

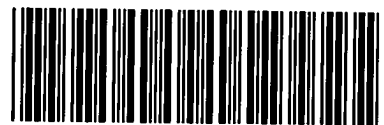
**Company No 09229671**

**BEAZLEY CORPORATE MEMBER (NO.3) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

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COMPANIES HOUSE

# **Beazley Corporate Member (No.3) Limited**

## **Directors and advisors**

### **Directors**

C P Oldridge  
S D Rayment  
C C J Wong

### **Secretary**

Callidus Secretaries Limited  
Becket House,  
36 Old Jewry,  
London  
United Kingdom  
EC2R 8DD

### **Registered office**

22 Bishopsgate  
London  
EC2N 4BQ

### **Registered number**

09229671

### **Auditor**

Ernst & Young LLP  
25 Churchill Place  
London  
E14 5EY

### **Banker**

Deutsche Bank AG  
Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

# **Beazley Corporate Member (No.3) Limited**

## **Strategic report**

The Directors present their strategic report for Beazley Corporate Member (No.3) Limited ('the Company'), registered number: 09229671, that accompanies the audited financial statements for the period ended 31 December 2024.

### **Business review and principal activity**

The principal activity of the Company is to participate on the 2022 and 2023 underwriting years of account of the Beazley Furlonge Limited ('BFL') managed Syndicate 4321 on a limited liability basis, with a 10% participation. The principal activity of Syndicate 4321 is to provide a choice of additional capacity for large corporate clients who meet the eligibility standards of the environmental, social and governance ('ESG') scoring criteria established by Lloyd's. Since 1 January 2024, Syndicate 4321 has no longer written new follow capacity insurance business at Lloyd's. The company remains a going concern, holding and managing retained liabilities from prior years. The company maintains sufficient resources to meet its obligations and will continue to explore future opportunities.

The result for the Company for the year ended 31 December 2024 is a profit of \$357.6k (2023: \$132.5k). The profit for the year is primarily driven by a decrease in net operating expenses and profitable development of Syndicate 4321's written business. An improving combined ratio also contributed to the increase in profit year on year. Net operating expenses, including business acquisition costs and administrative expenses for 2024 were \$277.6k (2023:\$769.3k). The breakdown of these costs is shown in note 4.

### **Principal risks and uncertainties**

The principal risks and uncertainties of the Company are aligned with those of Beazley plc ('the Group') and include:

- Insurance risk;
- Market risk;
- Credit risk;
- Group risk;
- Liquidity risk;
- Regulatory and legal risk;
- Operational risk and
- Strategic risk

The Group operates a risk management framework, within which risk appetite is defined, risks assumed are identified and managed and key controls are implemented and monitored.

### **Key performance indicators ('KPIs')**

The Company's directors are of the opinion that the KPIs for the Company are best represented by:

1. the level of gross premiums written in the year, 2024: \$428.5k (2023: \$2,042.0k)
2. claims ratio, 2024: 51% (2023: 66%)
3. expense ratio, 2024: 25% (2023: 41%)
4. investment return, 2024: 5% (2023:6%)

# Beazley Corporate Member (No.3) Limited

## Section 172 statement

The board of directors confirm that during the year ended 31 December 2024 they have discharged their duties to act in a way they believe promotes the long-term success of the company for the benefit of its members as a whole, whilst having regard to the matters set out in section 172 of the Companies Act 2006.

The Company is part of the Beazley plc group (the 'Group'), and its ultimate shareholder is Beazley plc. The Group's governance arrangements ensure that when making decisions, the board has overall regard to the interests of the Group and its stakeholders, while acting in the interests of its own stakeholders and promoting the long-term success of the Company.

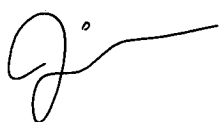
The Company participated on the 2022 and 2023 underwriting years of syndicate 4321 on a limited liability basis with 10% participation. From 1 January 2024, Syndicate 4321 ceased to write new follow capacity insurance business at Lloyd's. Syndicate 4321 is managed by Beazley Furlonge Limited, a subsidiary within the Group.

The board has identified that its key stakeholders are:

- its immediate shareholder, Beazley Furlonge Holdings Limited (BFHL), and the wider Group;
- Beazley Furlonge Limited and syndicate 4321; and
- Lloyd's of London.

The Company relies on Beazley Furlonge Limited, the managing agent of syndicate 4321 and a subsidiary within the Beazley plc group, to monitor returns for syndicate 4321 to Lloyd's and to provide the annual Lloyd's solvency statement. Engagement with Lloyd's is supported by the Group's Compliance function, and any significant matters are reported to the boards of Beazley Furlonge Limited or Beazley plc.

During 2024, the main activity of the board was oversight of the Company's financial position and monitoring its KPIs, as set out in the Strategic Report, with due regard to its stakeholders. The principal decisions of the board during 2024 included the approval of the Company's 2023 annual report and accounts. When taking these decisions, the board considered its financial position and that it had sufficient capital and liquidity in order to meet its obligations and to ensure the long-term success of the Company for the benefit of its sole member and the Group. The board also had regard to its stakeholders, as set out above, and the desirability of maintaining the Company's and the Group's reputation for high business standards.



C C J Wong  
Director

2 July 2025

# Beazley Corporate Member (No.3) Limited

## Directors' report

### Business review and future developments

A review of the Company's activities are included in the strategic report.

### Results and dividends

The results of the Company for the year are shown in the Statement of comprehensive income on pages 11 to 12. There were no dividends paid during the year (2023: nil).

### Directors

The Directors of the Company who served during the year and to the date of this report, were as follows:

C P Oldridge  
S D Rayment  
C C J Wong

### Secretary

Callidus Secretaries Limited served as company secretary during the year and to the date of this report.

### Directors' shareholdings

No Director has any beneficial interest in the shares of the Company. The interests of the directors of the ultimate parent company, Beazley plc, in the share capital of the ultimate parent company are disclosed in that company's accounts. Copies of those accounts can be obtained from the website [www.beazley.com](http://www.beazley.com).

### Disclosure of information to auditor

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

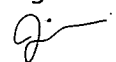
### Social, environmental and ethical risks

Social, environmental and ethical risks are managed on a Group basis. More information can be obtained on how Beazley group manages these risks from the financial statements of the Company's ultimate parent Beazley plc.

### Auditor

In accordance with section 487(2) of the Companies Act 2006 and in the absence of notice proposing that the appointment be terminated at a general meeting, Ernst & Young will be deemed to be reappointed for the next financial year.

Signed on behalf of the Board



C C J Wong  
Director

2 July 2025

## Beazley Corporate Member (No.3) Limited

### Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

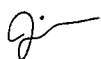
The Directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 company and of the statement of comprehensive income of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 company and to prevent and detect fraud and other irregularities.



C C J Wong  
Director

2 July 2025

# **Beazley Corporate Member (No.3) Limited**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.3) LIMITED**

### **Opinion**

We have audited the financial statements of Beazley Corporate Member (No.3) for the year ended 31 December 2024 which comprise the Statement of comprehensive income, Statement of financial position, the Statement of changes in equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and FRS 103 "Insurance Contracts" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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.

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 company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## **Beazley Corporate Member (No.3) Limited**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.3) LIMITED (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Beazley Corporate Member (No.3) Limited**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.3) LIMITED (continued)**

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 auditor's 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.

#### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are direct laws and regulations related to the financial reporting (UK GAAP and the Companies Act 2006), and the relevant direct and indirect tax compliance regulations in the United Kingdom.
- We understood how Beazley Corporate Member (No.3) is complying with those frameworks by making enquiries of management and those responsible for the legal and compliance matters of the Company. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the Company and regulatory bodies, reviewed minutes of the Board of the Company, and gained an understanding of the Company's approach to governance.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud. Additionally, we tested year-end adjustments i.e. early close topside adjustments and manual journals, to provide reasonable assurance that the financial statements were free from fraud or error.

## Beazley Corporate Member (No.3) Limited

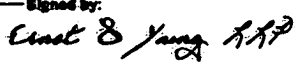
### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAZLEY CORPORATE MEMBER (NO.3) LIMITED (continued)

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiry of those charged with governance and senior management for their awareness of any non-compliance of laws and regulations; inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees and inquiring about the company's methods of enforcing and monitoring compliance with such policies and involvement of relevant specialists, including forensics specialists and inquiring about the appointment of external advisers, including legal counsel, as applicable.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
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Heidi Burton (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
2 July 2025

## Beazley Corporate Member (No.3) Limited

### Statement of comprehensive income For the year ended 31 December 2024

#### Technical account – general business

|                                                                        | Note | 2024<br>\$'000 | 2023<br>\$'000   |
|------------------------------------------------------------------------|------|----------------|------------------|
| Gross premiums written                                                 | 3    | 428.5          | 2,042.0          |
| Change in the gross provision for unearned premiums                    | 13   | 673.9          | (168.6)          |
| <b>Earned premiums</b>                                                 | 3    | <b>1,102.4</b> | <b>1,873.4</b>   |
| Allocated investment return transferred from the non-technical account |      | 177.8          | 222.4            |
| Gross claims paid                                                      |      | (385.1)        | (335.5)          |
| Change in the gross provision for claims                               | 13   | (179.8)        | (901.3)          |
| <b>Claims incurred</b>                                                 | 3    | <b>(564.9)</b> | <b>(1,236.8)</b> |
| Net operating expenses                                                 | 4    | (277.6)        | (769.3)          |
| <b>Balance on the technical account</b>                                |      | <b>437.7</b>   | <b>89.7</b>      |

The accounting policies and notes on pages 15 to 33 form part of these financial statements.

## Beazley Corporate Member (No.3) Limited

### Statement of comprehensive income For the year ended 31 December 2024

#### Non - technical account

|                                                                                 | Note | 2024<br>\$'000 | 2023<br>\$'000 |
|---------------------------------------------------------------------------------|------|----------------|----------------|
| <b>Balance on technical account for general business</b>                        |      | <b>437.7</b>   | <b>89.7</b>    |
| Investment income                                                               |      | 177.8          | 222.4          |
| Allocated investment loss transferred to the general business technical account |      | (177.8)        | (222.4)        |
| Gain on foreign exchange                                                        |      | 40.2           | 84.7           |
| <b>Profit on ordinary activities before taxation</b>                            |      | <b>477.9</b>   | <b>174.4</b>   |
| Taxation charge on ordinary activities                                          | 6    | (120.3)        | (41.9)         |
| <b>Total comprehensive income for the financial year</b>                        |      | <b>357.6</b>   | <b>132.5</b>   |

The company's operating activities all relate to continuing operations.

There are no gains or losses other than those included in the Statement of Comprehensive income for the year or previous year, and accordingly no separate statement of other comprehensive income is given.

The notes on pages 15 to 33 form part of these financial statements.

## Beazley Corporate Member (No.3) Limited

### Statement of changes in equity For the year ended 31 December 2024

|                                               | Share<br>capital | Capital<br>contribution<br>reserve | Retained<br>earnings | Total          |
|-----------------------------------------------|------------------|------------------------------------|----------------------|----------------|
|                                               | \$'000           | \$'000                             | \$'000               | \$'000         |
| <b>Balance at 1 January 2023</b>              | —                | 3,680.1                            | (166.3)              | <b>3,513.8</b> |
| Total comprehensive profit for financial year | —                | —                                  | 132.5                | 132.5          |
| <b>Balance at 31 December 2023</b>            | —                | <b>3,680.1</b>                     | <b>(33.8)</b>        | <b>3,646.3</b> |
| Total comprehensive income for financial year | —                | —                                  | 357.6                | 357.6          |
| <b>Balance at 31 December 2024</b>            | —                | <b>3,680.1</b>                     | <b>323.8</b>         | <b>4,003.9</b> |

The accounting policies and notes on pages 15 to 33 form part of these financial statements.

# Beazley Corporate Member (No.3) Limited

## Statement of financial position At 31 December 2024

|                                                    | Note | 2024<br>\$'000 | 2023<br>\$'000 |
|----------------------------------------------------|------|----------------|----------------|
| <b>Assets</b>                                      |      |                |                |
| <b>Investments</b>                                 |      |                |                |
| Financial assets at fair value                     | 14   | 246.7          | 262.5          |
| <b>Debtors</b>                                     |      |                |                |
| Debtors arising from direct insurance operations   |      | 170.1          | 105.1          |
| Debtors arising from reinsurance operations        |      | 4.5            | 25.5           |
| Other debtors                                      | 7    | 3,387.8        | 3,270.2        |
| Other assets                                       |      | 3.8            | —              |
| Cash at bank and in hand                           | 10   | 2,914.4        | 3,945.5        |
| Deferred acquisition costs                         | 12   | 7.1            | 82.7           |
| Deferred tax asset                                 | 9    | —              | 85.8           |
| Prepayments and Accrued Interest                   |      | 3.3            | —              |
| <b>Total assets</b>                                |      | <b>6,737.7</b> | <b>7,777.3</b> |
| <b>Equity</b>                                      |      |                |                |
| Share Capital                                      | 11   | —              | —              |
| Capital contribution reserve                       |      | 3,680.1        | 3,680.1        |
| Retained earnings                                  |      | 323.8          | (33.8)         |
| <b>Total equity</b>                                |      | <b>4,003.9</b> | <b>3,646.3</b> |
| <b>Liabilities</b>                                 |      |                |                |
| <b>Technical provisions</b>                        |      |                |                |
| Provision for unearned premiums                    | 13   | 67.0           | 737.5          |
| Claims outstanding                                 | 13   | 1,539.7        | 1,361.3        |
|                                                    |      | 1,606.7        | 2,098.8        |
| <b>Creditors</b>                                   |      |                |                |
| Creditors arising from direct insurance operations |      | 3.0            | 0.3            |
| Other creditors                                    | 8    | 881.5          | 1,865.6        |
| Other liabilities                                  |      | 77.5           | 20.0           |
| Accruals and deferred income                       |      | 158.8          | 146.3          |
| Deferred tax liability                             | 9    | 6.3            | —              |
| <b>Total equity and liabilities</b>                |      | <b>6,737.7</b> | <b>7,777.3</b> |

Signed on behalf of the Board of Directors by:

  
C C J Wong  
Director

The financial statements were approved and authorised for issuance by the Board of Directors on 2 July 2025.

The accounting policies and notes on pages 15 to 33 form part of these financial statements.

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements**

### **1. Accounting policies**

#### **Statement of compliance**

The Company is a limited liability company incorporated in England under the Companies Act, limited by shares. The address of the registered office is given on page 2.

The financial statements have been prepared and approved by the Directors in accordance with the Companies Act 2006, applicable accounting standards in the UK and Republic of Ireland, Financial Reporting Standard 102 ('FRS 102') and the Financial Reporting Standard applicable for Insurance Contracts Financial Reporting Standard 103 ('FRS 103'), as it applies to the financial statements of the Company for the year ended 31 December 2024 and in accordance with the provisions of the Large and Medium sized Companies and Group (Accounts and Reports) Regulations.

#### **Basis of preparation**

The financial statements were approved and authorised for issuance by the Board of Directors on 2 July 2025.

The financial statements are prepared using the historical cost convention. All amounts presented are stated in US dollars, as the Company's functional and presentational currency, and in thousands, unless stated otherwise.

The Financial Reporting Council issued amendments to FRS 102 in March 2024. These changes are effective for the periods beginning on or after 1 January 2026. The Company is assessing the impact of these changes but does not expect these to be material.

#### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions. As these conditions have been complied with, the Company has taken advantage of the following exemptions:

1. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the Group's consolidated financial statements, includes the Company's cash flows;
2. from disclosing the Company's key management personnel compensation, as required by FRS 102; and
3. from disclosing transactions entered into between related parties within a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### **Going Concern**

The financial statements of the Company have been prepared on a going concern basis. As a wholly owned subsidiary of the Beazley Group, the Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic report contained in the Beazley plc Annual Report & Accounts. In addition, the risk report includes the Group's risk management objectives and the Group's objectives, policies and processes for managing its capital.

In assessing the Company's going concern position as at 31 December 2024, the Directors have considered a number of factors, including the current statement of financial position, the Company's strategic and financial plan, taking into account possible changes in trading performance and funding retention. The assessment concluded that, the Company has sufficient capital and liquidity for the next twelve months from when the financial statements are authorised for issue

Furthermore, the Company is in receipt of a letter of support from Beazley Furlonge Holdings Limited ('BFHL'), an intermediate holding company in the Beazley Group and the Company's immediate parent.

Effective from 1 January 2026, the managing agent of Syndicate 4321, to which the Company provides capital, intends to enter into a reinsurance to close arrangement with Syndicate 5623. At that point, Syndicate 4321 will cease operating, as there will be no successor year of account. Whilst the Company will not participate on any open years of

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements (continued)**

### **1. Accounting policies (continued)**

account from 1 January 2026 as a result of this, it is the intention of the Directors that the Company will continue to operate for the foreseeable future.

As a result of the assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being a period of twelve months from the date these financial statements are authorised for issue, and therefore believe that the Company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

#### **Basis of accounting for underwriting activities**

The Company underwrote as a corporate member of Lloyd's on the 2022 and 2023 year of account of Syndicate 4321. Underwriting transactions are undertaken within premium trust funds applicable to the syndicate and profits arising from underwriting may only be released in accordance with Lloyd's syndicate accounting rules, usually two years after the end of an underwriting year of account, after satisfying Lloyd's solvency requirements for all years of account open at the time of the release.

The accounting information in respect of Syndicate 4321 has been provided by Beazley Furlonge Limited ('BFL') to Lloyd's and has been audited by Syndicate 4321's auditor.

The underwriting results are determined on an annual basis. Results reported on an annual basis recognise profits as they are earned instead of at the closure of a particular year of account, normally after three years.

#### **Use of estimates and judgements**

The preparation of financial statements requires the use of certain critical accounting estimates and judgements that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those on which management's estimates are based. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in this statement of accounting policies.

#### **(a) Valuation of insurance contract liabilities**

The most critical estimate included within the Company's balance sheet is the estimate for insurance losses incurred but not reported ('IBNR'), which is included within total technical provisions in the balance sheet and note 13. This estimate is critical as it outlines the current liability for future expenses expected to be incurred in relation to claims. If this estimation was to prove inadequate then an exposure would arise in future years where a liability has not been provided for.

The best estimate of the most likely ultimate outcome is used when calculating notified claims. This estimate is based upon the facts available at the time, in conjunction with the claims manager's view of likely future developments. The total estimate as at 31 December 2024 included within claims outstanding is \$1,134.2k (2023: \$1,009.4k).

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements (continued)**

### **1. Accounting policies (continued)**

#### **(b) Premium estimates**

Premium written is initially based on the estimated premium income ('EPI') of each contract. Where premium is sourced through binders, the binder EPI is pro-rated across the binder period. Judgement is involved in determining the ultimate estimates in order to establish the appropriate premium value and, ultimately, the cash to be received. EPI estimates are updated to reflect changes in an underwriters expectation through consultation with brokers and third-party cover holders, changes in market conditions, historic experience and to reflect actual cash received for a contract.

#### **Significant accounting policies**

The financial statements have been prepared on an annual basis of accounting, whereby the incurred cost of claims, commissions and related expenses are charged against the earned proportion of premiums, net of reinsurance as follows:

#### **(a) Premiums**

Gross premiums written comprise premiums on contracts inception during the financial year together with adjustments to premiums written in previous accounting periods and estimates for premiums from contracts entered into during the course of the year. Gross premiums written are stated before the deduction of brokerage, taxes, duties levied on premiums and other deductions.

#### **(b) Unearned premiums**

A provision for unearned premiums represents that part of the gross premiums written that is estimated will be earned in the following or subsequent financial periods. It is calculated using the daily pro-rata method, under which the premium is apportioned over the period of risk.

#### **(c) Claims incurred**

Claims incurred represent the cost of claims and claims handling expenses paid during the financial year, together with the movement in provisions for outstanding claims, claims incurred but not reported ('IBNR') and future claims handling provisions. The provision for outstanding claims comprises amounts set aside for claims advised and IBNR.

The IBNR amount is based on estimates calculated using widely accepted actuarial techniques which are reviewed quarterly by the group actuary and annually by the independent company reporting actuary. The techniques generally use projections, based on past experience of the development of claims over time, to form a view on the likely ultimate claims to be experienced. For more recent underwriting, regard is given to the variations in the business portfolio accepted and the underlying terms and conditions. Thus, the critical assumptions used when estimating claims provisions are that the past experience is a reasonable predictor of likely future claims development and that the rating and other models used to analyse current business are a fair reflection of the likely level of ultimate claims to be incurred.

A provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported to the managing agent. The managing agent takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

#### **(d) Liability adequacy testing**

At each reporting date, liability adequacy tests are performed to ensure the adequacy of the claims liabilities net of deferred acquisition costs and unearned premium reserves. In performing these tests, current best estimates of future contractual cash flows, claims handling and administration expenses as well as investment income from the assets backing such liabilities are used.

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements (continued)**

### **1. Accounting policies (continued)**

Any deficiency is immediately charged to the statement of comprehensive income and subsequently recognised by establishing an unexpired risk reserve provision for losses arising from liability adequacy tests.

#### **(e) Acquisition costs**

Acquisition costs comprise brokerage, premium levies, and staff related costs of the underwriters acquiring the business. The proportion of acquisition costs in respect of unearned premiums is deferred at the balance sheet date and recognised in later periods when the related premiums are earned.

#### **(f) Foreign currencies**

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

#### **(g) Investment return**

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses, charges and interest.

Realised gains and losses on investments carried at market value are calculated as the difference between sale proceeds and the original cost of the investment. Movements in unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date, and the valuation at the previous period end or purchase value during the period. Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account to reflect the investment return on funds supporting underwriting business.

#### **(h) Financial instruments**

Financial instruments consist of debt instruments held by the Company measured at amortised cost.

#### **Financial assets**

On acquisition of a financial asset, the Company is required to classify the asset into the following categories: financial assets at fair value through statement of comprehensive income, loans and receivables, assets held to maturity and assets available for sale. The Company does not make use of the held to maturity and available for sale classifications.

#### **Financial assets at fair value through profit or loss**

All financial assets are designated as fair value through profit or loss (FVTPL) upon initial recognition because they are managed and their performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the Company's key management. The Company's investment strategy is to invest and evaluate performance with reference to their fair values.

#### **Fair value measurement**

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

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements (continued)**

### **1. Accounting policies (continued)**

transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in the statement of comprehensive income depending on the individual facts and circumstances of the transaction but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Upon initial recognition, attributable transaction costs relating to financial instruments at fair value through profit or loss are recognised in the income statement when incurred. Financial assets at fair value through profit or loss are continuously measured at fair value, and changes therein are recognised in the statement of comprehensive income. Net changes in the fair value of financial assets at fair value through the statement of comprehensive income exclude interest and dividend income, as these items are accounted for separately.

#### **(i) Insurance debtors and creditors**

Insurance debtors and creditors include amounts due to and from agents, brokers and insurance contract holders. These are classified as debt instruments as they are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Insurance debtors are measured at amortised cost less any provision for impairments. Insurance creditors are stated at amortised cost. The Company does not have any debtors directly with policyholders, all transactions occur via an intermediary.

#### **(j) Other debtors**

Other debtors principally consist of intercompany debtor balances and sundry debtors and are carried at amortised cost less any impairment losses.

#### **(k) Other creditors**

Other creditors principally consist of intercompany payable balances and are stated at amortised cost determined using the effective interest rate method.

#### **(l) Impairment of financial assets**

Assessment is made at each reporting date whether there is objective evidence that a financial asset or group of financial assets measured at amortised cost is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the assets and that event has an impact on the estimated cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that impairment exists, the amount of the loss is measured as the difference between the assets carrying amount and the value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in the statement of comprehensive income.

#### **(m) Cash and cash equivalents**

This consists of cash at bank and in hand. Cash at bank and in hand balances are carried at amortised cost less any impairment loss.

#### **(n) Taxation**

The Company has applied the amendment to FRS 102 in relation to International Tax Reform - Pillar Two Model Rules from 01 January 2023, as issued by the FRC. It introduced a mandatory temporary exemption from recognising and disclosing deferred taxes arising from the Pillar Two and requires targeted disclosure. Whilst the Company is in the scope of the Pillar Two rules, it has no impact on the Company.

# **Beazley Corporate Member (No.3) Limited**

## **Notes to the financial statements (continued)**

### **1. Accounting policies (continued)**

The Company is taxed on its results including its share of underwriting results declared by the syndicates in which it participates, and these are deemed to accrue evenly over the calendar year in which they are declared. The Syndicate results included in these financial statements are only declared for tax purposes in the calendar year following the normal closure of the year of account. No current tax provision is made for corporation tax in relation to open years of account. However, full provision is made for deferred tax on underwriting results not subject to current corporation tax.

#### **(o) Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

#### **(p) Other assets**

Other assets in the prior period consisted of group tax relief receivables carried at amortised cost.

#### **(q) Other liabilities**

Other liabilities in the period consists of current tax payable carried at amortised cost.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2. Risk management

The Company, through Syndicate 4321, has identified the risks arising from its activities and has established policies and procedures to manage these items in accordance with its risk appetite. The sections below outline the Company's risk appetite and explain how it defines and manages each category of risk.

#### 2.1 Insurance risk

The Company, through Syndicate 4321, assumes the risk of loss from persons or organisations that are directly exposed to an underlying loss. Insurance risk arises from this risk transfer due to inherent uncertainties about the occurrence, amount and timing of insurance liabilities. The four key components of insurance risk are underwriting, reinsurance, claims management and reserving. Each element is considered below.

##### 1. Underwriting risk

Underwriting risk comprises four elements that apply to all insurance products offered by the Company, through Syndicate 4321:

- Cycle risk – the risk that business is written without full knowledge as to the (in)adequacy of rates, terms and conditions;
- Event risk – the risk that individual risk losses or catastrophes lead to claims that are higher than anticipated in plans and pricing;
- Pricing risk – the risk that the level of expected loss is understated in the pricing process; and
- Expense risk – the risk that the allowance for expenses and inflation in pricing is inadequate.

##### 2. Claims management risk

Claims management risk may arise within the Company, through Syndicate 4321, in the event of inaccurate or incomplete case reserves and claims settlements, poor service quality or excessive claims handling costs. These risks may damage the group brand and undermine its ability to win and retain business, or incur punitive damages. These risks can occur at any stage of the claims life cycle. The Company's claims teams, through Syndicate 4321, are focused on delivering quality, reliability and speed of service to both internal and external clients. Their aim is to adjust and process claims in a fair, efficient and timely manner, in accordance with the policy's terms and conditions, the regulatory environment, and the business' broader interests. Prompt and accurate case reserves are set for all known claims liabilities, including provisions for expenses.

##### 3. Reserving and ultimate reserves risk

Reserving and ultimate reserves risk occurs where established insurance liabilities are insufficient through inaccurate forecasting, or where there is inadequate allowance for expenses and reinsurance bad debts in provisions.

To manage reserving and ultimate reserves risk, our actuarial team, through Syndicate 4321, uses a range of recognised techniques to project gross premiums written, monitor claims development patterns and stress test ultimate insurance liability balances. An external independent actuary also performs an annual review to produce a statement of actuarial opinion for the managing agent, BFL.

The objective of the Company's reserving policy, through Syndicate 4321, is to produce accurate and reliable estimates that are consistent over time and across classes of business. The estimates of gross premiums written and claims prepared by the actuarial department are used through a formal quarterly peer review process to independently test the integrity of the estimates produced by the underwriting teams for each class of business. These meetings are attended by senior management, senior underwriters, actuarial, claims, and finance representatives.

A five percent increase or decrease in total claims liabilities would have the following effect on the statement of comprehensive income and equity:

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2.1 Insurance risk (continued)

| Sensitivity to insurance risk<br>(claims reserves) | 5% increase in net<br>claims reserves |                | 5% decrease in net<br>claims reserves |                |
|----------------------------------------------------|---------------------------------------|----------------|---------------------------------------|----------------|
|                                                    | 2024<br>\$'000                        | 2023<br>\$'000 | 2024<br>\$'000                        | 2023<br>\$'000 |
| Impact to profit and equity                        | (77.0)                                | (68.1)         | 77.0                                  | 68.1           |

The Company, through Syndicate 4321 also monitors its exposure to insurance risk by location. The below table provides an analysis of the geographical breakdown of its written premiums.

#### Concentration of insurance risk

|                     | 2024       | 2023       |
|---------------------|------------|------------|
|                     | %          | %          |
| US                  | 61         | 61         |
| Europe <sup>1</sup> | 22         | 23         |
| Other <sup>2</sup>  | 17         | 16         |
| <b>Total</b>        | <b>100</b> | <b>100</b> |

<sup>1</sup>Europe includes UK. <sup>2</sup>Other includes Canada and East Asia.

### 2.2 Market risk

Market risk arises where the value of assets and liabilities changes as a result of movements in foreign exchange rates and interest rates.

#### Foreign exchange risk

The functional, reporting and presentation currency of the Company is US dollars. The effect of this on foreign exchange risk is that the Company, through Syndicate 4321, is exposed to fluctuations in exchange rates for non-dollar denominated transactions and net assets.

The Company deals in four main currencies: US dollars, sterling, Canadian dollars and euros. Transactions in all currencies are converted to US dollars on initial recognition and revalued at the reporting date. Remaining foreign exchange risk is actively managed as described below.

The syndicate's assets are broadly matched by currency to the principal underlying settlement currencies of its insurance liabilities. This helps mitigate the risk that future movements in exchange rates would materially impact the syndicate's assets required to cover its insurance liabilities.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2.2 Market risk (continued)

The following table summarises the carrying value of total assets and total liabilities categorised by currency:

| 31 December 2024  | CAD \$       | EUR €        | GBP £          | AUD \$       | Other       | Subtotal       | US \$        | Total          |
|-------------------|--------------|--------------|----------------|--------------|-------------|----------------|--------------|----------------|
|                   | \$'000       | \$'000       | \$'000         | \$'000       | \$'000      | \$'000         | \$'000       | \$'000         |
| Total assets      | 130.1        | 244.3        | 4,799.8        | 103.0        | 25.6        | 5,302.8        | 1,434.9      | 6,737.7        |
| Total liabilities | (26.5)       | (125.3)      | (1,313.3)      | —            | —           | (1,465.1)      | (1,268.7)    | (2,733.8)      |
| <b>Net assets</b> | <b>103.6</b> | <b>119.0</b> | <b>3,486.5</b> | <b>103.0</b> | <b>25.6</b> | <b>3,837.7</b> | <b>166.2</b> | <b>4,003.9</b> |

| 31 December 2023  | CAD \$     | EUR €       | GBP £          | AUD \$      | Other       | Subtotal       | US \$       | Total          |
|-------------------|------------|-------------|----------------|-------------|-------------|----------------|-------------|----------------|
|                   | \$'000     | \$'000      | \$'000         | \$'000      | \$'000      | \$'000         | \$'000      | \$'000         |
| Total assets      | 37.8       | 171.7       | 5,724.0        | 64.6        | 40.8        | 6,038.9        | 1,738.4     | 7,777.3        |
| Total liabilities | (29.2)     | (134.5)     | (2,299.4)      | —           | —           | (2,463.1)      | (1,667.9)   | (4,131.0)      |
| <b>Net assets</b> | <b>8.6</b> | <b>37.2</b> | <b>3,424.6</b> | <b>64.6</b> | <b>40.8</b> | <b>3,575.8</b> | <b>70.5</b> | <b>3,646.3</b> |

### Sensitivity analysis - foreign exchange risk

Fluctuations in the syndicate's trading currencies against the US dollar would result in a change to profit and net asset value. The table below gives an indication of the impact on profit and net assets of a percentage change in relative strength of US dollar against the value of sterling, Canadian dollar, Australian dollar and euro, simultaneously. The analysis is based on the current information available and an assumption that the impact of foreign exchange on non-monetary items will be nil.

| Change in exchange rate of sterling,<br>Canadian dollar, Australian dollar and Euro<br>relative to US dollar | Impact on profit<br>after tax for the<br>year ended |         | Impact on net<br>assets |         |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|---------|-------------------------|---------|
|                                                                                                              | 2024                                                | 2023    | 2024                    | 2023    |
|                                                                                                              | \$'000                                              | \$'000  | \$'000                  | \$'000  |
| Dollar weakens 10% against other currencies                                                                  | 346.6                                               | 316.9   | 346.6                   | 316.9   |
| Dollar strengthens 10% against other currencies                                                              | (346.6)                                             | (316.9) | (346.6)                 | (316.9) |

### Interest rate risk

Some of the Company's financial instruments, including financial investments, cash and borrowings, are exposed to movements in market interest rates.

The Company, through Syndicate 4321, manages interest rate risk by primarily investing in short duration financial investments and cash and cash equivalents. The investment committee monitors the duration of these assets on a regular basis.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2.2 Market risk (continued)

| Duration                          | <1 yr          | 1-2 yrs  | 2-3 yrs  | 3-4 yrs  | 4-5 yrs  | 5-10 yrs | >10 yrs  | Total          |
|-----------------------------------|----------------|----------|----------|----------|----------|----------|----------|----------------|
| 31 December 2024                  | \$'000         | \$'000   | \$'000   | \$'000   | \$'000   | \$'000   | \$'000   | \$'000         |
| Participation in investment pools | 97.7           | —        | —        | —        | —        | —        | —        | 97.7           |
| Overseas deposits                 | 149.0          | —        | —        | —        | —        | —        | —        | 149.0          |
| Cash at bank and in hand          | 2,914.4        | —        | —        | —        | —        | —        | —        | 2,914.4        |
| <b>Total</b>                      | <b>3,161.1</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>3,161.1</b> |

| Duration                          | <1 yr          | 1-2 yrs  | 2-3 yrs  | 3-4 yrs  | 4-5 yrs  | 5-10 yrs | >10 yrs  | Total          |
|-----------------------------------|----------------|----------|----------|----------|----------|----------|----------|----------------|
| 31 December 2023                  | \$'000         | \$'000   | \$'000   | \$'000   | \$'000   | \$'000   | \$'000   | \$'000         |
| Participation in investment pools | 134.8          | —        | —        | —        | —        | —        | —        | 134.8          |
| Overseas deposits                 | 127.7          | —        | —        | —        | —        | —        | —        | 127.7          |
| Cash at bank and in hand          | 3,945.5        | —        | —        | —        | —        | —        | —        | 3,945.5        |
| <b>Total</b>                      | <b>4,208.0</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>4,208.0</b> |

#### Price risk

Financial assets and derivatives that are recognized on the balance sheet at their fair value are susceptible to losses due to adverse changes in prices. This is referred to as price risk.

Financial assets include fixed and floating debt securities. The fixed income securities are well diversified across high quality, liquid securities. The price risk associated with these securities is predominantly interest, foreign exchange and credit risk related. The investment committee has established comprehensive guidelines with investment managers setting out maximum investment limits, diversification across industries and concentrations in any one industry or company.

Listed investments are recognised on the balance sheet at quoted bid price. If the market for the investment is not considered to be active, then the company establishes fair value using valuation techniques. This includes using recent arm's length transaction, reference to current fair value of other investments that are substantially the same, discounted cash flow models and other valuation techniques that are commonly used by market participants.

### 2.3 Credit risk

Credit risk arises where counterparties fail to meet their financial obligations in full as they fall due. The primary sources of credit risk for the company, through Syndicate 4321, are:

- brokers and coverholders – whereby counterparties fail to pass on premiums or claims collected or paid on behalf of the group; and
- investments – whereby issuer default results in the group losing all or part of the value of a financial instrument and derivative financial instrument.

The Company's core business, through Syndicate 4321, is to accept significant insurance risk and the appetite for other risks is low. This protects the company's capital from erosion so that it can meet its insurance liabilities.

The Company, through Syndicate 4321, limits exposure to a single counterparty or a group of counterparties and analyses the geographical locations of exposures when assessing credit risk.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2.3 Credit risk (continued)

An approval system also exists for all new brokers, and broker performance is carefully monitored. Regular exception reports highlight trading with non-approved brokers, and the company's credit control function, through Syndicate 4321's managing agent, frequently assesses the ageing and collectability of debtor balances. Any large, aged items are prioritised and where collection is outsourced, incentives are in place to support these priorities.

To assist in the understanding of credit risks, A.M. Best, Moody's and Standard & Poor's (S&P) ratings are used. These ratings have been categorised below as used for Lloyd's reporting:

The following table summarises the Company's concentrations of credit risk:

| <b>31 December 2024</b>                            | <b>AAA</b>    | <b>AA</b>     | <b>A</b>       | <b>BBB</b>    | <b>Other</b>  | <b>Not rated</b> | <b>Total</b>   |
|----------------------------------------------------|---------------|---------------|----------------|---------------|---------------|------------------|----------------|
|                                                    | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b>  | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b>  |
| <b>Financial Investments</b>                       |               |               |                |               |               |                  |                |
| Participation in investment pools                  | —             | —             | 97.7           | —             | —             | —                | 97.7           |
| Other Investments                                  | —             | —             | 149.0          | —             | —             | —                | 149.0          |
| <b>Total Financial Investments</b>                 | <b>—</b>      | <b>—</b>      | <b>246.7</b>   | <b>—</b>      | <b>—</b>      | <b>—</b>         | <b>246.7</b>   |
| Cash at bank and in hand                           | —             | —             | 2,914.4        | —             | —             | —                | 2,914.4        |
| Debtors arising out of reinsurance operations      | —             | —             | —              | —             | —             | 4.5              | 4.5            |
| Debtors arising out of direct insurance operations | —             | —             | —              | —             | —             | 170.1            | 170.1          |
| Other debtors and accrued interest                 | —             | —             | 3.3            | —             | —             | 3,387.8          | 3,391.1        |
| <b>Total</b>                                       | <b>—</b>      | <b>—</b>      | <b>3,164.4</b> | <b>—</b>      | <b>—</b>      | <b>3,562.4</b>   | <b>6,726.8</b> |

| <b>31 December 2023</b>                            | <b>AAA</b>    | <b>AA</b>     | <b>A</b>       | <b>BBB</b>    | <b>Other</b>  | <b>Not rated</b> | <b>Total</b>   |
|----------------------------------------------------|---------------|---------------|----------------|---------------|---------------|------------------|----------------|
|                                                    | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b>  | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b>    | <b>\$'000</b>  |
| <b>Financial Investments</b>                       |               |               |                |               |               |                  |                |
| Participation in investment pools                  | —             | 134.8         | —              | —             | —             | —                | 134.8          |
| Other Investments                                  | —             | —             | 127.7          | —             | —             | —                | 127.7          |
| <b>Total Financial Investments</b>                 | <b>—</b>      | <b>134.8</b>  | <b>127.7</b>   | <b>—</b>      | <b>—</b>      | <b>—</b>         | <b>262.5</b>   |
| Cash at bank and in hand                           | —             | 296.8         | 3,648.7        | —             | —             | —                | 3,945.5        |
| Debtors arising out of reinsurance operations      | —             | —             | —              | —             | —             | 25.5             | 25.5           |
| Debtors arising out of direct insurance operations | —             | —             | —              | —             | —             | 105.1            | 105.1          |
| Other debtors and accrued interest                 | —             | —             | —              | —             | —             | 3,270.2          | 3,270.2        |
| <b>Total</b>                                       | <b>—</b>      | <b>431.6</b>  | <b>3,776.4</b> | <b>—</b>      | <b>—</b>      | <b>3,400.8</b>   | <b>7,608.8</b> |

Based on all evidence available, debtors arising out of insurance operations and other debtors have not been impaired and no impairment provision has been recognised in respect of these assets.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 2.3 Credit risk (continued)

An analysis of the carrying amounts of past due or impaired debtors is presented in the table on the following page:

| 31 December 2024                                   | Neither past<br>due nor<br>impaired<br>\$'000           | Past due but<br>not<br>impaired<br>\$'000           | Gross value<br>of impaired<br>assets<br>\$'000           | Impairment<br>allowance<br>\$'000          | Total<br>\$'000         |
|----------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------|--------------------------------------------|-------------------------|
| <b>Financial Investments</b>                       |                                                         |                                                     |                                                          |                                            |                         |
| Participation in investment pools                  | 97.7                                                    | —                                                   | —                                                        | —                                          | 97.7                    |
| Other Investments                                  | 149.0                                                   | —                                                   | —                                                        | —                                          | 149.0                   |
| <b>Total Financial Investments</b>                 | <b>246.7</b>                                            | <b>—</b>                                            | <b>—</b>                                                 | <b>—</b>                                   | <b>246.7</b>            |
| Cash at bank and in hand                           | 2,914.4                                                 | —                                                   | —                                                        | —                                          | 2,914.4                 |
| Debtors arising out of reinsurance operations      | 4.5                                                     | —                                                   | —                                                        | —                                          | 4.5                     |
| Debtors arising out of direct insurance operations | 170.1                                                   | —                                                   | —                                                        | —                                          | 170.1                   |
| Other debtors and accrued interest                 | 3,391.1                                                 | —                                                   | —                                                        | —                                          | 3,391.1                 |
| <b>Total</b>                                       | <b>6,726.8</b>                                          | <b>—</b>                                            | <b>—</b>                                                 | <b>—</b>                                   | <b>6,726.8</b>          |
| <b>31 December 2023</b>                            | <b>Neither past<br/>due nor<br/>impaired<br/>\$'000</b> | <b>Past due but<br/>not<br/>impaired<br/>\$'000</b> | <b>Gross value<br/>of impaired<br/>assets<br/>\$'000</b> | <b>Impairment<br/>allowance<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
| <b>Financial Investments</b>                       |                                                         |                                                     |                                                          |                                            |                         |
| Participation in investment pools                  | 134.8                                                   | —                                                   | —                                                        | —                                          | 134.8                   |
| Other Investments                                  | 127.7                                                   | —                                                   | —                                                        | —                                          | 127.7                   |
| <b>Total Financial Investments</b>                 | <b>262.5</b>                                            | <b>—</b>                                            | <b>—</b>                                                 | <b>—</b>                                   | <b>262.5</b>            |
| Cash at bank and in hand                           | 3,945.5                                                 | —                                                   | —                                                        | —                                          | 3,945.5                 |
| Debtors arising out of reinsurance operations      | 25.5                                                    | —                                                   | —                                                        | —                                          | 25.5                    |
| Debtors arising out of direct insurance operations | 105.1                                                   | —                                                   | —                                                        | —                                          | 105.1                   |
| Other debtors and accrued interest                 | 3,270.2                                                 | —                                                   | —                                                        | —                                          | 3,270.2                 |
| <b>Total</b>                                       | <b>7,608.8</b>                                          | <b>—</b>                                            | <b>—</b>                                                 | <b>—</b>                                   | <b>7,608.8</b>          |

### 2.4 Liquidity risk

Liquidity risk arises where cash may not be available to pay obligations when due at a reasonable cost. The company, through Syndicate 4321, is exposed to daily calls on its available cash resources, principally from claims arising from its insurance business. In the majority of the cases, these claims are settled from the premiums received.

The Company's approach through Syndicate 4321 is to manage its liquidity position so that it can reasonably survive a significant individual or market loss event. This means that the syndicate maintains sufficient liquid assets, or assets that can be translated into liquid assets at short notice and without any significant capital loss, to meet expected cash flow requirements. These liquid funds are regularly monitored using cash flow forecasting to ensure that surplus funds are invested to achieve a higher rate of return.

## Beazley Corporate Member (No.3) Limited

### Notes to the financial statements (continued)

#### 2.4 Liquidity risk (continued)

The following table summarises the carrying amount at reporting date of financial instruments analysed by maturity date.

| Maturity           | Carrying amount | No maturity stated | <1 yr          | 1-3 yrs      | 3-5 yrs      | >5 yrs       | Total          |
|--------------------|-----------------|--------------------|----------------|--------------|--------------|--------------|----------------|
| 31 December 2024   | \$'000          | \$'000             | \$'000         | \$'000       | \$'000       | \$'000       | \$'000         |
| Claims Outstanding | 1,539.7         | —                  | 579.8          | 567.5        | 245.8        | 146.6        | 1,539.7        |
| Creditors          | 884.5           | 147.3              | 737.2          | —            | —            | —            | 884.5          |
| Other liabilities  | 77.5            | —                  | 77.5           | —            | —            | —            | 77.5           |
| <b>Total</b>       | <b>2,501.7</b>  | <b>147.3</b>       | <b>1,394.5</b> | <b>567.5</b> | <b>245.8</b> | <b>146.6</b> | <b>2,501.7</b> |

| Maturity           | Carrying amount | No maturity stated | <1 yr          | 1-3 yrs      | 3-5 yrs      | >5 yrs       | Total          |
|--------------------|-----------------|--------------------|----------------|--------------|--------------|--------------|----------------|
| 31 December 2023   | \$'000          | \$'000             | \$'000         | \$'000       | \$'000       | \$'000       | \$'000         |
| Claims Outstanding | 1,361.3         | —                  | 432.1          | 515.7        | 261.3        | 152.2        | 1,361.3        |
| Creditors          | 1,865.9         | 94.0               | 1,771.9        | —            | —            | —            | 1,865.9        |
| Other liabilities  | 20.0            | —                  | 20.0           | —            | —            | —            | 20.0           |
| <b>Total</b>       | <b>3,247.2</b>  | <b>94.0</b>        | <b>2,224.0</b> | <b>515.7</b> | <b>261.3</b> | <b>152.2</b> | <b>3,247.2</b> |

#### 2.5 Capital Management

Each member may provide capital to meet its Economic Capital Assessment either by assets held in trust by Lloyd's specifically for that member (funds at Lloyd's), held within and managed within a syndicate (funds in syndicate) and/or as the member's share of the Solvency II members' balances on each syndicate on which it participates.

The Funds at Lloyd's requirement for 2025 was set at \$965.3k (2024: \$1,941.5k). These funds support the ongoing operation of Syndicate 4321. The funding requirements were met through restricted cash deposits and are held on the balance sheet

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 3. Analysis of underwriting result

An analysis of the underwriting result before investment return is set out below:

| <b>31 December 2024</b>                              | <b>Gross<br/>premiums<br/>written<br/>\$'000</b> | <b>Gross<br/>premiums<br/>earned<br/>\$'000</b> | <b>Gross<br/>claims<br/>incurred<br/>\$'000</b> | <b>Net<br/>operating<br/>expenses<br/>\$'000</b> | <b>Underwriting<br/>result \$'000</b> |
|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------|---------------------------------------|
| <b>Direct Insurance</b>                              |                                                  |                                                 |                                                 |                                                  |                                       |
| Third party liability                                | 363.4                                            | 645.6                                           | (234.4)                                         | (172.0)                                          | 239.2                                 |
| Fire and other damage<br>to property                 | 30.2                                             | 331.5                                           | (98.3)                                          | (73.7)                                           | 159.5                                 |
| Marine aviation and<br>transport                     | (4.1)                                            | 29.1                                            | (215.9)                                         | (13.6)                                           | (200.4)                               |
| <b>Total</b>                                         | <b>389.5</b>                                     | <b>1,006.2</b>                                  | <b>(548.6)</b>                                  | <b>(259.3)</b>                                   | <b>198.3</b>                          |
| Reinsurance accepted                                 | 39.0                                             | 96.2                                            | (16.3)                                          | (18.3)                                           | 61.6                                  |
| <b>Total Direct and<br/>Reinsurance<br/>accepted</b> | <b>428.5</b>                                     | <b>1,102.4</b>                                  | <b>(564.9)</b>                                  | <b>(277.6)</b>                                   | <b>259.9</b>                          |

| <b>31 December 2023</b>                              | <b>Gross<br/>premiums<br/>written<br/>\$'000</b> | <b>Gross<br/>premiums<br/>earned<br/>\$'000</b> | <b>Gross<br/>claims<br/>incurred<br/>\$'000</b> | <b>Net<br/>operating<br/>expenses<br/>\$'000</b> | <b>Underwriting<br/>result \$'000</b> |
|------------------------------------------------------|--------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------|---------------------------------------|
| <b>Direct Insurance</b>                              |                                                  |                                                 |                                                 |                                                  |                                       |
| Third party liability                                | 817.9                                            | 784.3                                           | (446.5)                                         | (339.0)                                          | (1.2)                                 |
| Fire and other damage<br>to property                 | 1,051.7                                          | 889.5                                           | (722.7)                                         | (247.9)                                          | (81.1)                                |
| Marine aviation and<br>transport                     | 74.4                                             | 49.8                                            | (23.1)                                          | (124.1)                                          | (97.4)                                |
| <b>Total</b>                                         | <b>1,944.0</b>                                   | <b>1,723.6</b>                                  | <b>(1,192.3)</b>                                | <b>(711.0)</b>                                   | <b>(179.7)</b>                        |
| Reinsurance accepted                                 | 98.0                                             | 149.8                                           | (44.5)                                          | (58.3)                                           | 47.0                                  |
| <b>Total Direct and<br/>Reinsurance<br/>accepted</b> | <b>2,042.0</b>                                   | <b>1,873.4</b>                                  | <b>(1,236.8)</b>                                | <b>(769.3)</b>                                   | <b>(132.7)</b>                        |

All business was concluded in the UK.

No gains or losses were recognised in the statement of comprehensive income during the year on buying reinsurance (2023: nil).

### 4. Net operating expenses

|                                      | <b>2024<br/>\$'000</b> | <b>2023<br/>\$'000</b> |
|--------------------------------------|------------------------|------------------------|
| Acquisition costs                    | 98.9                   | 332.1                  |
| Change in deferred acquisition costs | 75.8                   | (18.1)                 |
| Other administrative expenses        | 102.9                  | 455.3                  |
|                                      | <b>277.6</b>           | <b>769.3</b>           |

Other administrative expenses include amounts payable to the Company's auditor in relation to the audit of these financial statements of \$9.2k (2023: \$9.9k) and was borne by Beazley Management Limited. Other than this audit fee, no other fee was paid to the Company's auditor. All staff are employed by Beazley Management Limited.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 5. Directors and employees

None of the directors of the Company, or the employees of the Group, received any remuneration in respect of services rendered to the Company. Details of the remuneration paid to the Group's directors and employees for their services to the Group are shown in the ultimate parent undertaking's accounts, Beazley plc, which can be found at [www.beazley.com](http://www.beazley.com).

The directors of the Company are employed and paid by BML. Directors who are also directors of the ultimate parent receive fees from that Company and their full remuneration is disclosed in the Beazley plc annual accounts.

### 6. Taxation

|                                                | 2024<br>\$'000 | 2023<br>\$'000 |
|------------------------------------------------|----------------|----------------|
| <b>Current tax:</b>                            |                |                |
| UK corporation tax charge                      | 27.9           | 47.5           |
| Adjustment in respect of prior periods         | 0.2            | 1.3            |
|                                                | <b>28.1</b>    | <b>48.8</b>    |
| <b>Deferred tax:</b>                           |                |                |
| Origination and reversal of timing differences | 92.0           | (6.9)          |
| Adjustment in respect of prior periods         | 0.2            | —              |
|                                                | <b>120.3</b>   | <b>41.9</b>    |
| <b>Taxation charge for the year</b>            |                |                |

#### *Factors affecting the tax charge for the current year*

The effective tax rate for the current year is higher than (2023: higher than) the standard rate of corporation tax in the UK of 25% (2023: 23.5%) due to the differences explained below.

|                                                   | 2024<br>\$'000 | 2023<br>\$'000 |
|---------------------------------------------------|----------------|----------------|
| <b>Corporation tax reconciliation</b>             |                |                |
| Profit on ordinary activities before taxation     | 477.9          | 174.4          |
| Tax calculated at 25% (2023: 23.5%)               | 119.5          | 41.0           |
| Effects of:                                       |                |                |
| Permanent differences                             | 0.4            | (0.1)          |
| Adjustment in respect of prior periods            | 0.4            | 1.2            |
| Difference between current and deferred tax rates | —              | (0.2)          |
| <b>Tax charge for the year</b>                    | <b>120.3</b>   | <b>41.9</b>    |

### 7. Other debtors

|                                         | 2024<br>\$'000 | 2023<br>\$'000 |
|-----------------------------------------|----------------|----------------|
| Amounts due from group syndicates       | —              | 596.5          |
| Amounts due from third party syndicates | 106.8          | —              |
| Amounts due from group companies        | 3,245.5        | 2,647.7        |
| Other debtors                           | 35.5           | 26.0           |
|                                         | <b>3,387.8</b> | <b>3,270.2</b> |

All amounts are due within one year.

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 8. Other creditors

|                                       | 2024         | 2023           |
|---------------------------------------|--------------|----------------|
|                                       | \$'000       | \$'000         |
| Amounts due to ultimate parent        | 554.5        | 546.6          |
| Amounts due to group syndicates       | 121.1        | 77.2           |
| Amounts due to third party syndicates | 26.3         | 16.8           |
| Amounts due to group companies        | 179.6        | 1,225.0        |
|                                       | <b>881.5</b> | <b>1,865.6</b> |

All amounts are due within one year.

### 9. Deferred Tax

|                                            | 2024         | 2023        |
|--------------------------------------------|--------------|-------------|
|                                            | \$'000       | \$'000      |
| Opening balance                            | 85.8         | 78.9        |
| Movements during the year                  | (92.1)       | 6.9         |
| Closing balance                            | <b>(6.3)</b> | <b>85.8</b> |
| Deferred tax provided in the accounts are: |              |             |
| Deferred underwriting results              | (6.3)        | 85.8        |
|                                            | <b>(6.3)</b> | <b>85.8</b> |

There are no unused tax losses or unused tax credits.

### 10. Cash and cash equivalents

|                          | 2024           | 2023           |
|--------------------------|----------------|----------------|
|                          | \$'000         | \$'000         |
| Cash at bank and in hand | 2,914.4        | 3,945.5        |
| Short-term deposits      | 97.7           | 134.8          |
|                          | <b>3,012.1</b> | <b>4,080.3</b> |

Included within cash and cash equivalents is Fund's at Lloyd's of \$918.4k (2023: \$1,917.5k). This can be replaced at any time with the restriction that it is replaced with assets of an equivalent amount.

### 11. Called-up share capital

|                                                              | 2024   | 2023   |
|--------------------------------------------------------------|--------|--------|
|                                                              | \$'000 | \$'000 |
| Authorised: 1 ordinary share of £1 each                      | —      | —      |
| Allotted, issued and fully paid: 1 ordinary share of £1 each | —      | —      |

### 12. Deferred acquisition costs

|                                      | 2024       | 2023        |
|--------------------------------------|------------|-------------|
|                                      | \$'000     | \$'000      |
| Balance at 1 January                 | 82.7       | 64.2        |
| Incurred deferred acquisition costs  | 98.9       | 332.1       |
| Amortised deferred acquisition costs | (174.7)    | (314.0)     |
| Foreign exchange movements           | 0.2        | 0.4         |
| <b>Balance at 31 December</b>        | <b>7.1</b> | <b>82.7</b> |

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 13. Technical provisions

|                                   | Provision for<br>unearned<br>premiums<br>\$'000 | Claims<br>outstanding<br>\$'000 |
|-----------------------------------|-------------------------------------------------|---------------------------------|
| <b>Gross technical provisions</b> |                                                 |                                 |
| At 1 January 2024                 | 737.5                                           | 1,361.3                         |
| Movement in provision             | (673.9)                                         | 179.8                           |
| Exchange adjustments              | 3.4                                             | (1.4)                           |
| <b>At 31 December 2024</b>        | <b>67.0</b>                                     | <b>1,539.7</b>                  |

|                                   | Provision for<br>unearned<br>premiums<br>\$'000 | Claims<br>outstanding<br>\$'000 |
|-----------------------------------|-------------------------------------------------|---------------------------------|
| <b>Gross technical provisions</b> |                                                 |                                 |
| At 1 January 2023                 | 563.5                                           | 455.6                           |
| Movement in provision             | 168.6                                           | 901.3                           |
| Exchange adjustments              | 5.4                                             | 4.4                             |
| <b>At 31 December 2023</b>        | <b>737.5</b>                                    | <b>1,361.3</b>                  |

### Gross and net claims development

The claims development table for the 2023 and 2022 underwriting year is presented below:

| Year Of Account                          | 2022<br>\$'000 | 2023<br>\$'000 | 2024<br>\$'000 | Total<br>\$'000 |
|------------------------------------------|----------------|----------------|----------------|-----------------|
| 12 months                                | 1,480.1        | 1,328.3        | —              |                 |
| 24 months                                | 1,063.9        | 1,130.4        |                |                 |
| 36 Months                                | 1,152.6        |                |                |                 |
| <b>Total ultimate losses</b>             | <b>1,152.6</b> | <b>1,130.4</b> | <b>—</b>       | <b>2,283.0</b>  |
| Less paid claims                         | (470.5)        | (224.3)        | —              | (694.8)         |
| Gross claims reserves (unearned)         | 682.1          | 906.1          | —              | 1,588.2         |
| Less unearned portion of ultimate losses | (27.9)         | (20.6)         | —              | (48.5)          |
| <b>Gross claims liabilities</b>          | <b>654.2</b>   | <b>885.5</b>   | <b>—</b>       | <b>1,539.7</b>  |

### 14. Financial assets at fair value

|                                    | Carrying value |                | Cost           |                |
|------------------------------------|----------------|----------------|----------------|----------------|
|                                    | 2024<br>\$'000 | 2023<br>\$'000 | 2024<br>\$'000 | 2023<br>\$'000 |
| Participation in investment pools  | 97.7           | 134.8          | 96.8           | 137.4          |
| Other investments                  | 149.0          | 127.7          | 148.7          | 128.4          |
| <b>Total financial investments</b> | <b>246.7</b>   | <b>262.5</b>   | <b>245.5</b>   | <b>265.8</b>   |

### Valuation hierarchy

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

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 14. Financial assets and liabilities (continued)

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

Level 2 – Valuations based on quoted prices in markets that are not active, or based on pricing models for which significant inputs can be corroborated by observable market data, directly or indirectly (e.g. interest rates, exchange rates). Level 2 inputs include:

- Quoted prices similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets and liabilities in markets that are not active, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly;
- Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads); and
- Market corroborated inputs.

Level 3 – Valuations based on inputs that are unobservable or for which there is limited market activity against which to measure fair value. The availability of financial data can vary for different financial assets and is affected by a wide variety of factors, including the type of financial instrument, whether it is new and not yet established in the marketplace, and other characteristics specific to each transaction. To the extent that valuation is based on non-active markets, the determination of fair value requires more judgement. Accordingly the degree of judgement exercised by management in determining fair value is greatest for instruments classified in level 2. The company, through Syndicate 4321 uses prices and inputs that are current as of the measurement date for valuation of these instruments.

### Valuation approach

The table below shows the fair values of financial instruments at 31 December 2024 and 31 December 2023, including their levels in the fair value hierarchy:

|                                   | Level 1      | Level 2  | Level 3  | Total        |
|-----------------------------------|--------------|----------|----------|--------------|
|                                   | \$'000       | \$'000   | \$'000   | \$'000       |
| At 31 December 2024               |              |          |          |              |
| Participation in investment pools | 97.7         | —        | —        | 97.7         |
| Other investments                 | 149.0        | —        | —        | 149.0        |
| <b>Total</b>                      | <b>246.7</b> | <b>—</b> | <b>—</b> | <b>246.7</b> |
|                                   | Level 1      | Level 2  | Level 3  | Total        |
|                                   | \$'000       | \$'000   | \$'000   | \$'000       |
| At 31 December 2023               |              |          |          |              |
| Participation in investment pools | 134.8        | —        | —        | 134.8        |
| Other investments                 | 127.7        | —        | —        | 127.7        |
| <b>Total</b>                      | <b>262.5</b> | <b>—</b> | <b>—</b> | <b>262.5</b> |

The investment portfolio above contains \$97.7k (2023: \$134.8K) of short-term deposits separately disclosed in the cash and cash equivalents note 10.

### 15. Related parties

The Company has related party transactions with syndicates 623, 2623 and 5623 in addition to other subsidiaries of the Group. The company retains a 10% share of 4321 for the 2022 and 2023 years of account.

The below represents the receivable/payable positions with related parties as at 31 December:

# Beazley Corporate Member (No.3) Limited

## Notes to the financial statements (continued)

### 15. Related parties (continued)

|                       | 2024<br>\$'000 | 2023<br>\$'000 |
|-----------------------|----------------|----------------|
| Parent company (BFHL) | (554.5)        | (546.6)        |
| Group companies       | 2,944.8        | 1,942.0        |
| Syndicate 623         | (26.3)         | (16.8)         |
| Syndicate 5623        | 106.8          | —              |
|                       | <u>2,470.8</u> | <u>1,378.6</u> |

### 16. Ultimate parent undertaking

The Company's ultimate controlling company is Beazley plc, which is incorporated in the UK. The immediate controlling company is BFHL, which is also incorporated in the UK.

The largest and the smallest company in which the results of the Company are consolidated are those headed by Beazley plc. No other company financial statements include the results of the Company.

The consolidated financial statements of Beazley plc can be obtained from the Group's website [www.beazley.com](http://www.beazley.com).

### 17. Subsequent events

There have been no balance sheet events which have occurred between the reporting date and the date which the financial statements have been signed, for which an adjustment and or disclosure is required. A payment of \$223K was collected on 2 May 2025 from the company in relation to Syndicate 4321's closing year of account 2022.