Bupa ANZ Insurance Pty Ltd	AUD A Class Preference, AUD Ordinary		
Bupa ANZ Property 1 and 2 Limited	AUD Ordinary		
Bupa ANZ Property 3 and 3A Pty Ltd	AUD Ordinary		
Bupa Care Villages Australia Pty Ltd	AUD Ordinary		
Bupa Dental Corporation Pty Ltd	AUD Ordinary		
Bupa Foundation (Australia) Limited	Guarantee Membership Interest		
Bupa Health Centres Pty Ltd	AUD Ordinary		
Bupa Health Services Pty Ltd	AUD Ordinary		
Bupa HI Holdings Pty Ltd	AUD Ordinary		
Bupa HI Pty Ltd	AUD Ordinary		
Bupa Innovations (ANZ) Pty Ltd	AUD Ordinary		
Bupa Medical Services Pty Limited	AUD Ordinary		
Bupa Optical Pty Ltd	AUD Ordinary		
Bupa Strategic Investments Pty Ltd	AUD Ordinary		
Bupa Telehealth Pty Ltd	AUD Ordinary		
Bupa Wellness Pty Limited	AUD Ordinary		
DC Holdings WA Pty Ltd	AUD Ordinary		
Dental Corporation Holdings Pty Ltd	AUD Ordinary		
Dental Corporation Pty Ltd	AUD Ordinary		
Guardian Medical Health Care Pty Ltd	AUD Ordinary		
Guardian Medical Property Pty Ltd	AUD Ordinary		
Medical Practitioners Custodian Australia Pty Ltd	AUD Ordinary		
Bahrain			
Office 814, Building 2420, Road 2831, Block 428, Seef, Bahrain			
Bupa Middle East Holdings Two W.L.L.	BHD50.00 Ordinary	75.00	75.00
Brazil			
Alameda Mamoré, No. 678, 11th Floor, Room 1104, Alphaville, 06454-040, Barueri, São Paulo, Brazil			
Care Plus Negócios Em Saúde Ltda.	BRL1.00 Quotas		
Alameda Mamoré, No. 687, 12th Floor, Rooms 1201, 1202, 1203 and 1204, Alphaville, 06454-040, Barueri, São Paulo, Brazil			
Care Plus Medicina Assistencial Ltda.	BRL1.00 Quotas		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
Av. das Nações Unidas, 12,901, Unidade 901, Torre Oeste, Bloco C, Centro Empresarial Nações Unidas, Brooklin Paulista, São Paulo, SP, Brazil			
Personal System Serviços Médicos e Odontológicos Ltda.	BRL1.00 Quotas		
Av. Vereador José Diniz, nº 3 300, 18º andar, Campo Belo, São Paulo, SP, CEP 04604-006, Brazil			
Care Plus Odontologia Assistencial Ltda.	BRL1.00 Ordinary		
Chile			
Anabaena N° 336, Comuna Viña del Mar, Region Valparaiso, Chile			
Clinica Renaca S.A.	CLP Ordinary	100.00	95.88
Desarrollo E Inversiones Medicas S.A.	CLP Ordinary	97.56	93.45
Promotora De Salud S.A.	CLP Ordinary	67.03	67.03
Sociedad Medica Imogeneologia Clinica Renaca Limitada	CLP Social Rights	80.00	76.70
Cerro Colorado N° 5240, Piso 11, Comuna Las Condes, Region Metropolitana, Chile			
Bupa Administracion y Servicios SpA	CLP Ordinary		
Exámenes De Laboratorio S.A.	CLP Ordinary	100.00	99.99
Grupo Bupa Sanitas Chile Uno, SpA	CLP Ordinary		
Inversiones Clinicas CBS S.A.	CLP Ordinary		
Isapre Cruz Blanca S.A.	CLP Ordinary	99.79	99.41
Cerro Colorado N° 5240, Piso 6, Comuna Las Condes, Region Metropolitana, Chile			
Integramedica S.A.	CLP Ordinary	99.99	99.99
Recaumed S.A. ¹	CLP Ordinary	58.40	58.40
La Concepción 206, Santiago, Región Metropolitana, 7500014, Chile			
Bupa Chile S.A.	CLP Ordinary		
Bupa Compania de Seguros de Vida S.A.	CLP Ordinary		
Clinica Bupa Santiago S.A.	CLP Ordinary		
Manuel Antonio Matta N° 1868, Comuna Antofagasta, Region Antofagasta, Chile			
Inmobiliaria Centro Medico Antofagasta S.A.	CLP Ordinary	99.99	88.95
Manuel Antonio Matta N° 1945, Comuna Antofagasta, Region Antofagasta, Chile			
Centro Medico Antofagasta S.A.	CLP Ordinary	100.00	88.95
Inversiones Clinicas Pukara S.A.	CLP Ordinary	88.95	88.95
Servicios Y Abastecimiento A Clinicas S.A.	CLP Ordinary	100.00	88.95
China			
Unit 02A-03B, 9th Floor, 501, Building 2, No. 20 Jinhe East Road, Chaoyang District, Beijing, China			
Bupa Consulting (Beijing) Co. Ltd.	HKD1.00 Ordinary		
Denmark			
Axeltorv 2, 1609, Copenhagen V, Denmark			
Bupa Denmark Services A/S ^{2, 3}	DKK100.00 Ordinary		
Dominican Republic			
Av. Winston Churchill, corner with Rafael Augusto Sanchez, Plaza Acropolis, Apt. P2-D, Santo Domingo, Dominican Republic			
Bupa Dominicana, S.A.	DOP1,000.00 Ordinary		
Ecuador			
Av. Republica de El Salvador N34-229, 4th Floor, Quito, Ecuador			
Bupa Ecuador S.A. Compania de Seguros	USD1.00 Capital Stock		
Egypt			
District 5 Campus, Marakez Building B07, South of Cairo - Ain Sokhna Road, New Cairo, Cairo, 11361, Egypt			
Bupa Egypt Insurance S.A.E. ⁴	EGP10.00 Ordinary		
Bupa Egypt Services LLC	EGP100.00 Ordinary		
Guatemala			
Quinta avenida número cinco guión cincuenta y cinco, Zona catorce de esta ciudad, Edificio Europlaza World Business Center, Torre III, undécimo nivel, área corporativa número un mil, Guatemala			
Bupa Guatemala, Compania de Seguros, S.A. ⁵	GTQ1.00 Ordinary		
Guernsey			
PO Box 155, Mill Court, La Charroterie, St Peter Port, GY1 4ET, Guernsey			
Bupa Holdings (Guernsey) Limited ⁶	£1.00 Ordinary		
UK Care No. 1 Limited	£1.00 Ordinary		
Hong Kong			
6/F & Unit Nos. 701B, 702-704 of Tower 2, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong			
Blua (Asia) Services Limited	HKD1.00 Ordinary		
Bupa (Asia) Limited	HKD10.00 Ordinary		
Bupa International Limited ⁷	HKD Ordinary		
Bupa Limited	HKD1.00 Ordinary		
Horizon Health and Care Limited	HKD Ordinary		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
6/F, and Unit Nos. 701-702 and 704, Tower 1, The Quayside, 77 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong			
Alpha Medical MRI (TST) Limited	HKD10,000.00 Ordinary		
Bupa Dental Centre (Hong Kong) Limited	HKD1.00 Ordinary		
Central Medical Diagnostic Centre Limited	HKD1.00 Ordinary		
Central MRI Centre Limited	HKD1.00 Ordinary		
Central PET/CT Scan Centre Limited	HKD1.00 Ordinary		
Eplushealth Limited	HKD1.00 Ordinary		
Quality Healthcare Chinese Medicine Services Limited	HKD1.00 Ordinary		
Quality HealthCare Dental Services Limited	HKD1.00 Ordinary		
Quality Healthcare Group Limited	HKD1.00 Ordinary		
Quality HealthCare Medical Centre Limited	HKD100.00 Ordinary		
Quality Healthcare Medical Diagnostic & Imaging Services Limited	HKD1.00 Ordinary		
Quality HealthCare Medical Services Limited	HKD1.00 Ordinary		
Quality HealthCare Nursing Agency Limited	HKD10.00 Ordinary		
Quality HealthCare Professional Services Limited	HKD1.00 Ordinary		
Quality Healthcare TPA Services Limited	HKD1.00 Ordinary		
India			
12th Floor, Good Earth Trade Tower, Village Maidawas, Sector 62, Gurugram 122102, Haryana, India			
Bupa Capability Centre Private Limited ⁸	INR10.00 Ordinary		
C-98 Lajpat Nagar, Part 1, New Delhi, 11002, India			
Niva Bupa Health Insurance Company Limited	INR10.00 Ordinary	55.36	55.36
Ireland			
Second Floor, 10 Pembroke Place, Ballsbridge, Dublin, 4, Ireland			
Bupa Global Designated Activity Company	€1.00 Ordinary		
St Martins House, Waterloo Road, Ballsbridge, Dublin, Ireland, D04 V6V4, Ireland			
Oasis Healthcare Holdings Ireland Limited	€1.00 Ordinary		
Xeon Dental Services Limited	€0.01 Ordinary		
Kenya			
3rd Floor, Westpark Suites, Ojijo Road, Parklands, PO Box 3085-00100 GPO, Nairobi, Kenya			
Bupa Global Insurance Limited	KES100.00 Ordinary		
Macao			
Rua De Xangai No. 175 Edif., Associacao Comercial De Macau, 11 Andar, K, Macau			
Quality EAP (Macau) Limited	MOP1.00 Ordinary		
Quality Healthcare Medical Services (Macau) Limited	MOP1.00 Ordinary		
Mexico			
Avenida Ejercito Nacional Numero 843-B, Edificio Corporativo Antara I, Piso 10, Colonia Granada, Alcaldia Miguel Hidalgo, C.P. 11520, Mexico			
Comunidad Vitamedica S.C.	MXN Social Parts		
Corporativo Vitamedica, S.A. De C.V. ⁶	MXN10.00 Ordinary		
Vitamedica Administradora, S.A. De C.V.	MXN Class I, Series A (Fixed), MXN Class I, Series B (Fixed), MXN Class II, Series A (Variable)		
Avenida Ejercito Nacional Numero 843-B, Edificio Corporativo Antara I, Piso 9, Colonia Granada, Alcaldia Miguel Hidalgo, C.P. 11520, Mexico			
Bupa Mexico, Compania de Seguros, S.A. de C.V.	MXN1,000.00 Series A (fixed), MXN1,000.00 Series B (variable)		
Bupa Servicios de Evaluacion Medica, S. de R.L. de C.V. ⁹	MXN Ordinary, MXN Ordinary (Variable)		
Bupa Servicios Dentales, S.A. de C.V.	MXN10.00 Ordinary		
Bupa Servicios Globales, S. de R.L de C.V.	MXN1.00 Ordinary		
Prolongacion Paseo de la Reforma No. 19, Paseo de las Lomas, Alvaro Obregon, C.P. 01330, Mexico City, Mexico			
Promotora de Hospitales y Servicios Integrales, S.A.P.I. de C.V.	MXN Fixed Capital Class I, MXN Variable Capital Class II		
New Zealand			
Bupa House, Level 2, 109 Carlton Gore Road, Newmarket, Auckland, 1023, New Zealand			
Bupa Care Services NZ Limited	NZD Ordinary		
Bupa Retirement Villages Limited	NZD Ordinary		
Panama			
Prime Time Tower, Floor 25, Office 25 b La Rotonda Ave, Costa del Este, Panama			
Bupa Panama S.A.	US\$1,000.00 Ordinary		
Bupa Servicios Panama, S.A.	US\$1.00 Common		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
Peru			
Av. Javier Prado Este 1178, San Isidro, Lima, Peru			
Anglolib S.A	PEN Ordinary-A	100.00	85.00
Integramedica Peru S.A.C.	PEN Ordinary		
MediPerú S.A.	PEN Ordinary	99.98	99.98
Poland			
3 Maja nr. 13 lok. 6, 40-096 Katowice, Poland			
Centrum Terapii Kontinuum Sp. z o.o.	PLN50.00 Ordinary	100.00	80.00
Czapliniecka 93/95, 97-400, Belchatow, Poland			
Megamed Sp. z o.o.	PLN1,000.00 Ordinary		
Jana Sobieskiego 29, 81-781 Sopot, Poland			
Centrum Seksuologii, Psychoterapii i Psychosomatyki Sp. z o.o.	PLN50.00 Ordinary	100.00	80.00
Kolo Strzelnicy 3, 30-219, Krakow, Poland			
LUX MED Szpital Krakow Sp. z o.o.	PLN500.00 Ordinary		
Mikołaja Kopernika 38, 90-552, Łódź, Powiat Łódź, Województwo łódzkie, Poland			
"Medical Magnus" Sp. z o.o.	PLN500.00 Ordinary		
Spolka Lekarska „Kromed” Sp. z o.o.	PLN50.00 Ordinary		
Podleśna 61, 01-673, Warsaw, Poland			
"Centrum Medyczne Mavi” Sp. z o.o.	PLN100.00 Ordinary		
Pory 78 Street, 02-757, Warsaw, Poland			
"Sport Medica" S.A.	PLN1.00 Ordinary-A, PLN1.00 Ordinary-B, PLN1.00 Ordinary-C, PLN1.00 Ordinary-D, PLN1.00 Ordinary-E, PLN1.00 Ordinary-F, PLN1.00 Ordinary-G, PLN1.00 Ordinary-I, PLN1.00 Ordinary-J, PLN1.00 Ordinary-K, PLN1.00 Ordinary-L, PLN1.00 Ordinary-M		
Puławska 12/10, 02-566 Warsaw, Poland			
Mental Path Group Sp. z o.o.	PLN50.00 Ordinary	80.00	80.00
Pulawska 48, 05-500 Piaseczno, Poland			
Silver Dental Clinic Sp. z o.o.	PLN50.00 Ordinary		
Rowninna 6 Street, 87-100, Torun, Poland			
Citomed Nieruchomosci Sp. z o.o.	PLN100.00 Ordinary		
Szamocka 6 Street, 01-748, Warsaw, Poland			
LUX MED Onkologia Sp. z o.o.	PLN50.00 Ordinary		
Szturmowa 2, 02-678, Warsaw, Poland			
Elblaska Sp. z o.o.	PLN50.00 Ordinary		
"Fundacja LUX MED Im. Dr Joanny Perkowicz"	Founder Contribution		
LUX MED Benefit Sp. z o.o.	PLN100.00 Ordinary		
LUX MED Sp. z o.o.	PLN500.00 Ordinary		
LUX MED Ubezpieczenia Towarzystwo Ubezpieczeń i Reasekuracji S.A.	PLN100.00 Ordinary		
LUX-MED Investment S.A.	PLN50.00 Series A, PLN50.00 Series B, PLN50.00 Series C, PLN50.00 Series D		
Wyższa Szkoła Nauk Medycznych w Warszawie	Founder Contribution		
Tadeusza Kościuszki 26, 05-800 Pruszków, Poland			
Dentika Sp. z o.o.	PLN1,000.00 Ordinary		
ul. Bysławska 84, 04-993, Warsaw, Poland			
Centrum Edukacji Medycznej Sp. z o.o.	PLN100.00 Ordinary		
ul. Franciszka Rakoczego 19 lok. U5, 80-286 Gdańsk, Poland			
Mediss Dental Clinic Sp. z o.o.	PLN250.00 Ordinary		
ul. Kuznicka 1, 72-010 Police, Poland			
"Medika" Usługi Medyczne Sp. z o.o.	PLN50.00 Ordinary		
ul. Obornicka 262, 60-693 Poznan, Poland			
Fundacja MedPolonia	Founder Contribution		
Med-Polonia Sp. z o.o.	PLN50.00 Ordinary		
Ul. Porcelanowa 23, 40-246, Katowice, Poland			
4DENT Sp. z o.o.	PLN100.00 Ordinary		
ul. Tadeusza Kościuszki 71, 87-100 Torun, Poland			
Tomograf Sp. z o.o.	PLN500.00 Ordinary		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
ul. Wrocławska 2A, 52-229 Komorowice, Poland			
Orthos Szpital Wielospecjalistyczny Sp. z o.o.	PLN500.00 Ordinary		
Wileńska, 44 Street, 80-215, Gdańsk, Poland			
LUX MED Szpital Gdansk S.A.	PLN10.00 Ordinary		
Swissmed Nieruchomosci Sp. z o.o.	PLN500.00 Ordinary		
Swissmed Opieka Sp. z o.o. ³	PLN1,000.00 Ordinary		
Władysława Broniewskiego 87A, 58-309, Wałbrzych, Poland			
A2 Clinic Sp. z o.o.	PLN250.00 Ordinary		
Portugal			
Plça Marques de Pombal, 1250-162, Lisboa, Portugal			
Bupa Novos Negócios, Unipessoal Lda.	€90,000.00 Ordinary		
Saint Kitts and Nevis			
Amory Building, Victoria Road, Basseterre, St. Kitts, Saint Kitts and Nevis			
Amedex Services Ltd.	US\$1.00 Capital Stock		
Singapore			
600, North Bridge Road, #05-01 Parkview Square, 188778, Singapore			
Bupa Singapore Holdings Pte. Ltd.	SGD Ordinary		
Spain			
Avda Marcelo Celayeta, 144 - Pamplona (31014), Spain			
Sanitas Mayores Navarra S.L.	€60.10 Ordinary		
Avenida Menendez Pelayo, 67, Piso 2, Puerta 6BIS, Madrid, Spain			
Advanced Skin Care, S.L.	€1.00 Ordinary	70.00	70.00
Clinica Dermatologica Centrodem 2001, S.L.	€6.01012 Ordinary	70.00	70.00
c/ Eguskiaguirre no.8, 48902, Baracaldo, Bilbao, Spain			
Sanitas Mayores Pais Vasco S.A.	€120.00 Ordinary		
Calle Ribera Del Loira, 52, 28042, Madrid, Spain			
Elegimosalud S.L.U	€1.00 Ordinary		
Especializada y Primaria L'Horta-Manises, S.A.U.	€1.00 Ordinary		
Fundacion Sanitas ¹⁰	€1.00 Contribution	100.00	99.92
Fundacion Sanitas Hospitales Para el Desarrollo de la Investigacion y la Innovacion Medica	Founder Contribution		
Grupo Bupa Sanitas S.L.U.	€100.00 Ordinary		
Resonancia Abierta Ibermedic, S.L.	€1.00 Ordinary		
Sanitas Emision S.L.U.	€1.00 Ordinary		
Sanitas Holding, S.L.U.	€1.00 Ordinary		
Sanitas Mayores S.L.	€651.28 Ordinary		
Sanitas Nuevos Negocios S.L.U.	€1.00 Ordinary		
Sanitas S.A. de Seguros	€0.68 Ordinary	99.92	99.92
Sanitas S.L. de Diversificacion S.U.	€6.02 Ordinary		
Sanitas, S.A. de Hospitales S.U.	€6.01 Ordinary		
Sweden			
Box 27093, 102 51, Stockholm, Sweden			
LMG Forsakrings AB	€1,000.00 Ordinary		
Türkiye			
15 Temmuz Mah. Koçman Cad, Demirkol Plaza, Blok No: 54 İç Kapı No: 32, Bağcılar, İstanbul, Türkiye			
Platform Sağlık Hizmetleri ve Danışmanlık Organizasyon A.S.	TRY100.00 Ordinary-B	100.00	60.00
Cevizli Mah. Tugay Yolu Cad. No: 69A, İç Kapı No: 124, Maltepe, İstanbul, 34846, Türkiye			
Bupa Turkey Sağlık Hizmetleri A.S.	TRY1.00 Ordinary		
Sencard Dis Klinigi A.S.	TRY100,000.00 Ordinary		
Cevizli Mahallesi, Fil Yokuşu Sokak A Blok No:34-36A İç Kapı No:41, Maltepe, İstanbul, Turkey			
Sencard Direkt Satış Sigorta Aracılığı A.S.	TRY1.00 Ordinary		
Piazza Ofis, Cevizli Mah. Tugay Yolu Cad. No: 69A, İç Kapı No: 53 Maltepe, İstanbul, Türkiye			
Bupa Acibadem Sigorta A.S.	TRY1.00 Ordinary		
Yıldız Teknik Üniv. D., Paşa Kamp. B2, Teknopark Binası K1 No:302, Esenler, İstanbul, Türkiye			
Sencard Partners Bilgi Teknolojileri Tic A.S.	TRY Ordinary		
United Arab Emirates			
Unit C1204, Level 12, Burj Daman, DIFC, PO Box 507019, Dubai, United Arab Emirates			
Bupa Global (DIFC) Limited	US\$1.00 Ordinary		

Financial Statements of the Company

for the year ended 31 December 2025

Name	Share Class	Proportion of class held (%)	Effective % ownership
United Kingdom			
1 Angel Court, London, EC2R 7HJ, United Kingdom			
ANS 2003 Limited ²	£0.01 Ordinary		
ANS Limited	£0.10 Ordinary		
Bede Village Management Limited	£1.00 Ordinary		
Blackberry Clinic (Ipswich) Limited	£1.00 Ordinary		
Blackberry Clinic Group Limited	£1.00 Ordinary		
Blackberry Clinic Limited	£1.00 Ordinary		
Blackberry Gymnasium Limited ⁶	£1.00 Ordinary-A		
Bridge Health Investments Limited ²	£1.00 Ordinary		
Bupa Care Homes (AKW) Limited	£1.00 Ordinary		
Bupa Care Homes (ANS) Limited	£1.00 Ordinary, £1.00 Special Share		
Bupa Care Homes (BNH) Limited	£1.00 Ordinary		
Bupa Care Homes (Cale View) Limited	£1.00 Ordinary		
Bupa Care Homes (CFCHomes) Limited	£1.00 Ordinary		
Bupa Care Homes (CFG) Limited ²	£0.25 Ordinary		
Bupa Care Homes (CFHCare) Limited	€0.000001 Redeemable Preference, £1.00 Ordinary		
Bupa Care Homes (GL) Limited	£1.00 Ordinary		
Bupa Care Homes (HH Bradford) Limited	£1.00 Ordinary		
Bupa Care Homes (HH Hull) Limited	£1.00 Ordinary		
Bupa Care Homes (HH Leeds) Limited	£1.00 Ordinary		
Bupa Care Homes (HH Northumberland) Limited	£1.00 Ordinary		
Bupa Care Homes (HH Scunthorpe) Limited	£1.00 Ordinary		
Bupa Care Homes (HH) Limited	£1.00 Ordinary		
Bupa Care Homes (Holdings) Limited ²	£1.00 Ordinary		
Bupa Care Homes (Partnerships) Limited ⁶	£1.00 Ordinary		
Bupa Care Homes (PT Lindsay) Limited	£1.00 Ordinary		
Bupa Care Homes (PT Links) Limited	£1.00 Ordinary		
Bupa Care Services (Commissioning) Limited	£1.00 Ordinary		
Bupa Care Services Limited ²	£0.20 Ordinary		
Bupa Diagnostic & Secondary Care (London) Limited	£0.001 Ordinary		
Bupa Foundation	Guarantee Membership Interest		
Bupa Global Holdings Limited	€1.00 Ordinary, €0.01 Ordinary, £1.00 Ordinary		
Bupa Healthcare Services Limited ²	£1.00 Ordinary		
Bupa Home Healthcare Pension Scheme Trustee Limited ²	£1.00 Ordinary		
Bupa India Holdings UK Limited	£1.00 Ordinary		
Bupa Insurance Limited ²	£1.00 Ordinary		
Bupa Insurance Services Limited ²	£1.00 Ordinary		
Bupa International Markets Limited	£1.00 Ordinary		
Bupa Investments Limited ²	£1.00 Ordinary		
Bupa Investments Overseas Limited ²	AUD Redeemable Preference, £1.00 Ordinary		
Bupa Limited	£1.00 Ordinary		
Bupa NVH Limited	£1.00 Ordinary		
Bupa Occupational Health Limited	£1.00 Ordinary		
Bupa Pension Scheme Trustees Limited ²	£1.00 Ordinary		
Bupa Secretaries Limited	£1.00 Ordinary		
Bupa Trustees Limited	£1.00 Ordinary		
Cale View Limited	£1.00 Ordinary		
Canterbury Skin and Laser Clinic Limited	£1.00 Ordinary-A, £1.00 Ordinary-B		
Cromwell Hospital Retirement Plan Trustee Limited ²	£1.00 Ordinary		
Everything Skin Limited	£1.00 Ordinary-A, £1.00 Ordinary-B		
Metabolic Services Limited	£0.001 Ordinary		
Occupational Health Care Limited	£1.00 Ordinary, £1.00 Redeemable Preference		
Richmond Care Villages (Property) Limited	£1.00 Ordinary		
Richmond Care Villages Holdings Limited ²	£1.00 Ordinary		
Richmond Coventry Limited	£1.00 Ordinary		
Richmond Letcombe Limited	£1.00 Ordinary		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
Richmond Nantwich Developments Limited	£1.00 Ordinary		
Richmond Nantwich Limited	£1.00 Ordinary		
Richmond Nantwich Properties Limited	£1.00 Ordinary		
Richmond Northampton Limited	£1.00 Ordinary		
Richmond Northampton Management Limited	£1.00 Ordinary		
Richmond Painswick Management Company Limited	£1.00 Ordinary		
Richmond Villages Operations Limited	£1.00 Ordinary		
St. Michael's Clinic Ltd	£1.00 Ordinary		
Stratum Aesthetics Limited	£1.00 Ordinary		
Stratum Clinics Limited	£1.00 Ordinary		
TDP Bidco Limited	£1.00 Ordinary		
The Harley Street Dermatology Clinic Ltd	£1.00 Ordinary		
The New Victoria Hospital Limited	£1.00 Ordinary		
13 Queens Road, Aberdeen, Aberdeenshire, AB15 4YL, United Kingdom			
Hillington Park Dental Practice Limited	£1.00 Ordinary		
MFM Community Limited	£1.00 Ordinary		
Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW, United Kingdom			
A4 Health Group Limited	£1.00 Ordinary		
Aesthetic Dental Laboratory Limited	£1.00 Ordinary		
Apex Dental Care Limited	£1.00 Ordinary		
Archway Dental Practice Limited	£1.00 Ordinary		
Arnica Dental Care Limited	£1.00 Ordinary		
Avsan Cove Limited	£1.00 Ordinary		
Avsan Dental Edinburgh Limited	£1.00 Ordinary		
Avsan Ferryburn Limited	£1.00 Ordinary		
Avsan Fife Limited	£1.00 Ordinary		
Avsan Fleet Limited	£1.00 Ordinary		
Avsan Gloucester Limited	£1.00 Ordinary		
Avsan Halstead Limited	£1.00 Ordinary		
Avsan Kseat Limited	£1.00 Ordinary		
Avsan Queenscross Limited	£1.00 Ordinary		
Avsan Queensroad Limited	£1.00 Ordinary		
Avsan Visage Limited	£1.00 Ordinary		
BASDAC (2011) LLP	Partnership Interest		
B Dental Limited	£1.00 Ordinary		
BE White Ltd	£1.00 Ordinary		
Bupa Dental Services Limited	£1.00 Ordinary		
Caring Dentistry Ltd	£1.00 Ordinary		
Cheshire Cat Orthodontics Limited	£1.00 Ordinary		
Clock Tower Dental Care Limited	£1.00 Ordinary		
Colchester Dental Referral Centre Limited	£1.00 Ordinary		
Croft Dental Care Limited	£1.00 Ordinary		
Dencraft (Leicester) Ltd	£1.00 Ordinary		
Dencraft (South Yorkshire) Limited	£1.00 Ordinary		
Den Dental Group Practice LLP	Partnership Interest		
Dental Confidence Limited	£1.00 Ordinary		
Dental Excellence - Harewood Practice LLP	Partnership Interest		
Dentalign Colwyn Bay Ltd	£1.00 Ordinary		
Dentalign Eastbourne Ltd	£1.00 Ordinary		
Dentalign Orthodontics Limited	£1.00 Ordinary		
Dentalign Orthodontics LLP	Partnership Interest		
Dentalign Wrexham Ltd	£1.00 Ordinary		
Derwent House Orthodontics Limited	£1.00 A Ordinary		
Devon Smiles Limited	£1.00 Ordinary		
Deysbrook Dental Surgery Limited	£1.00 Ordinary		
Diamond House Dental Practice Limited	£1.00 Ordinary		
Eckington Dental Practice Limited	£1.00 Ordinary		
Eurodonic Limited	£1.00 Ordinary		
Fairfield Dental Surgery Limited	£1.00 Ordinary		
Freshdental Practice Limited	£1.00 Ordinary		

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Name	Share Class	Proportion of class held (%)	Effective % ownership
Future Drilling Limited	£1.00 Ordinary		
Goodteeth Dental Surgeries Limited	£1.00 Ordinary		
Grosvenor Orthodontic Clinic (Beckenham) Limited	£1.00 Ordinary		
Harbour Way Surgery Limited	£1.00 A Ordinary		
Haven Green Clinic Limited	£1.00 Ordinary		
Highland Dental Care Limited	£1.00 Ordinary		
Highwoods and St Johns Limited	£1.00 Ordinary		
Highworth Dental Care Limited	£1.00 Ordinary		
Hope Dental Practice Limited	£1.00 Ordinary, £1.00 Ordinary B		
Hospital Lane Dental Clinic Limited	£1.00 Ordinary		
Iosis Clinic Limited	£1.00 Ordinary		
J A Jordan & Associates Limited	£1.00 Ordinary		
J.J. Thompson (Orthodontic Appliances) Limited	£1.00 Ordinary		
James Taylor and Partners Limited	£1.00 Ordinary		
JDH Holdings Limited	£0.10 Ordinary		
Kidson Orthodontics Limited	£1.00 Ordinary		
King Lane Dental Care Limited	£1.00 Ordinary		
KN Wellness Ltd	£1.00 Ordinary		
Lab 53 Limited	£1.00 Ordinary		
Lawrence Street Dental Practice Limited	£1.00 Ordinary		
Linden Dental Centre Limited	£1.00 Ordinary		
Luke Barnett Limited	£1.00 Ordinary		
Mainstream Dental Care Limited	£1.00 Ordinary		
Mark Fazakerley (VHO) Limited	£1.00 Ordinary		
MCM (Dental Services) Limited	£1.00 Ordinary		
MDANZ Limited	£1.00 Ordinary		
Metrodental Limited	£1.00 Ordinary		
Milehouse Dental Care Limited	£1.00 Ordinary		
Mojo-D Limited	£1.00 Ordinary		
MZINC Limited	£0.01 Ordinary		
Nigel Reynolds Limited	£1.00 Ordinary		
NM Jones Ltd	£1.00 Ordinary		
North Devon Orthodontic Centre Limited	£1.00 Ordinary		
Oasis Dental Care (Central) Limited	£1.00 Ordinary		
Oasis Dental Care (Southern) Holdings Limited	£0.10 Ordinary-A		
Oasis Dental Care (Southern) Limited	£1.00 Ordinary		
Oasis Dental Care Limited	£1.00 Ordinary		
Oasis Healthcare Limited	£0.01 Ordinary		
Oral Implantology Limited	£1.00 Ordinary		
Ortho 2008 Limited	£1.00 Ordinary		
Orthoscene Limited	£1.00 Ordinary		
Oswestry Dental Laboratory Limited	£1.00 Ordinary		
Peter Baldwin (VHO) Limited	£1.00 Ordinary		
Priors Croft Dental Practice Limited	£1.00 Ordinary		
Private Dental Services Ltd	£1.00 Ordinary		
Quantum Ortho Limited	£1.00 Ordinary		
Quest Dental Care LLP	Partnership Interest		
Raglan Suite Limited	£1.00 Ordinary		
Ratcliffe Dental Limited	£1.00 Ordinary		
Richley Dental Ceramics Limited	£1.00 Ordinary		
Rise Park Dental Practice Limited	£0.10 Ordinary A, £0.10 Ordinary B		
Roberts-Harry Clinic Ltd	£1.00 Ordinary		
Shaw & Associates Dental Surgeons Ltd	£1.00 Ordinary		
Silverwell Surgery Ltd	£1.00 Ordinary		
Siobhan Owen Limited	£1.00 Ordinary		
Smile Dental Care Ltd	£1.00 Ordinary		
Smile Lincs Limited	£1.00 Ordinary		
Steeple Grange Smiles Limited	£1.00 Ordinary		
Stob Dearg Limited	£1.00 Ordinary		
Stop the Clock Dental Care Limited	£1.00 Ordinary		

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for the year ended 31 December 2025

Name	Share Class	Proportion of class held (%)	Effective % ownership
Synergy Ceramics Ltd	£1.00 Ordinary		
TDK Dental Limited	£0.50 Ordinary A		
The Adams and Lee Dental Practice Ltd	£1.00 Ordinary		
The Clinic Dental Facial Limited	£1.00 Ordinary		
The Dental Solutions Centre Ltd	£0.02 Ordinary		
The Exeter Dental Centre Limited	£1.00 Ordinary		
The Facial Aesthetics & Dental Centre Ltd	£1.00 Ordinary		
The Oasis Healthcare Group Limited ²	£1.00 Ordinary		
The Spire Halifax Limited	£1.00 Ordinary		
The Tutbury Dental Practice Limited	£1.00 Ordinary		
Tooth Fixer Limited	£1.00 Ordinary		
Total Orthodontics Limited	£1.00 Ordinary		
Wessington Way Limited	£0.10 Ordinary		
Whole Tooth Limited	£1.00 Ordinary		
Wimborne Total Dental Care Limited	£1.00 Ordinary		
Windslade Limited	£1.00 Ordinary		
Winning Smiles (Gillingham) Limited	£1.00 Ordinary		
Wylde Green Orthodontics LLP	Partnership Interest		
Wylde Valley Dentistry Limited	£1.00 Ordinary		
Xeon Smiles UK Limited	£1.00 Ordinary		
Cromwell Hospital, Cromwell Road, London, SW5 0TU			
Cromwell Health Group Limited ²	£1.00 A Ordinary		
Medical Services International Limited	£1.00 Ordinary		
Mind Your Business (Ni) Ltd, 1 Elmfield Avenue, Warrenpoint, Newry, County Down, BT34 3HQ, Northern Ireland			
Belfast Orthodontic Clinic Ltd	£1.00 Ordinary		
Blueapple Dental and Implant Team Limited	£1.00 Ordinary		
Cranmore Excellence in Dentistry Limited	£1.00 Ordinary		
DE (Belmont Road) Ltd	£1.00 Ordinary		
Fortwilliam and Ballymena Specialist Dental Clinics Limited	£1.00 Ordinary		
Smiles Dental Practices North Limited	£1.00 Ordinary		
Pinsent Masons Lip, 13 Queens Road, Aberdeen, AB15 4YL, United Kingdom			
Martin and Martin Dental Care Limited	£1.00 Ordinary		
Partick Dental Ltd.	£0.01 Ordinary		
United States			
18001 Old Cutler Road, Suite 500 Palmetto Bay, Florida 33157, United States			
Bupa Insurance Company	US\$1.25 Capital Stock		
Bupa Investment Corporation, Inc.	US\$1.00 Capital Stock		
Bupa U.S. Holdings, Inc.	US\$0.01 Common Stock		
Bupa Worldwide Corporation	US\$5.00 Capital Stock		
U.S.A. Medical Services Corporation	US\$5.00 Capital Stock		

1. In voluntary dissolution, pending deregistration
2. Held directly by the Company
3. In voluntary liquidation
4. 0.017% held directly by the Company
5. 1% held directly by the Company
6. In voluntary dissolution
7. 0.000001% held directly by the Company's parent
8. <0.00002% held by nominee
9. 0.03% held directly by the Company
10. The Sanitas Foundation

Financial Statements of the Company

for the year ended 31 December 2025

Other related undertakings

The related undertakings listed below comprise joint ventures, associated undertakings and other significant holdings. Unless otherwise stated, the proportion of the nominal value of each share class held indirectly by the Company is shown below, together with the Group's effective ownership, calculated by reference to the voting rights. All joint ventures are included in the Group consolidation using the equity method unless otherwise stated.

Name	Share Class	Proportion of class held (%)	Effective % ownership
Australia			
'Health Translation Hub' Level 8, 55 Botany Street, Randwick NSW 2031, Australia			
George Health Enterprises Pty Limited	AUD Ordinary	21.15	21.15
Chile			
Manuel Antonio Matta N° 1945, Comuna Antofagasta, Region Antofagasta, Chile			
Sociedad Instituto De Cardiologia Del Norte Limitada	CLP Social Rights	50.00	44.47
Saudi Arabia			
7764 Prince Sultan St, Al Mohammediyah Dist., PO Box 260, Jeddah, 21411, Saudi Arabia			
My Clinic Advanced Pharmacies Company ¹	SAR100.00 Ordinary	100.00	50.00
My Clinic International Medical Company Limited	SAR100.00 Ordinary	100.00	50.00
Nazer Bupa Medical Equipment Company Limited	SAR1,000.00 Ordinary	50.00	50.00
Nur Al Ihsan, Al Khalediya District, P.O. Box 23423, Building No. 3538, Jeddah, Saudi Arabia			
Bupa Arabia For Cooperative Insurance Company	SAR10.00 Ordinary	43.25	43.25
Bupa Arabia For Third Party Administration	SAR1,000.00 Ordinary	100.00	43.25
Prince Saud AlFaisal St., Al Khalediya District, Building No. 3498, P.O. Box 23423, Jeddah, Saudi Arabia			
Health Horizon Medical Care	SAR100.00 Ordinary	100.00	43.25
Spain			
Avenida Pío XII, nº 55, (Edificio CIMA-Universidad de Navarra), Pamplona, Navarra, Spain			
Mimo Biosciences, S.L.	€1.00 Ordinary-B	60.00	20.00
Calle Ribera Del Loira, 52, 28042, Madrid, Spain			
Desarrollos Hospitalarios 2024, S.L.	€1.00 Ordinary	50.03	50.03
CI Marques De Mendigorría 4, 45003, Toledo, Spain			
Centro Medico Enova, S.L.	€1.00 Ordinary	40.20	40.20
United Kingdom			
1 Angel Court, London, EC2R 7HJ, United Kingdom			
Fulford Grange Medical Centre Limited	£1.00 'A' Ordinary	100.00	50.00
10 Orange Street, London, WC2H 7DQ, United Kingdom			
Healthcode Limited ²	£1.00 A Ordinary	100.00	20.00
	£1.00 E Ordinary	20.00	
4th Floor, 167 Fleet Street, London, EC4A 2EA, United Kingdom			
Healthbox Europe 1 LP	£1.00 Partnership Capital	37.04	37.04
Wilson House Waterberry Drive, Waterlooville, Hampshire, PO7 7XX, United Kingdom			
London Oncology and Wellbeing Centre Limited	£1.00 B	100.00	39.46
	£1.00 Ordinary	22.05	
United States			
700 Bishop Street, Suite 1100, Honolulu, Honolulu County, HI 96813, United States			
HTH Re, Ltd	US\$1.00 Ordinary	100.00	49.00
933 First Avenue, King of Prussia PA 19406, United States			
Highway to Health, Inc	US\$0.01 Ordinary	49.00	49.00
HTH Worldwide, LLC	US\$1.00 Ordinary	100.00	49.00
Worldwide Insurance Services, LLC	US\$1.00 Ordinary	100.00	49.00

1. 0.002% held by nominee

2. Held directly by the Company