



Because your health means everything



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Because your health means everything

Our Story

Vhi has a rich history and legacy, established in 1957 as the first health insurance company in Ireland, we have evolved to become a trusted healthcare partner to our members.

Our products, benefits and healthcare solutions are firmly embedded in the healthcare landscape, and we continue to innovate to improve our customers healthcare experience.

We are a purpose led organisation and this drives our strategy, our culture, our values and at its heart is our people.

Our Purpose

To help our members live longer, stronger and healthier lives.

Our Strategy

To deliver a personal and digital experience through our leading insurance proposition that provides access to a connected healthcare system, supporting our members to live longer, stronger, healthier lives.

Our Values



Together We Do Our Best Work



Courage to Create a New Future



We Lead With Heart

Sustainability Pillars



Healthy Business



Healthy People



Healthy Planet

Our Products

Health Insurance

♥Vhi

MultiTrip Travel Insurance

♥VhiMultiTrip

International Health Insurance

♥VhiInternational

Dental Insurance

♥VhiDental

Life Insurance

♥VhiLife

Mortgage Protection

♥VhiLife

Vhi Healthcare Services



Right Care at Right Time

- Urgent Care
- Enhanced Primary Care including Paediatrics, Dermatology, Physiotherapy, Screening
- Specialised Health Clinics including Positive Minds and Women's Health
- Hospital@Home
- Digital Health and Vhi Nurseline
- Corporate Health and Wellness



Vhi 360 Health Centre

- Carrickmines
- Swords
- Dundrum
- Limerick
- Cork
- Galway



Diagnostics

- X-Ray
- DEXA
- Ultrasound
- MRI

Vhi 2024 Highlights



♥
Vhi Women's Mini Marathon 2024

Supporting Members	Healthcare Services	People and Sustainability	Financials
 <p>Cliona Lombard at the reception of Vhi House, Dublin</p>	 <p>Vhi 360 Health Centre, Carrickmines.</p>	 <p>Vhi are proud presenting partners of parkrun.</p>	 <p>Vhi House, Abbey Street Lower, Dublin.</p>
1.2m Private Health Insurance members	460+ Vhi health professionals	500k+ parkrun 5k finishes	€1.88bn Gross written premium
€1.74bn Claims paid	100k+ Digital health consultations	4 Colleague networks with 600+ members	€36m Net surplus
1.8m+ Snap & Send claims	17k Bed nights saved through Hospital@Home	600 Powered by Values colleague nominations	€953m Capital & reserves
400k+ Cover Check users	6.8k Paediatric service interactions	79% Of colleagues feel comfortable to be themselves at work	177% Solvency Capital Ratio (SCR)
7% Growth in Multiline insurance members	26k Self-service health station checks	22k Young people benefitting directly from Vhi Health & Wellbeing Fund in 4 years	€31m Multiline income

Chairperson's Review



I want to thank our members for their continued trust and confidence in Vhi.

Greg Sparks
Chairperson

2024 was a year of recovery for Vhi as we continued to deliver on our purpose to help our members live longer, stronger and healthier lives. In 2024 we continued to grow our business, supporting over 1.7m member relationships across all our insurance offerings including over 1.2m health insurance members.

We maintained our focus on delivering access to high quality, high value healthcare for our members while strengthening our financial position, even as rising healthcare costs remained a challenge. We transformed how we engaged with our members through new and improved digital experiences, enabling better connected healthcare and a better member experience. As we look back at 2024 I want to take this opportunity to thank our members for their continued trust and confidence in Vhi as their insurance and healthcare partner. Growing this trust remains a key priority as we navigate the opportunities and challenges ahead.

Delivering Healthcare

Wherever possible Vhi wants to support our members in good health and be there for them when they are sick; to intervene earlier as appropriate to prevent illness or disease; improve healthcare outcomes and enrich their quality of life. In 2024 Vhi paid €1.74bn in meeting the healthcare needs of our members. Each claim paid represents care accessed and delivered in inpatient or outpatient settings. Vhi is a healthcare partner to our members, helping them access care through our own services or through our extensive provider networks. In 2024 we continued to embed our own preventative and primary care facilities and we expanded our digital and care at home services ensuring our members could access the right care at the right time and in the right place.

Significant changes are happening in the delivery of healthcare in Ireland. As Slaintecare is rolled out we continue to be mindful of the wider impacts which may emerge for healthcare in Ireland, whether privately or publicly funded. It is evident, when we consider the demographic challenges of Ireland's ageing population and the incidence of chronic disease, that the healthcare system as a whole must invest in preventative healthcare, community-based healthcare and in healthcare that can be delivered outside of a hospital setting.

Likewise it is important that any expansion of private healthcare is co-ordinated so that it delivers healthcare capable of meeting the challenges ahead. As we look ahead Vhi will continue to advocate for our members in how and where healthcare is delivered now and in the future. We are committed to playing our role, as a partner within the entire healthcare ecosystem, supporting the delivery of high-quality healthcare that is more sustainable, affordable and leads to better health outcomes for our members.

The Irish health insurance market is Community Rated which means that a person with health insurance pays the same price for the same product, regardless of age or health status. It is underpinned by a premium redistribution mechanism known as the Risk Equalisation Scheme (RES) whereby all policy holders contribute into a shared fund which is then redistributed to support sicker and older members right across the market. While Vhi welcomes the steps of improvement in the operation of RES in 2024, it remains ineffective in its objective of equalising risk between sicker and healthier members. This threatens the near- and long-term sustainability and fairness of the health insurance market, incentivising selection of low-risk members and acting as a barrier to preventive and superior healthcare. Competition in the private health insurance market should be based on the delivery of superior healthcare solutions and better patient outcomes, not a market focused on risk selection, targeting younger and healthier customers. RES needs to be dynamic; it needs to continuously evolve and reflect changes happening in healthcare.

It is expected that in 2025 stakeholder consultation will commence as part of the Government’s submission to the European Commission for the extension of RES from 2027. It is our view that RES needs to support care beyond hospital-based treatment, to include preventative and urgent care in community, incentivising more cost effective and enhanced healthcare experience and outcomes. We look forward to supporting the Irish Government in its delivery of RES 2027.

Sustainability

Sustainability is a strategic priority for Vhi, and I am pleased to report that significant progress has been made in 2024. Our policy is being implemented through a structured, multi-phased approach with an initial focus on the governance, regulatory compliance and alignment with best practices. We continue to work hard to advance key work plans, strengthening our governance framework, enhancing sustainability reporting and embedding sustainability into our operations. Notable achievements include the rollout of mandatory training for all colleagues, the transition of our sales fleet to electric vehicles and meaningful progress towards our energy and decarbonisation targets.

We continue to champion inclusion, diversity, and equity (IDE) in the workplace and in 2024 we refreshed our IDE strategy. The strategy is rooted in three key ambitions: enabling inclusivity, fostering diversity, and driving equity. In November 2024 we published our third Gender Pay Gap Report, which reflects both the progress made to reduce the gap and highlights opportunities for further change. Vhi’s mean gender pay gap is 18% down from 21% in 2023. While we know that there is still ground to cover, we are committed to a more balanced workforce at all levels, supporting progression and ensuring equitable opportunities for all colleagues.

Governance

During the year we were pleased to welcome four new Board members: Catherine Doyle, Jennifer Loftus, Catherine Motherway and Paul Whelan. Each member brings a wealth of experience and expertise and their diverse backgrounds in healthcare, technology, financial services and strategic governance has further strengthened our Board. I would also like to take this opportunity to express my sincere gratitude to Peter Cross, who stepped down from the Board during the year. Peter’s strong business and financial acumen were an asset to the Board and the company, and I would like to thank him for his service. I want to thank the Board for all their work throughout the year. It is a privilege that I do not take for granted to be Chair of a Board whose members are hardworking and dedicated to the values that permeate throughout the organisation.

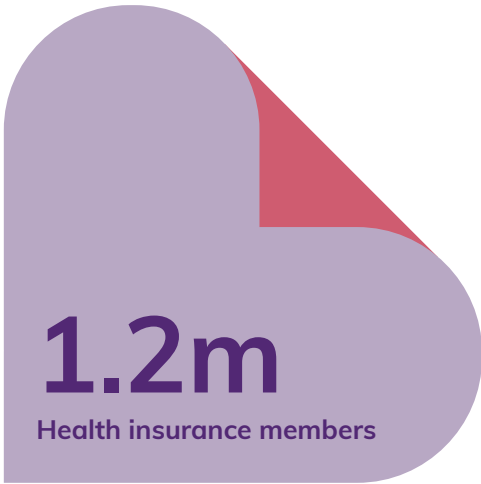
In the course of the year Vhi lost a great believer and supporter. John O’ Dwyer dedicated over 30 years of his career to Vhi and was CEO for nine of those years until his retirement in 2021. During his time he contributed significantly to the development of Vhi as a health partner to our members. Those of us who had the privilege of working with him will always remember his single mindedness in putting our members first. Ar dheis Dé go raibh a anam.

We look forward to continuing to work with the Department of Health and with Minister Jennifer Carroll MacNeill, collaborating on programmes of national importance where appropriate and sharing our insights and expertise to ensure better outcomes for the overall healthcare system. On behalf of the Board of Vhi I would also like to acknowledge the work of Stephen Donnelly who, as Minister for Health, made great strides in moving forward Sláintecare and in opening up free access to primary care for the young and old in the country.

People

Our colleagues are at the heart of all we do in Vhi, and their dedication, expertise and commitment have been invaluable throughout 2024. The year was a challenging one as we recovered from the financial loss in the previous year while continuing to ensure that our strategy was delivered. This required careful management and a focus on driving efficiencies while continuing to provide value for our members. I want to convey my sincere thanks to everyone right across the business for their hard work and commitment which is central to Vhi’s success.

As we move forward, Vhi will continue to build on the progress made in 2024 to accelerate our strategic ambition. Our focus remains on sustainable growth, investing in superior healthcare and enhancing the experience of our members. Underpinned by our culture and values we are confident that the steps we are taking today will strengthen Vhi for the future and ensure we can continue to meet our member’s needs.



Group CEO's Review



2024 has been a year of financial recovery and growth.

Brian Walsh
Group CEO

2024 has been a year of solid progress and financial recovery for Vhi. Our membership increased for the tenth successive year, as our continued investment and innovation in member experience and healthcare services resonated strongly in the market. Total member relationships across all insurance offerings exceeded 1.7m, an increase of over 30k from 2023.

2024 saw Vhi return to financial surplus following a difficult year in 2023, where our healthcare expenditures exceeded our premium income resulting in financial losses. Vhi reported a Net surplus of €36m in 2024 (2023: Net deficit €43m) while we continued to grow our business, supported by Gross Written Premium for private health insurance in 2024 of €1.88bn (2023: €1.68bn).

Vhi exists solely for the benefit of our members, and this means that any surplus made is reinvested to deliver better value, better healthcare, and better services. Our improved financial performance supports our capital strength and continued investment in better healthcare and services for our members. We ended 2024 with capital and reserves of €953m (2023: €903m) and a Solvency Capital Ratio (SCR) of 177% for our insurance underwriting business.

Vhi paid out €1.74bn in claims in 2024 (2023 €1.68bn), as we continued to see a significant increase in both the demand for healthcare and the cost of delivering that care. This represents a 26% increase in the cost of claims since 2019 and mirrors unprecedented shifts in healthcare demand, rising treatment costs, and the increasing breadth of medical care.

As the demand for healthcare continues to increase, payers and providers alike face a growing challenge in balancing affordability of and access to, high quality, high value care. Regrettably, in 2024 it was necessary to increase prices to ensure that we could continue to deliver the very best of healthcare for our members. However we remain committed to keeping premium prices as low as we can, cognisant of both the rising cost and increased demand for healthcare. Further to this we implemented a broad range of cost containment measures within the business in 2024 without compromising our quality of care and services.

We continued to support customers with insurance offerings beyond their health cover and deliver on our commitment to provide exceptional service at competitive prices. Our multiline business which offers travel, dental, life and international health insurance, continues to perform well with membership increasing by almost 7% and achieving income of €31m in 2024 (2023: €30m).

Delivering Value for Our Members

We know that the next decade in healthcare will be shaped by Ireland’s ageing population and increases in the incidence of chronic disease. Significant shifts in care delivery models will be required to meet demand, and prevention and intervention programmes will be critical to creating a sustainable future healthcare model.

At Vhi we want to support our members in health, preventing disease, improving outcomes and delivering improved quality of life, affordably. In 2024, as part of our strategy to keep our members well and be there for them when they are sick, we continued our investments in our health insurance and health provision businesses, so that we can deliver coordinated and connected care for our members, now and in the future. In 2024 Vhi delivered over 510k healthcare interactions through our own provision services including urgent care, planned care such as paediatrics, dermatology, radiology and physiotherapy, and our women’s health service. We invested in our Vhi 360 Health Centres and services, enhanced our telephone and digital health offerings, and increased the reach and range of our Hospital@Home service, ensuring we are there for members 24/7, 365 days a year. Our Hospital@Home team now offers members with cancer, a nurse led oncology line care service, enabling members to manage elements of their cancer care in their own homes. Customer feedback is consistently very positive.

During the year we were also delighted to announce the expansion of the Vhi 360 Health Centre network to include a new Centre in Galway which will open in 2025 and offer a range of benefits to members in the west of Ireland, including an urgent care clinic. This is in addition to our existing Vhi 360 Health Centres in Carrickmines, Swords, Dundrum, Cork and Limerick.

Digital Health

When we consider the healthcare challenges ahead, the most sustainable care models will be those that have also invested in digital and data driven healthcare, as they offer an opportunity to improve health outcomes, reduce costs and ensure a more efficient and personalised care delivery. Our members’ appetite for high quality, high-value digital care continues to grow and we provided over 100k digital health consultations with GPs, dieticians, physiotherapy, and speech and language therapists via our app and our website during 2024, an increase of 30% from 2023.

We enhanced our digital and self-service capability in 2024, offering members immediate and self-service options, meeting their needs and reducing costs. During 2024, Vhi had over 12m interactions with members, advising on appropriate cover, supporting them on their healthcare journey and delivering care through our own Vhi provision services.

Our Cover Check tool, launched in late 2023, which enables members to digitally self-serve and establish what cover they have, recorded over 400k interactions in a clear signal our members value the convenience offered by this tool. The Vhi app was the number one Health app in Ireland in 2024, while Vhi Snap and Send, our online claims service which enables members to quickly submit day to day claims from any device, processed over 1.8m claims.

Our People

2024 was a challenging year as we recovered our financial position while continuing to invest and grow the business. I am proud of my colleagues who consistently delivered for our members showing both enormous capability and commitment to Vhi’s purpose. That purpose is underpinned by our Values, ‘Together we do our Best Work,’ ‘We Lead with Heart’ and ‘Courage to Create a New Future’ which guides us all in how we make decisions at Vhi. In October we held the inaugural Powered by Values colleague awards, an affirming occasion recognising and celebrating colleague achievements. We also continued to offer colleagues a range of workplace supports to navigate and thrive in their career. We delivered multiple leadership and management capability training programmes to support colleague growth and progression within the organisation, and clinical colleagues were supported with continuous learning in areas including Women’s Health, Urgent Care, Integrative Medicine and Musculoskeletal Medicine.

Sustainability

Our sustainability strategy at Vhi is built on three pillars – Healthy Planet, Healthy People, and Healthy Business. We understand that human health, planetary health, and business resilience are interconnected. In 2024, we established a Group Sustainability Committee providing leadership and oversight on all aspects of sustainability within Vhi. We are committed to working closely with our healthcare partners and suppliers to develop more sustainable healthcare models, support positive patient outcomes and optimise our impact on nature and society. In 2024, we became a signatory to the Climate and Health Alliance’s ‘Joint Declaration of Action on Planetary and Human Health’. This declaration aligns medical, public health, and advocacy organisations from around the island of Ireland in their pledge to transition to a clean, healthy, sustainable, carbon-free, and socially just environment.

At Vhi we believe in the power of community as a driving force for good health and wellbeing. Through strategic sponsorships with parkrun, Vhi Women’s Mini Marathon, and the Irish Youth Foundation through our Health & Wellbeing Fund, we actively promote physical, mental, and social wellness across Ireland. Through our sponsorships and our partnerships we can see the strength of community and connections. We are very proud of the positive contribution it makes to our members lives and to the communities they live in.

2024 has been a year of financial recovery and growth for Vhi against a backdrop of many strategic challenges, including an ageing population and the rising costs of healthcare. For generations Vhi has been privileged to be at the heart of healthcare in Ireland, supporting our members at different stages of their lives. We have led private health insurance in Ireland for many generations and we are energised by the opportunities that lie ahead - transforming our members’ experience through investment in people and technology, and changing how healthcare is delivered in partnership with providers across Ireland. All with the purpose of helping our members live longer, stronger, healthier lives.

€1.88bn

Gross Written Premium

€1.74bn

Total Claims Paid

€953m

Capital and Reserves

Supporting our Members

At Vhi we are supporting our members from cover to care.

From hospital cover and day-to-day benefits to specialist clinics and digital health solutions we put our members healthcare at the heart of all we do.

€1.74bn

Total claims paid

1m+

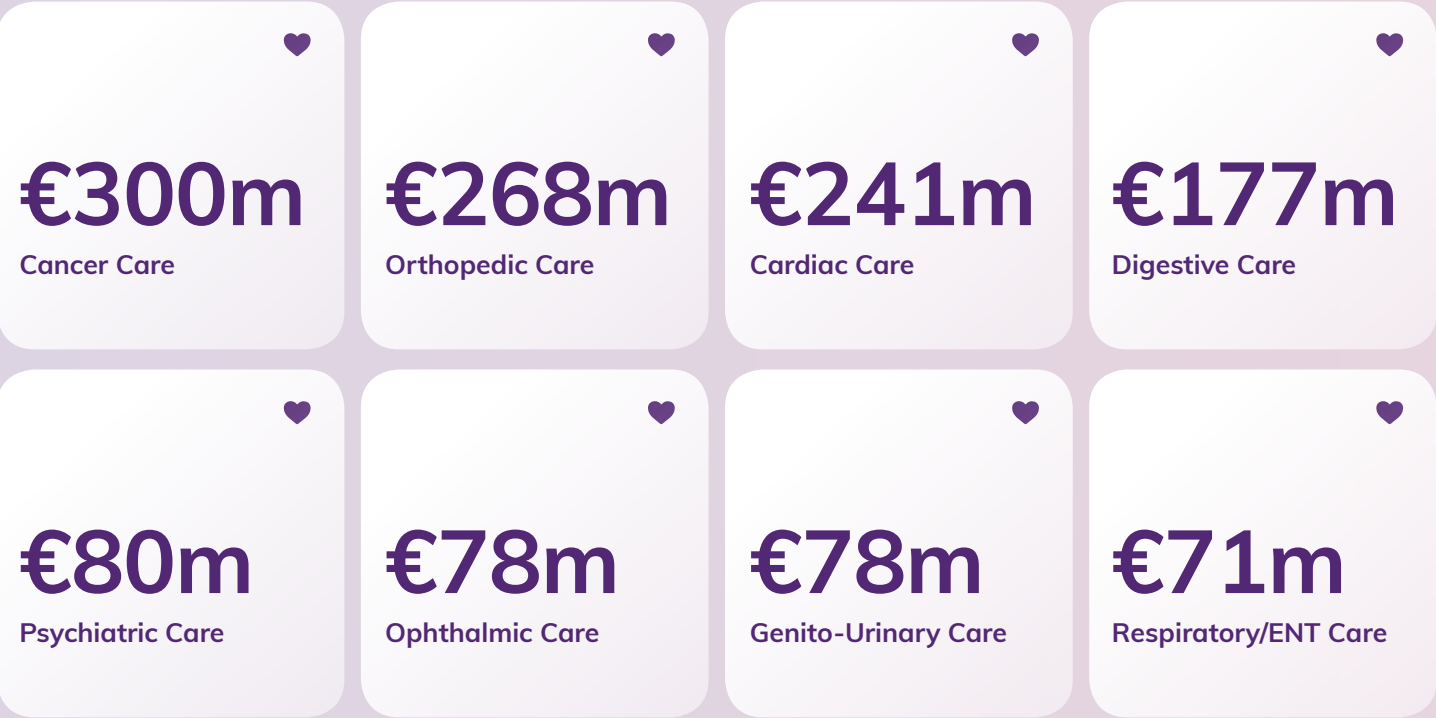
Number of claims paid directly by Vhi

1.8m

Number of Snap & Send claims

Supporting our Members continued

Top Claims Care Categories



Cancer Care

Vhi pay-out over €300m in cancer benefits for our members every year, including oncology and immunotherapy drugs, radiotherapy, surgical interventions, and other supports which are focused on helping our members live with and beyond cancer.

In 2024 cancers of the breast, skin, the digestive system, the male urology and reproductive system, and the respiratory system including lungs, represented 50% of all cancer claims paid.

Orthopaedic Care

Vhi supports our members access high-quality orthopaedic care, from diagnosis to recovery.

In 2024 Vhi paid over €268m in orthopaedic benefits including imaging, surgical and non-surgical interventions. In 2024 over 2.8k members had a knee replacement and 3.3k members had a hip replacement.

Psychiatric Care

In 2024, 22% of admissions to a private psychiatric hospital were members under the age of 30 while 59% of all mental health related claims in 2024 were made by women.

Vhi is committed to accessibility of care for members at the right place and right time. Remote care psychiatric care enables members to access psychiatric care from the comfort and privacy of their own homes. In 2024, 23% of all psychiatric claims were for remote treatment.

Improving the member experience

- We're continuing to enhance our digital services while ensuring our members have access to the support they need whenever they need it.
- 10m+ Digital interactions on website and app
 - 400+k Cover Check users
 - 1.2m Member telephone calls
 - 100k+ Digital health consultations





Healthcare that Connects

In 2024 Vhi made significant strides in embedding and enhancing our health provision services.

510k+

Member healthcare interactions

203k

Digital and first contact interactions

460+

Vhi health professionals

Healthcare that Connects continued

Connected Care

We aim to provide co-ordinated and connected care that will improve the experience and health outcomes of our members.

In 2024 Vhi acquired Vhi NurseLine, the phone and online service, which offers members general medical information, triage as well referral to the wider Vhi health network. The service, which is available 24/7, 365 days a year is now managed by our own team of nurses and in 2024 recorded 40k member interactions.

Our digital healthcare offering continued to evolve, providing innovations and solutions that improve access, efficiency, and quality of care. Now a fully embedded component of our suite of healthcare services, our online GPs, dieticians, physio and speech and language therapists, provided over 100k digital consultations via our app and our website in 2024, an increase of 30% from 2023.

We continued to embed our Electronic Health Record (EHR) platform marking a significant advancement in healthcare delivery and member care across Vhi’s healthcare network. The EHR is centralising patient health information and has resulted in key enhancements to member care and clinical workflows, by facilitating communications and collaboration among Vhi’s multidisciplinary healthcare teams.

We want to deliver services that help keep people well, and our specialist clinics including Women’s Health and Positive Minds managed 4.8k interactions with members. Likewise our rapid access Dermatology service, which provides end-to-end care for the diagnosis and treatment of dermatological conditions such as acne, lesions, sun damage and melanoma, managed 7.5k interactions. This includes 1.4k surgical procedures

In late 2024 we also commenced offering MRIs seven days a week and performed 7.7k MRIs in our Vhi 360 Health Centre Carrickmines as part of our suite of diagnostic services, an increase of 7% on 2023.

Our extensive paediatric services, where members can access expert advice on a range of childhood conditions for children and adolescents, had 6.8k member interactions in 2024 an increase of 52% on 2023. This includes interactions with our Paediatric Developmental Clinic, a specialist clinic which offers assesment and intervention services for children and adolescents with mild to moderate developmental issues.

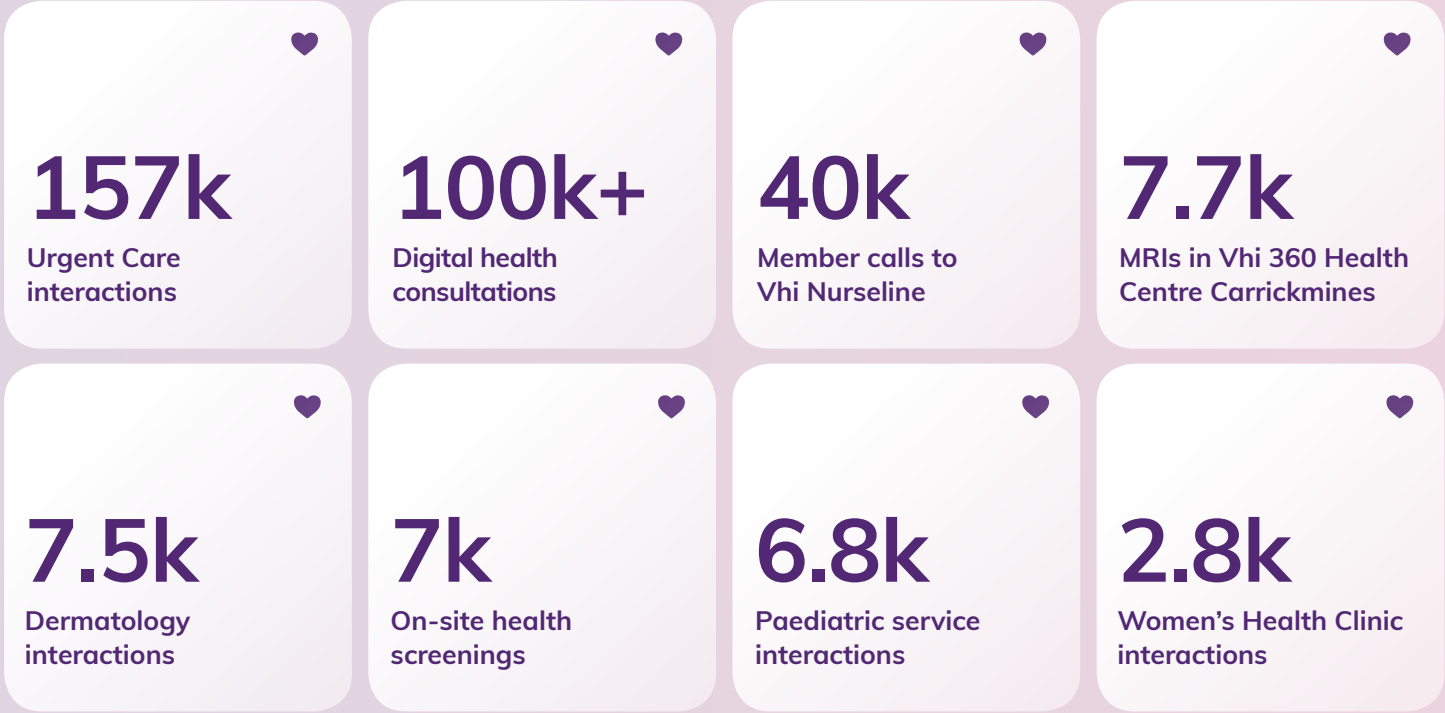
The Clinic now offers multidisciplinary care including:

- Consultant paediatrician
- Physiotherapy
- Occupational Therapy
- Speech and Language Therapy
- Psychologists.

Our urgent care clinics, which are part of our Vhi 360 Health Care network in Dublin - Carrickmines and Swords, Limerick and Cork, delivered 157k healthcare interactions. In 2024 we convened a Task Force, charged with strengthening the strategic and operational capabilities of our urgent care service to deliver tangible improvements in access and member experience. Improvements included the delivery of urgent care from triage to discharge in just 1.5 hours.

We continue to expand our physical footprint and were delighted to announce the development of Vhi 360 Health Centre Galway, offering a range of benefits to members in the west of Ireland, including an urgent care clinic due to open in 2025.

Healthcare Interactions



Award Winning Care
Vhi Hospital@Home delivers multidisciplinary care in members' own homes. This allows suitable patients to avoid hospital admission or be discharged from hospital earlier.

In 2024, Hospital@Home began offering the provision of IV diuretics for the treatment of heart failure, which is one the most common causes of admission to a medical facility in Ireland for patients aged 65 and over.

The 5FU disconnection service, which was introduced in 2023, continues to be the number one service provided by Hospital@Home. The service offers members receiving cancer treatment, nurse led care of their oncology lines, in their own home.

In 2024 Dave Aragones, a nurse with Vhi Hospital@ Home since 2015, was chosen as the first recipient of a DAISY award for the exceptional care he provides in the course of his work. The DAISY Award is an international recognition program that honours nurses and midwives for the extraordinary compassionate nursing care they provide.

Vhi Hospital@Home also won two awards at Private Healthcare Awards for Excellence in Patient Care and for the Best Use of Technology.



Daisy Award winner David Aragones with his colleagues from Vhi Hospital@Home (l-r) Helen Connolly and Mary Daughton

Learning and Education
At Vhi we are committed to fostering a culture of continuous learning and professional development, ensuring each of our colleagues have the skills and knowledge to deliver the highest standard of care and service for our members.

In 2024, 50 of our clinical colleagues received education assistance to pursue professional or postgraduate training with an additional 96 colleagues enrolling in Continuous Professional Development courses. We also continued to play a role in training the future health workforce by facilitating 61 undergraduate nursing student placements from both Trinity College Dublin and University College Cork. We made significant progress in research and academic partnerships, as Vhi was approved as a partner organisation for the prestigious RCSI Strategic Academic Recruitment (StAR) MD programme, which provides Registrars and Specialist Registrars on a consultant trajectory with an opportunity to conduct research and advance innovation.

In 2024 we achieved reaccreditation for services including Women's Health, Positive Minds, Urgent Care, Paediatrics and Physiotherapy. This underpins our commitment to patient safety, improved processes and to the delivery of high quality healthcare.

A key highlight of Vhi's education outreach is the Vhi 360 Hot Topics webinar series. Attended by over 1.1k healthcare professionals over four webinars, health professionals examined Dermatology, Women's Health, Sports and Exercise Musculoskeletal Medicine, and Child and Young Adult Mental Health.



Senior Programme Coordinator, Monica Byrne and Senior Operations Lead, Nora Salmon from Vhi Clinical Education & Training

Expert-led Workplace Wellbeing
We supported our corporate members by developing and delivering over 1.2k tailored health and wellbeing programmes, designed to meet the unique needs of their employees.

The evidence based and expert led wellness programmes are designed to help corporate members build healthy and happy workplaces by supporting employee emotional, mental, and physical well-being.

To promote early detection and preventative care we provided almost 7k on-site health screenings through our on-site Livewell Screening programmes and almost 26k self-service HealthCheck Station checks, helping employees take a proactive approach to their health.

We provided access for 416k service users to our Employee Assistance Programmes and delivered 84 mental health first aid training courses.

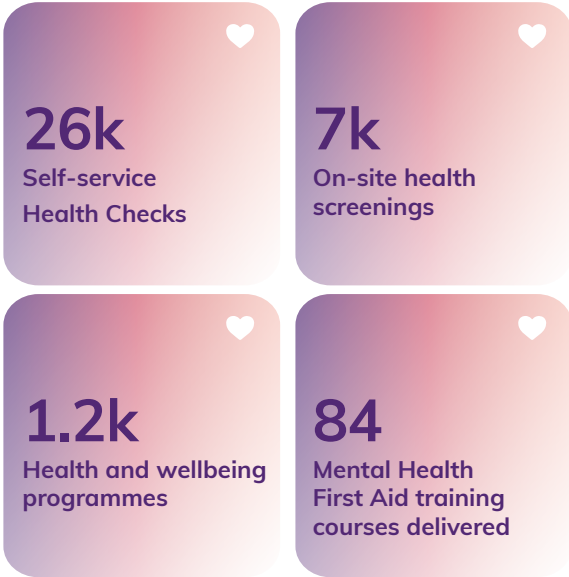
Our network of specialist speakers, trainers and wellness ambassadors provided a series of online and in-house events on a range of subject matters, offering insights and guidance to employees. In 2024 we delivered 49 live events with just over 25k employees attending online or in person. 74% of those who attended and provided feedback strongly agreed that their attendance had a positive impact on their health and wellbeing.



Dr Lynn Spooner, Clinical Director for Enhanced Primary Care, Vhi Health & Wellbeing, Richie Sadlier psychotherapist, Gina Daly and David Gillick, Vhi Wellness Ambassador were panellists at a Vhi Workplace Wellbeing event.



Paediatric Clinical Nurse Education Facilitator Alannah Denny at Vhi Health Check station



Our People

Our colleagues are at the heart of Vhi, supporting our members and driving our success.

It is through their passion and professionalism that we can continue our evolution as an insurer to a healthcare partner, to create a better more sustainable future.

79%

Of colleagues feel comfortable to be themselves at work

10%

Colleague career progression through internal promotions

600

Individual nominations received for our inaugural Powered by Values Awards



Vision, Values and Empowerment

At Vhi our culture and values guide how we support, empower and develop our people, ensuring they thrive in a dynamic and inclusive workplace. In 2024 we focused on fostering a culture of recognition, and engagement in the workplace, where well-being and professional growth go hand in hand.

We continued to progress our People Strategy; to empower our colleagues to achieve their full potential while advancing Vhi's purpose. We also took the decision to rephrase certain elements of the strategy, to ensure that the organisational changes and evolving culture could be fully embedded as we continue our transformation from health insurance provider to healthcare partner.

Our evolving culture is informed and strengthened, by the voices of our colleagues and in 2024 we conducted a full Vhi Culture survey. Progress has been made across all 12 cultural indicators measured since we last conducted a full culture survey in 2021 with substantive progress being made in a number of key areas including:

- Coordination and Integration,
- Goals and Objectives,
- Team Orientation and
- Core Values.

We continued to embed our core values 'Together we do our Best Work', 'We Lead with Heart' and 'Courage to Create a New Future'. These values have guided our behaviours, interactions and engagement with one another and critically, with our members.

In 2024 we held our inaugural Powered by Values Awards, an event to recognise the colleagues who consistently live our Values in remarkable ways. Colleagues were invited to nominate their colleagues across seven categories and in a powerful statement of peer-to-peer recognition, almost 600 nominations were received. An awards event was held in Kilkenny, where we celebrated seven worthy winners and acknowledged each other's contributions in creating a purposeful workplace which continues to build more positive outcomes for our members.

12

Progress made against all 12 cultural indicators



Leonie Colgan, Daragh Breathnach, Kate Dillon and Elaine McLoughlin pictured at the Vhi Powered by Values Awards in Vhi Kilkenny



Lisa Woods and Christine Walsh pictured at the Powered by Values awards in Vhi Kilkenny



Rebecca Dooley and Rachel Phelan participate at Vhi Care Festival



Vhi colleagues gather in Vhi House Abbey Street, Dublin in advance of participating in the Vhi Women's Mini Marathon

Caring for Our People

We recognise our strength lies in our people and that a healthy and engaged workforce is essential for delivering the best outcomes for our members. In 2024 our focus was on offering practical programmes that help our colleagues physical, mental and financial wellbeing.

We held our first Vhi Care Festival in our Kilkenny office and throughout the year we organised a variety of activities to give colleagues an opportunity to build wellbeing and connections. We enhanced our financial wellbeing resources, offering financial planning workshops, payroll clinics and tools to support colleagues in managing their finances now and in future. We also enhanced our colleague communications by introducing podcasts, video messaging and regular engagement tools to ensure that our well-being initiatives remain relevant and responsive to the needs of our teams.



Vhi colleagues participate in a yoga session as part of the first colleague Care Festival.

40+

Wellbeing events run across our organisation

1,115

Colleague wellbeing days availed of by colleagues

Workplace Thought Leadership

We recognise that a progressive and inclusive workplace is built on polices that evolve to meet the changing needs of our people.

As well as ensuring our polices are responsive to colleagues' wellbeing, we also want to share our expertise from both a clinical and corporate perspective. In 2024 we hosted a Vhi Workplace Health Insights panel discussion on women's health and wellbeing in the workplace, and its importance for employers. The discussion highlighted the opportunities that employers have for enhancing women's experiences in the workplace. The online event which was attended by over 230 professionals from Vhi's corporate network, was moderated by Evanne Ni Chuilinn, and featured Amy Burke, Chief People & Sustainability Officer at Vhi, Lorna Ross, Vhi Head of Innovation, and Dr Fiona Belton, Vhi Clinical Lead for Women's Health.



Workplace Heath Insights panel discussion moderated by Evanne Ni Chuilinn with Dr Fiona Belton, Vhi Clinical Lead for Women's Health, Lorna Ross, Vhi Head of Innovation and Amy Burke, Vhi Chief People & Sustainability Officer

3%

Reduction in Gender Pay Gap

Learning @Vhi

In 2024 we continued to invest in the development of our people, ensuring we have the skills and leadership capability required to drive the business forward and support the strong appetite for learning within the organisation.

Leadership development remained a priority with a structured approach to enhancing capability from Team leader to Director level. We delivered leadership development programmes that are building the skills required to drive high performance, innovation growth mindset, collaboration and effective leadership in a dynamic environment. This included eight experiential leadership development programmes for 169 individual participants which represented 758 learning days investment. Priority learning opportunities, delivered in partnership with external experts, included webinars and workshops, such as webinars and workshops such as Feedback as a Superpower, Leading Inclusively and Performance Coaching.

We continued to invest in role related learning and professional accreditation delivering over 135 training programmes to support colleagues in building their professional and technical competencies. We launched our Vhi online training platform, which further expanded access to training solutions and webinar events for all colleagues. 10% of our colleagues were promoted during the year, reinforcing Vhi as an organisation where talent is recognised, developed and supported.

390+

Colleagues supported with professional role related learning and accreditations

Promoting an Inclusive Environment

Inclusion is at heart of a thriving workplace, supporting our colleagues to feel seen, valued, respected and empowered to contribute. In 2024 we launched our refreshed Inclusion Diversity and Equity (IDE) strategy, which is focused on three ambitions – Enabling Inclusivity, Fostering Diversity and Driving Equity for all.

We have adopted a phased approach to the strategy across three horizons, and in 2024 we focused on creating a more inclusive environment. Through workshops, training, and communications, we brought an awareness and understanding of the refreshed strategy to all colleagues and we increased visibility of our IDE policies.

We supported the expansion of our colleague networks and welcomed the Neurodiversity network. We also implemented an Inclusive Company Day Swap initiative, in recognition of the different beliefs and traditions of our colleagues.

We signed up to Elevate, the inclusive workplace pledge, demonstrating our commitment to fostering a culture where colleagues can truly be themselves. We were recognised by the Irish Centre for Diversity with the Silver Investors in Diversity EDI Mark.



Vhi colleagues at the launch of the refreshed IDE strategy – I’m All In

4 colleague-led IDE networks with 600+ colleague members

Women's Network

- 400+ members
- Hosted 6 events including Career Conversations, our first in-person networking event

Susan Byrne, Rebecca Ruth Fitzpatrick with guest speaker Aoife Dunican at a Women's Network event

Multicultural Network

- 60+ members
- Hosted 5 events including Meet the Author

Micheli Romao with guest speaker and author Katriona O' Sullivan at a Multicultural Network event

Neurodiversity Network

- 82+ members
- Hosted 3 events including Sensory Santa, an inclusive and sensory friendly Santa experience

Matt Fagan and Carina Dolly from the Neurodiversity Network prepare for the Sensory Santa event in Vhi 360 Health Centre Carrickmines, Dublin

Pride Network

- 80+ members and allies
- Hosted 2 events including a talk in support of Pride in 2024

Conor Grant and Stuart Doheny with guest speaker Panti Bliss in Vhi House for the PRIDE Network event

Sustainability

Building a framework for a sustainable future

Vhi has set an ambitious course towards a sustainable future, guided by a forward-looking strategy which was approved by the Board of Vhi in July 2023.



Vhi’s sustainability strategy has three key pillars – **Healthy Business**, **Healthy People** and **Healthy Planet** – along with **nine focus areas** and **20 individual work plans**.

In 2024, we prioritised establishing a solid governance framework, ensuring regulatory adherence and positioning ourselves to meet both national and international standards.

We achieved significant milestones in 2024, launching 10 of our workplans and a notable accomplishment includes the creation of a dedicated Group Sustainability Executive Committee to enhance sustainability governance. We instigated, through training and initiatives, a collective sustainability mindset across Vhi. We transitioned our sales fleet to electric vehicles, reducing our carbon emissions. Additionally, we commenced our three sustainability strategy pillar programmes; CSRD readiness, Climate Risk and Net Zero Decarbonisation.

At Vhi we recognise that our members expect us to lead the way in building a healthier, sustainable future. This is why we are taking decisive action – not only reduce our own environmental impact but also to contribute to the long-term wellbeing of the communities we serve.

Looking ahead to 2025, our focus will include integrating climate considerations into our Risk Management processes, crafting a comprehensive decarbonisation roadmap and implementing sustainable procurement practices including publishing a Sustainable Procurement Charter.

These efforts reflect our commitment to ensuring that our sustainability journey delivers meaningful benefits for our members, our people and the planet.



Healthy Business

At Vhi we are committed to embedding sustainability to the core of our decision making, ensuring that environmental, social and governance principles shape how we operate, manage risk and plan for the future.

A key focus in 2024 has been the strengthening of our governance structures to support this ambition. We established a dedicated Group Sustainability Committee, chaired by our Group People and Sustainability Officer Amy Burke, with direct accountability to the Group Leadership Team. This committee provides strategic oversight on all aspects of sustainability within Vhi and plays a central role in driving our transformation towards a fully integrated healthcare model – one that can prioritise both people and planet.

Beyond governance, fostering a sustainability first mindset across our organisation, has been a priority. Sustainability is a responsibility shared by all our colleagues and in 2024 we took important steps to deepen awareness and engagement, including hosting a sustainability Summer Session. This event, which was open to all colleagues, provided a valuable platform to explore the sustainability strategy, its impact on different areas of the business and how it aligns with our commitment to our members. In addition we launched our first mandatory sustainability training programme, equipping colleagues with the knowledge and tools to incorporate sustainability into their roles.

By strengthening our governance, fostering leadership accountability and embedding a culture of sustainability we are laying the foundation for long term meaningful change, so we are equipped to deliver more sustainable healthcare solutions for our members.



Dr Tara Shine with Aaron Keogh MD Insurance, Anne O'Connor MD Health & Wellbeing, CEO Brian Walsh, Amy Burke Group People & Sustainability Officer and Emer Haughey, Head of Sustainability at the Sustainability Summer Session



Healthy Planet

At Vhi we recognise the need to operate within planetary boundaries and take meaningful action to reduce our environmental impact. Our goal is to become a net-zero carbon business by 2050 and in 2024 we made early and meaningful progress towards this commitment.

As a first step we launched our Net Zero Decarbonisation Programme and completed a full carbon footprint across all three scopes, using 2023 as our baseline. This provides us with a clear picture of our emissions and a foundation for targeted reductions. A key milestone was the transition of our sales fleet to electric vehicles, which led to a reduction of over 43,000kg CO₂ in vehicle emissions. Additionally we continued our efforts to reduce paper usage, achieving an 11% decrease compared to 2024 and a 33% reduction since 2020 driven by a member shift to digital communication.

Beyond reducing carbon emissions, we are embedding circular economy principles into our operations, ensuring that waste reduction and resource efficiency are core considerations in how we work. To drive sustainable procurement, we introduced a 10% sustainability weighting in key tenders, reinforcing our role in driving sustainable change across our supply chain. In the development of the new Vhi 360 Health Centre in Galway, we took deliberate steps to minimise waste, repurposing furniture and equipment to significantly reduce landfill disposal.

Within our healthcare services, following a successful piloting of compostable PPE gear, in 2024 we have begun introducing the compostable aprons across our healthcare services as part of our broader commitment to responsible resource use. These initiatives, mark the beginning, of a long-term transformation in how we manage our environmental impact.



Colleagues mark World Recycling Day in Vhi 360 Health Centre in Carrickmines



Healthy People

At Vhi we believe that good health extends beyond healthcare to connected communities. Through our sponsorships and partnerships, we are championing good health and wellbeing, delivering initiatives that bring health benefits, strengthen bonds and support people to live longer, stronger, healthier lives.

2024 marked the 10th anniversary of Vhi’s sponsorship of the Vhi Women’s Mini Marathon, a flagship event that brought together over 25k women to complete a 10km run in Dublin city centre. The event, which welcomed entrants from aged 14 to 93, not only showcased the power of physical activity but also reinforced our commitment to member wellbeing.

Since 2016, Vhi has been the presenting partner of parkrun Ireland, a free weekly event that has grown from 46 to 150 locations nationwide in that period. In 2024 participation reached a new milestone, with over 500k 5km finishes recorded for the first time and over 100k instances of volunteering.

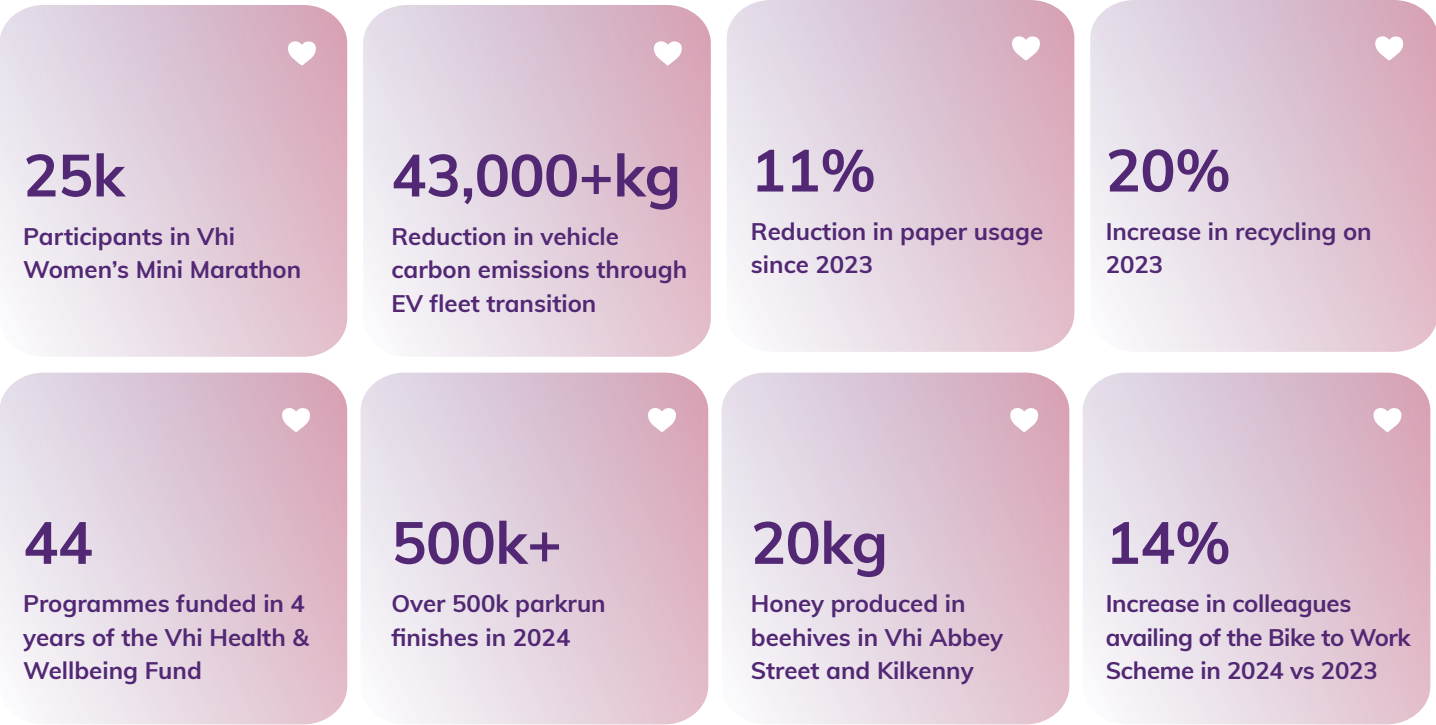
We also continued our commitment to supporting young people through the Vhi Health & Wellbeing Fund, delivered in partnership with the Irish Youth Foundation. In 2024, the fund provided €90k in grants to nine community projects across Cork, Dublin, Donegal, Galway, Kilkenny and Limerick. The Fund aims to support young people by strengthening resilience and helping them manage anxiety.

By championing initiatives that promote movement, positive mental health and youth resilience we are helping to create healthier communities where people feel supported, empowered and connected to take care of their wellbeing.



Venture Out Wilderness Project which runs creative, nature-based programmes to support young people from disadvantaged communities was one of nine projects awarded grants through the Vhi Health & Wellbeing Fund.

Sustainability at a Glance



Participants, Chantelle Machokoto, left, and Ellen Shumba with their medals after the 2024 Vhi Women's Mini Marathon.



Fiona Murphy Group Sustainability Manager and Shivank Sabharwal Vhi Graduate at the Vhi Care Festival where Active Travel in Abbey Street and Kilkenny and the Bike to Work Scheme were promoted






Emer Haughey, Head of Sustainability, outlining Vhi's sustainable healthcare strategy at the National Sustainability Summit



Participants at the Marlay parkrun in Dublin where Vhi hosted a special Wellness event ahead of the Vhi Women's Mini Marathon.

2024 Achievements and Ambitions

Healthy Business			
To instil a culture where sustainability is core to all our decision-making.			
	<div><div></div><div></div><div></div><div></div></div> <div>ESG Integration</div>	<div><div></div><div></div><div></div><div></div></div> <div>Radical Transparency</div>	<div><div></div><div></div><div></div></div> <div>Sustainability Mindset</div>
Focus area			
2024 Achievements and Ambitions			
<div></div> <div><h3>ESG Integration</h3><p>Integrate ESG considerations into our governance structures, risk management, and investment decisions</p></div>	<ul style="list-style-type: none">Enhanced sustainability governance at Executive and Board level e.g. Group Sustainability Committee established, and amendments made to the Board Committees to reflect their enhanced roles in relation to the sustainability strategy and sustainability reporting.An Environment Policy Statement and an Energy Policy Statement were developed.Commenced a two-phased climate risk programme (Phase 1 completed) which identified climate risks and opportunities across the group. Climate scenarios have now been quantified and climate risks will be embedded into our overall Risk Management Framework in 2025 (Phase 2 of the programme).		
<div></div> <div><h3>Radical Transparency</h3><p>Be open and transparent in communicating progress on our sustainability journey</p></div>	<ul style="list-style-type: none">Completed our second disclosure to CDP, formerly The Carbon Disclosure Project, and achieved a D rating in 2024.Continued to report, bi-annually, to NewERA under the Climate Action Framework for Commercial Semi-States.Included an enhanced sustainability section in the 2023 Annual Report.Completed Vhi's first TCFD report.Commenced our CSRD readiness programme e.g. identified our Impacts, Risk & Opportunities (IROs), mapped our value chain mapped, and commenced our reporting gap analysis and EU Taxonomy analysis.Launched our sustainability strategy internally via a hybrid Sustainability Summer Session in July which featured a panel discussion with our MD Insurance, MD Health & Wellbeing, and our Chief People & Sustainability Officer moderated by Dr Tara Shine. This was also supported by an internal sustainability SharePoint site for colleagues.Enhanced the sustainability section on our vhi.ie website		
<div></div> <div><h3>Sustainability Mind-set</h3><p>Cultivate a mind-set in Vhi, where sustainability is woven into everyone's job</p></div>	<ul style="list-style-type: none">Delivered sustainability leadership and climate risk training to the Board and provided access to a CSRD and a Sustainability Leadership online course, facilitated by Change by Degrees, to members of the Nomination, Governance & Sustainability Committee, the Audit Committee, the Group Leadership Team, the Group Sustainability Committee and other relevant individuals.Rolled out mandatory all-colleague Sustainability training in September 2024 and achieved a 95% completion rate.Supported other colleagues in role-specific education e.g. sustainable procurement, sustainability reporting, climate risk.Co-designed and co-delivered a Clinical Education session on Planetary Health with our colleagues in Health & Wellbeing.		

Sustainability Mindset

2024 Achievements and Ambitions continued

Healthy People	
To champion good health and wellbeing for our colleagues, members and communities.	
<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
Workplace Wellbeing & InclusionSustainable PropositionsHealthy Communities	
Focus area	2024 Achievements and Ambitions
<div></div> <div>Workplace Wellbeing & Inclusion Attract and retain top talent by creating a workplace that promotes wellbeing and belonging</div>	<ul style="list-style-type: none">Signed up to the Business in the Community Elevate Pledge, the inclusive workplace pledge, demonstrating our commitment to fostering a culture where colleagues can truly be themselves.Continued to support a culture of inclusion and belonging through our Women's Network, our Pride Network, our Multicultural network and our Neurodiversity Network.Published our third Gender Pay Gap Report.79% of colleagues feel comfortable to be themselves at work.Maintained the Silver Investors in Diversity mark from the Irish Centre for Diversity.Held the inaugural Powered by Values awards recognising individuals and teams that demonstrate our values everyday.Co-sponsored an event with the Women's Network on creating a sustainable wardrobe.
<div></div> <div>Sustainable Propositions Develop innovative, sustainable products and services that set a new standard in the market</div>	<ul style="list-style-type: none">Announced that from early 2025, a redeveloped Vhi 360 Health Centre will open in Galway offering a range of benefits to members in the West of Ireland, including an Urgent Care Clinic for the treatment of minor injuries and illnesses and access to a multi-disciplinary team of clinicians.Hired a Sustainability Wellness Consultant to develop and deliver a sustainable wellness strategy to support our corporate customers in their wellness and sustainability goals.Vhi was a sponsor of the "Sustainability in Healthcare Summit" in October, where the Head of Sustainability delivered a presentation, and took part in a panel discussion.
<div></div> <div>Healthy Communities Promote healthy and sustainable communities by making the connection between human and planetary health</div>	<ul style="list-style-type: none">Sponsored the Vhi Women's Mini Marathon for the tenth year with 25k participants.Continued our partnership with parkrun which takes place in 130 locations nationwide, with over 10k participants per week.To mark World Mental Health month, we launched a campaign as part of our award-winning More Than Running series, with a focus on the positive mental health benefits of participating in parkrun.In 2024, the Vhi Health and Wellbeing Fund, in partnership with the Irish Youth Foundation, awarded grants from a total of €90k to 9 projects that aim to strengthen resilience in young people and help them manage anxiety.

Healthy Planet	
To operate within planetary boundaries and have a net positive impact on nature.	
<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
Net-zero CarbonCircular InnovationNature Positive	
Focus area	2024 Achievements and Ambitions
<div></div> <div>Net-zero Carbon Decarbonise our operations and supply chain and be a net-zero carbon business by 2050</div>	<ul style="list-style-type: none">Commenced our Net Zero Decarbonisation programme and completed a full carbon footprint exercise across all three scopes using 2023 as a baseline year.Improved our energy efficiency 42.5% since the baseline 2009 year as at the end of 2023.Transitioned our Sales team to electric vehicles 2024 resulting in a reduction in vehicle carbon emissions of 43,018kg CO₂.Through a shift to more digital communications to our members, in 2024, we reduced the amount of paper we used by 11% when compared with 2023 and 33% when compared with 2020.Invested in an energy management platform to help us to track our emissions and energy usage and implement initiatives.Waste segregation has improved 2023 vs 2024 with an increase in recycling of 20%.We recruited an Energy Lead, and an Environmental Specialist further enhance our capability and capacity from an environment and energy perspective.We launched a Re-Turn bottles and cans initiative in Abbey Street (in partnership with The Irish Youth Foundation) and Kilkenny (in partnership with WeCan).In December, Vhi became a founding signatory of the Business in the Community 'Accelerate Business Pack for Climate and Nature'.
<div></div> <div>Circular Innovation Design out waste and embed circular economy principles across all our offices and healthcare settings</div>	<ul style="list-style-type: none">We included a 10% sustainability weighting in key tenders.Compostable PPE aprons are now being phased-out across all our healthcare services and only compostable PPE is now being purchased.We rolled out our clinical waste pilot in our Vhi 360 Health Centre in Limerick.Introduced the Winnow system in our Abbey Street and Kilkenny colleague restaurants to record food waste through smart technology.Installed a biodigester in our Kilkenny office, eliminating food waste from our colleague restaurant; the compost is now being used to feed hedging around the site.
<div></div> <div>Nature Positive Restore and protect nature and raise awareness of the vital connection between the health of people, of nature and the planet</div>	<ul style="list-style-type: none">In the second half of 2024, we installed a biodigester at our colleague restaurant in Kilkenny. Organic pellets from this biodigester were then used to feed the hedges in our carpark.Through a 50:50 biodiversity collaboration with Fingal County Council we jointly harvested, dried and sowed wildflower seeds from our greenfield site in Swords and began planting them at our office in Kilkenny.Our five hives of bees, located at Abbey Street and Kilkenny, produced 20 kilos of honey in 2024 which was sold and used in our colleague restaurants.

Governance

Good corporate governance is fundamental to the success of our organisation.

Vhi Group is committed to the highest standards of corporate governance, business integrity, transparency and professionalism in all of our activities.

We are committed to conducting business in accordance with both the letter and the spirit of the relevant regulatory and compliance related laws, regulations and codes that apply to Vhi Group's regulated activities, as well as internal compliance policies and standards.

We aim to act with integrity, honesty and fairness in dealing with members and other stakeholders.

The Vhi Group Board seeks to ensure that its governance structures are fit for purpose, and effective for the nature, scale and complexity of Vhi's business lines.

The Vhi Group Board has established Committees and authorises these Committees to undertake certain work on its behalf, to enhance efficiency and governance effectiveness. However, ultimate decision-making authority rests with the Vhi Group Board and all decisions remain the responsibility of that board.

Vhi Group Committees:

- Group Audit Committee - chaired by Mary Halton
- Group Risk Committee - chaired by Mike Frazer
- Group Remuneration Committee - chaired by Karen Furlong
- Group Nomination, Governance and Sustainability Committee - chaired by Greg Sparks, Chair of Vhi Group Board



Risk Management

Risk Management assists Vhi to navigate challenges and maximise opportunities in order to achieve the strategic objectives of the Group. The principal risks and uncertainties of Vhi have been determined by assessing potential risks in the categories of Finance and Capital, Operational, Strategic, People and Culture, and Conduct and Customer Value.

Vhi’s approach to Risk Management



Governance

Vhi has governance processes overseen by Independent Non-Executive Directors (INEDs) at Group Board level and at subsidiary board level for our subsidiaries.

The Group Risk Committee (GRC) receives reports from the Group Risk Officer and other Vhi executives as appropriate. The GRC is responsible for the oversight of risk across the Group and recommends risk appetite to the Group Board.

The Risk Management and Compliance Committee (RMCC) and Quality, Safety and Risk Committee (QSRC) are responsible for oversight of risk for Insurance and H&W respectively.

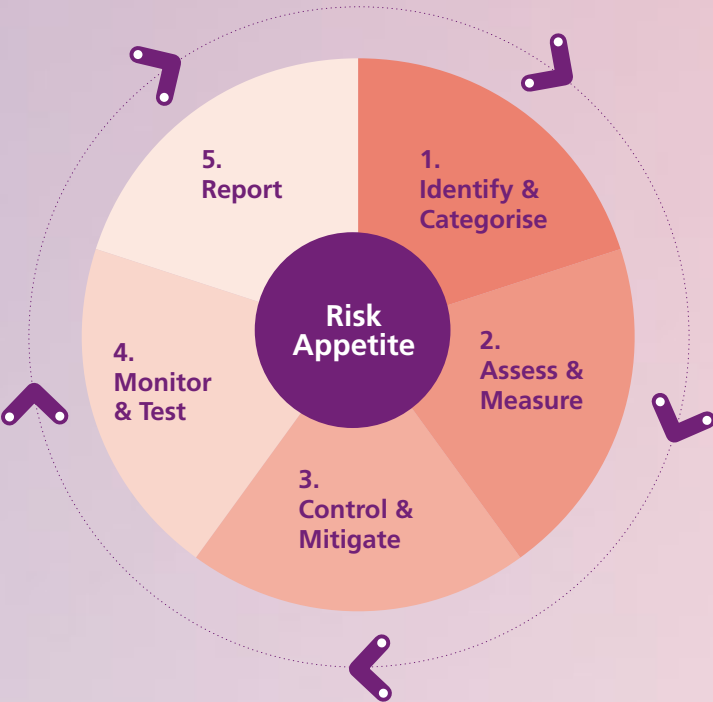
Approach and implementation

Vhi uses a ‘three lines of defence’ approach to risk management. We manage risk across our health insurance and provision businesses in line with our Board-approved Risk Management Framework. This sets out the principles behind a robust and continuous risk management system in our first line of defence.

Vhi has a culture in which:

- Leadership from the top clearly establishes desired risk behaviours
- Risk behaviour standards are established in our performance management processes and recognition does not encourage excessive risk taking
- Roles and responsibilities are clearly articulated and understood, with accountabilities towards risk behaviours established and managed
- There is a no blame culture and there is open and transparent reporting of risk events and near misses

Enterprise Risk Management (ERM) Life Cycle



We have well-established reporting systems in place to make sure that major risks to our businesses are identified, measured, escalated, mitigated, monitored and reported. We carry out detailed reviews and in-depth analyses on particular risks where required. We perform scenario analysis in order to identify our capital requirements in light of our risks and business plans through the Own Risk and Solvency Assessment (ORSA) & Own Risk Assessment processes.

Our risk management processes include explicit consideration of both current and future risks to our strategy, including how these might emerge or evolve and what actions we should be taking now to mitigate these risks or to benefit from the opportunities they provide.

Our policies contain the key risk control standards for conducting our business. These are implemented by our business units and overseen by policy owners to ensure compliance. Each policy has a designated owner with defined roles and responsibilities which provides clear ownership and accountability of risk. Our annual cycle of control monitoring assesses how well internal control, risk management practices and policy compliance is embedded across Vhi.

Risk Appetite

Vhi’s Risk Appetite Framework and Statements set the level and type of risk Vhi Group is prepared to accept to achieve its strategic objectives with limits and tolerances set for the main business risks. Risk appetite informs the strategy, business planning and operational processes and seeks to ensure their execution is in line with the risk appetite statements set by the Board.

The Risk Appetite Statement focuses on the following areas:

- Managing financial strength.
- Strategic risk and engaging in sustainable business activity.
- Operating in an effective and efficient manner.
- Treating customers in a responsible, fair and compliant manner.
- Managing people and culture risks.

Risk Management continued

Strategic Risk

The risk that Vhi Group DAC does not achieve its strategic objectives. Strategic risk covers the inherent risk in our strategy and business model and may result from both internal and external factors.

Current risks include:

- Inadequate Risk Equalisation;
- Inflation and economic stagnation, supply and demand changes for private healthcare;
- Risks of delivering our sustainability strategy, and
- The impact of legislative, political, social and regulatory changes alongside the risks associated with the successful delivery of our transformation programme.

How we manage it

- We regularly review our products and offerings to ensure that we continue to provide value to our members despite the economic challenges.
- We are investing in transformation and strategy execution to bring better healthcare to our members.
- We have integrated sustainability into our Group-wide Risk Management Framework and continue to focus on embedding climate risk management across the Group.

Operational Risk

Risk of financial loss or reputational damage resulting from inadequate or failed internal processes, people or systems that affect Vhi Group's business operations including but not limited to cybersecurity, data protection and business continuity.

Current risks include:

- Cybersecurity and data protection risk and
- Service resilience and third party provider risks.

How we manage it

- Maintaining and testing effective internal risk and compliance control processes and governance frameworks in line with a clear policy framework aligned to our Risk Appetite.
- Ongoing investment to enhance security and IT system resilience and other Data Protection measures as the business develops (e.g. digitisation).
- Ensuring we maintain high standards from 3rd parties supporting our core services and processes, with appropriate oversight, and plans and capacity to recover from service disruptions.

Finance and Capital Risk

Risks that can result in the loss of capital and/or negatively affect the solvency of the business, such as the risk of not meeting regulatory solvency requirements, financial losses and reserving risks.

Current risks include:

- Uncertainty in claims costs and investments,
- Financial risks from new ventures and investment in our transformation strategy, and
- Volatile financial markets.

How we manage it

- Defined risk limits and capital management, delegations of authority and monitoring lead indicators of changes in reserving and underwriting risks.
- We manage our partnerships with hospitals and other care providers to ensure we can give our members access to quality care on a reliable and predictable basis.
- Close monitoring of claims and business mix and react promptly to external events.

Conduct and Customer Value Risk

Risks are anything that would threaten the business' objective to treat members fairly and with due skill, care and diligence and minimise member detriment.

Current risks include:

- Miscommunication of services and advice to customers and
- Disruption to members' access to insured benefits.

How we manage it

- Embedding fair member outcomes in product and service design and delivery.
- Monitoring member engagements and health service provision and access to fully understand impacts on and experiences of all types of members.
- Ensuring conduct and customer value risks are fully assessed in business change risk assessments with input from subject matter experts across the Group.

People and Culture Risk

Risks that have an adverse impact on our members which primarily originate from employee behaviours, including nonadherence to Vhi Group DAC's policies, procedures, practices and rules.

Current risks include:

- Resourcing and staff wellness;
- Exposure of healthcare staff to sickness in the community;
- Succession planning and
- Competition for key skills.

How we manage it

- Progress and monitor culture development within our people strategy
- Having Health & Wellbeing programmes in place to support colleagues
- Development of new ways of working, reward and performance management in our People Strategy.
- Operating best practice in healthcare services to make Vhi an employer of choice.

Clinical Risk

Risk that we cause preventable harm to patients through our provision of healthcare services.

Current risks include:

- New healthcare services including 3rd party services and
- Shortages of staff with necessary expertise.

How we manage it

- The Chief Clinical Officer is responsible for ensuring clinical quality and governance within the business.
- Manage and monitor key Infection Prevention and Control measures on a continuous basis.
- Monitor and manage our capacity, capabilities and the effectiveness of IT systems, suppliers, processes and controls used in our healthcare services.

Progress in 2024

Changes in the pattern of provision of private and public healthcare (including possible impacts of Sláintecare), as well as inflation (affecting costs and affordability) and economic uncertainty have been underlying drivers of risk.

The progress with enabling our transformation programme and target care model as well as digital infrastructure means we are better placed to manage these risks and reduce our dependency on staffing levels and exposure to volume surges.

We have been making progress on developing the culture to support our strategy, retaining and attracting new staff, including those with key clinical skills, on the basis of flexible working and adapted remuneration packages.

We have been working to make our own health service provision more resilient and able to meet the expectations we create with our brand.

We have substantially stepped-up information security oversight and executive and board reporting as well as improving controls and control testing for contingency planning for business disruption risks.

We have established accountability and oversight on all aspects of sustainability within Vhi. Our net zero decarbonisation programme has commenced which will include completion of a full carbon footprint, development of a decarbonisation roadmap and a Climate Action Plan.

Risk Management continued

Task Force for Climate-Related Financial Disclosures (TCFD)

TCFD Theme	TCFD Recommendation	Our Progress
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	<p>The Group Board approves an Own Risk Assessment (ORA) for the Group on an annual basis. The ORA is recommended for approval to the Group Board by the Group Risk Committee which has oversight responsibility for risk, including Environmental Social and Governance (ESG) risk, across the Group. Similarly, the Insurance Board approves an Own Risk and Solvency Assessment (ORSA) on an annual basis. The ORSA is recommended for approval to the Insurance Board by the Insurance Risk Management & Compliance Committee. ESG scenarios were introduced to the ORSA and ORA in 2022 and have been evolving since then.</p> <p>In 2024, we commenced a comprehensive climate risk programme as part of the Healthy Business pillar of our sustainability strategy. The programme focused on: validating work completed to date, developing a long list of climate-related risks and opportunities, selecting a Baseline Scenario and time horizon for the climate risk materiality assessment for the ORSA and ORA and quantifying the impact of these scenarios. Updates on the programme were provided throughout 2024 to the Group and Insurance Nomination, Governance & Sustainability Committees which report into the Group and Insurance boards respectively. The development of the ORSA and ORA, and associated climate risk scenarios and quantification, were overseen by the Group Risk Committee and the Insurance Risk Management & Compliance Committee.</p> <p>To support the Group and Insurance boards, climate risk training was provided in 2024. This training focused on regulatory expectations, Vhi's key climate risks and the selection and use of climate risk scenarios within Vhi.</p>
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The Group People & Sustainability Officer is accountable for the executive leadership and execution of Vhi's sustainability strategy and reports into the Group Board in this regard, via the Group Board's Nominations, Governance & Sustainability Committee which has oversight responsibility for sustainability. In 2024, a management committee, the "Group Sustainability Committee" was established, with responsibility for management oversight of the delivery of the Group sustainability strategy.</p> <p>The Group Risk Officer (GRO) is responsible for managing financial risks from climate change in compliance with PR24 under the Senior Executive Accountability Regime (SEAR) and reports to the Group Board via the Group Risk Committee and to the Insurance Board, via the Insurance Risk Management & Compliance Committee. The Insurance Risk Management & Compliance Committee is supported by the Executive Risk Committee to which the GRO provided regular updates throughout 2024 on the development of the ORSA and associated climate risk quantification.</p>

TCFD Theme	TCFD Recommendation	Our Progress
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>Through the climate risk programme, we developed a holistic climate-related risks and opportunities (RO) universe using a 'PESTEL' categorisation (Political, Economic, Social, Technological, Legal and Environmental). To develop this RO universe, we completed peer analysis (both national and international), reviewed the outputs from the stakeholder engagement we completed as part of our sustainability strategy development programme in 2023, and conducted a physical risk exposure assessment at site and regional levels.</p> <p>In relation to physical climate risk, we assessed 15 Vhi sites across our own operations, examining six climate hazards across two scenarios for two time periods (2030, 2050). Other environmental risks include those related to human health (leading to increased hospital admissions due to climate related risks) and related migration. This concluded that Vhi does not have any material physical climate related risks.</p> <p>In relation to transitional climate related risks, the key risks include the scale of investment required for the transition, reputational risks from association with high-emitting industry (healthcare) operations and potential investment portfolio losses due to climate risk exposures.</p> <p>Climate related opportunities include increased brand reputation from taking action, increasing stakeholder trust or increased revenues from product offerings addressing climate related health concerns.</p>
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>Our sustainability strategy reflects our commitment to sustainability and is wholly aligned with our corporate purpose to "help our members to live longer, stronger and healthier lives." It is also aligned with our commercial strategy and with our prioritised UN Sustainable Development Goals (SDGs) (SDG 3 Good Health & Wellbeing; SDG 5 Gender Equality; SDG 13 Climate Action; SDG 12 Responsible Consumption & Production; SDG 8 Decent Work & Economic Growth, and SDG 17 Partnership for the Goals).</p> <p>As part of our climate risk programme, the credibility and robustness of available data along with materiality outcomes from the qualitative assessment were central to the decision in relation to which ROs would be quantified for the purpose of the ORSA and ORA scenarios. The climate risk scenarios show that there are a range of possible and severe impacts as a result of climate change, but that quantification of these impacts is an evolving area that we need to continuously evolve and keep abreast of. The key recommendations in the short term are to ensure sufficient investment and prioritisation of the development and delivery of the Sustainability Strategy, including tracking against our internally set targets and roadmap, with clear accountability and action plans.</p> <p>Decarbonisation, and the decoupling of emissions from growth, is a key risk for Vhi. Due to data availability constraints, the decarbonisation of Vhi's operations could not be quantified in 2024. A separate Net Zero programme under the Healthy Planet pillar of our sustainability strategy commenced in 2024, the first phase of which involved the development of a full carbon footprint exercise across all three scopes using 2023 as the baseline year. This programme is intended to address data gaps and facilitate informed decision-making on the carbon impact of future growth plans.</p>
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Three scenarios from the Network for Greening the Financial Sector (NGFS) climate risk suite were chosen to conduct scenario analysis, namely, Nationally Determined Contributions (NDCs), representing the Baseline Scenario, along with Net Zero 2050 and Delayed Transition. These scenarios were selected because they met the requirements of both the Corporate Sustainability Reporting Directive (CSRD) and the Central Bank's expectations for (re)insurers to integrate climate risk into their risk management frameworks.</p> <p>As above, the climate risk scenarios shows that there are a range of possible and severe impacts as a result of climate change, but that quantification of these impacts is an evolving area that we need to continuously evolve and keep abreast of. The impacts are much lower in the short term but could have material transitional and reputational impacts over the medium-to-long term without sufficient action.</p>

Risk Management continued

Task Force for Climate-Related Financial Disclosures (TCFD)

TCFD Theme	TCFD Recommendation	Our Progress
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	<p>Vhi's Risk Management Policy and Framework establishes our approach to identifying, measuring, mitigating and monitoring the key risks, including sustainability and climate risks.</p> <p>The identification and understanding of climate change risk exposure of Vhi Group is a key element of the sustainability strategy, ensuring we respond appropriately to manage climate change risks. This aligns with both EIOPA and the Central Bank's expectations for (re)insurers to integrate climate risk into their risk management frameworks and ORSA as well as the CSRD.</p> <p>Through our climate risk programme, commenced in 2024, we developed a holistic climate-related RO universe, underpinned by peer analysis (both national and international), a review of the outputs from the stakeholder engagement completed as part of our sustainability strategy development programme in 2023, and a physical risk exposure assessment at site and regional levels.</p> <p>To qualitatively assess the ROs, we aligned individual ROs with representative metrics sourced from the Network for Greening the Financial Sector (NGFS) and other publicly available data sources as required. Three scenarios were selected i.e. NDC (Baseline), Net Zero 2050 and Delayed Transition. Metrics were extracted from each scenario under four time horizons – 2020, 2030, 2050, and 2100. The metrics assigned to each RO act as a proxy to indicate how Vhi's exposure to each RO may fluctuate over time, depending on the scenario. These metrics were then combined with an understanding of our business model and current risk appetite to ROs identified to qualitatively score each RO. In short, a score was assigned to each RO across each time horizon and scenario to illustrate changing risk exposure over time and how this might affect Vhi.</p> <p>In terms of the physical risk assessment of exposure to climate change related hazards of the fifteen Vhi sites (including offices and clinics), we considered six climate hazards under two scenarios and two time periods, referencing climate projection data from the Met Éireann TRANSLATE report, with additional data sourced from the World Resources Institute (WRI) and the Joint Research Centre (JRC).</p>
	b. Describe the organisation's processes for managing climate-related risks.	<p>Vhi use a 'three lines of defence' approach to risk management. Risk is managed across our health insurance and health provision businesses in line with our Board-approved Risk Management Policy and Framework. This sets out the principles behind a robust and continuous risk management system across the three lines of defence. We also have governance processes in place overseen by Independent Non-Executive Directors at Group Board level and at subsidiary board level for our subsidiaries. The Group Risk Committee and the Insurance Risk Management & Compliance Committee receives reports from the Group Risk Officer and other Vhi executives as appropriate.</p> <p>Phase 2 of the climate risk programme involves the embedding of climate risks into the Risk Management Framework. This includes a review of the existing risk taxonomy, identification and integration of climate risk KRIs in the relevant Risk Appetite Statements and the updating of departmental risk registers and relevant policies.</p> <p>Further information on the management of risk, including climate-related risks, is available on pages 40 to 43.</p>
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<p>Our policies contain the key risk control standards for conducting our business. These are implemented by our business units and overseen by policy owners to ensure compliance. Each policy has a designated owner with defined roles and responsibilities. Our annual cycle of control monitoring assesses how well internal control, risk management practices and policy compliance are embedded across Vhi.</p> <p>The second phase of the climate-risk programme, which will conclude in 2025, involves the integration of climate risk management into Vhi's strategy and Risk Management Framework. This will ensure that the process for the identification, assessment and management of climate-related risks is embedded into the Risk Management Framework.</p> <p>Furthermore, in 2024 as part of the ESG Reporting work plan, also under the Healthy Business pillar of our sustainability strategy, we commenced a Corporate Sustainability Reporting Directive (CSRD) programme. The Double Materiality Assessment (DMA) required under CSRD requires Vhi to identify and assess the risks and opportunities arising from environmental, social and governance issues, and the impacts of our activities on people and the environment across the value chain – to identify the most material Impacts, Risks, Dependencies, Other Factors and Opportunities (IROs) to disclose upon. These IROs will also be embedded into our Risk Management Framework over 2025.</p>

TCFD Theme	TCFD Recommendation	Our Progress
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>The Sustainability Strategy includes an ESG Governance work plan. This work plan was key to the enhancement of sustainability governance at Vhi in 2024. For example, the Group and Insurance Nomination, Governance (and now) Sustainability Committee was renamed to reflect its oversight responsibilities in relation to sustainability and delivery of Vhi's sustainability strategy. One of the key areas of focus under this work plan for 2025 is the development of sustainability KPIs across the group. A key feed into this work will be the examination and identification of metrics to assess climate-related risks and opportunities as part of phase 2 of the climate-risk programme which is due to conclude in 2025. As appropriate, KRIs will be included in relevant Risk Appetite Statements and managed in line with the Risk Management Framework.</p>
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<p>We completed our second CDP response in 2024 (on FYE2023 data), achieving a D rating. In 2023, Scope 1 emissions amounted to 900.218 tonnes of CO₂e. Our Scope 2 emissions were 1480.913 tonnes of CO₂e (location-based) and 2297.69 tonnes of CO₂e (market-based).</p> <p>In 2024, as part of the Healthy Planet pillar of our sustainability strategy, we also commenced a Net Zero Decarbonisation programme. This 16-month programme includes completion of a full carbon footprint (using 2023 as the baseline year), and development of a decarbonisation roadmap and a Climate Transition Plan during 2025. The full 2023 carbon footprint was completed across all three scopes.</p>
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>The Board endorsed a 2050 net-zero goal when it approved the sustainability strategy in July 2023. We have also adopted the below targets set out for commercial semi-states under the Climate Action Framework. We report on our progress against these targets to the Sustainable Energy Authority of Ireland on an annual basis:</p> <ul style="list-style-type: none">• A 50% increase in energy efficiency by 2030 (2009 baseline)• Scope 1 (thermal) emissions target of 51% by 2030 (2016-2018 baseline)• Scope 1 & 2 emissions target of 51% by 2030 (2016-2018 baseline) <p>Based on the SEAL's M&R energy reporting to year end 2023, Vhi has achieved 42.5% of the 50% increase in the energy efficiency target required by 2030 (against a 2009 baseline). In terms of our Scope 1 & 2 emissions targets, due to the opening, in 2022 of our flagship Vhi 360 Health Centre in Carrickmines and a further expansion, in 2024, of our 360 Health Centre in Swords, we are currently trending at +27% against the –51% reduction target. While these expansions have been essential in meeting our members' healthcare needs, they highlight the importance of integrating emissions considerations into our decision-making for future service expansions. While health will always be our top priority, we are acutely aware of the need to grow responsibly. This will be supported by our Net Zero Decarbonisation programme which commenced in 2024 and involves completion of a full carbon footprint across all three scopes using 2023 as the baseline year, development of a fully costed decarbonisation roadmap and a comprehensive Climate Action Plan to guide us toward achieving our mandated targets of reducing emissions by 51% by 2030, cutting Scope 1 and 2 emissions by 51%, and achieving net zero, across all three scopes, by 2050.</p>

Vhi Board of Directors



Greg Sparks Chairperson (Independent Non-Executive Director)

Appointment to the Board: December 2014

Greg is both founder and former partner of RSM Farrell Grant Sparks. A Chartered Accountant, Greg has extensive experience and expertise in program planning, implementation and change management across the public and private sector. Greg has served on the board of Vhi since 2014, during this period he Chaired the Audit Committee. Greg is the Chair of VistaMilk SFI Research Centre and on the Board of the Irish Maternal Fetal Foundation Ltd. He has served on the Boards of Joe Duffy Motors, Digicel, The Irish Times and eir. He was a Director with Jigsaw the National Centre for Youth Mental Health and Chaired the Board of the Coombe Hospital for a number of years.



Brian Walsh Group CEO

Appointment to the Board: March 2015

Brian was appointed Group CEO of Vhi on March 1st 2023. He was appointed Interim Group CEO in May 2022 having joined as Chief Financial Officer in 2014. Prior to joining Vhi, Brian held Board and Executive roles in international financial services, telecommunications and FMCG industries in Europe and the USA. Brian is a Fellow of Chartered Accountants Ireland and a Chartered Director of the Institute of Directors. Brian chairs the Board of SOS Kilkenny CLG, a not-for-profit organisation supporting people with intellectual disabilities and autism.



Peter Cross Independent Non-Executive Director*

Appointment to the Board: January 2021

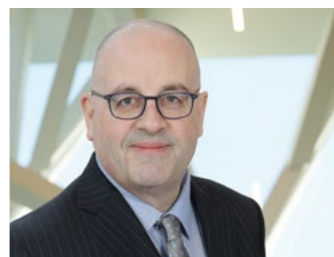
Peter is the Managing Director of Trasna Corporate Finance, an advisory firm specialising in telecoms and infrastructure. He is a non-executive director of DAA plc and of a number of wind energy assets managed by Arjun Infrastructure Partners. He was also a director of Cubic Telecom until its acquisition by Softbank in March 2024. Peter is a qualified Chartered Accountant and was previously CFO at eircom and CFO at BT Openreach. He was audit committee chair at the HSE, Ireland's national health service provider, and at Ervia, owner of Irish Water and Gas Networks Ireland. Peter is a member of the Governing Authority of University College Dublin, where he chairs the Finance Committee. ***Stepped down from Board on 1st October 2024.**



Catherine Doyle Independent Non-Executive Director

Appointment to the Board: May 2024

Catherine Doyle is the General Manager of Microsoft Ireland. Previously she served as the Managing Director for Dell Technologies in Ireland, with overall responsibility for the commercial and enterprise businesses in Ireland and Northern Ireland. Catherine has over 23 years of experience in the technology sector, leading diverse, cross-functional teams to drive success in dynamic and competitive environments. She has held a number of international roles with EMC and Dell Technologies. Catherine participates in a number of industry groups to promote workplace diversity.



Mike Frazer Independent Non-Executive Director

Appointment to the Board: June 2020

Mike is an actuary with over 30 years' experience across the insurance industry including with Irish Life and Zurich Life. He was CEO of AXA Life Invest Reinsurance and Deputy Head of Insurance Supervision at the Central Bank of Ireland. Mike is a consultant with the insurance practice of William Fry Solicitors and an Independent Non-Executive Director of Kingfisher Insurance DAC, General Investment Trust DAC and XL Re Europe. He served as the Honorary Secretary and as a Council member of the Society of Actuaries in Ireland 2018–2021.



Karen Furlong Independent Non-Executive Director

Appointment to the Board: January 2021

Karen is an experienced Director with over 30 years' experience across financial services, fintech, professional services and not for profits. Her expertise spans digital transformation, sustainability, strategy, change, governance and risk accrued from her roles in companies including Standard Life, Educational Building Society, Prospectus Strategy Consultants, CUNA Mutual and Allianz. Karen is a Senior Independent Director of Triodos Bank UK in Bristol and the Chair of Remuneration Committee for Progressive Building Society in Belfast. She also serves on the Boards of the Personal Injuries Assessment Board and Health Committee of Pharmaceutical Society of Ireland.



Mary Halton Independent Non-Executive Director

Appointment to the Board: June 2020

Mary is a Chartered Accountant with international banking and insurance experience gained in Executive, Non-Executive, and advisory roles. She is an experienced board governance advisor with internationally published research on board behaviours and effectiveness. Mary is currently COO of Lemur Investments. She is an experienced Audit Committee Chair and has served on a number of Boards including the Northern Ireland Audit Office, and the Governing Body of Chartered Accountants Ireland. Mary is a lay member of the UK Copyright Tribunal.



Dean Holden Independent Non-Executive Director

Appointment to the Board: January 2018

Dean is a Chartered Certified Accountant. He spent 29 years with Bupa, growing, developing and leading Bupa's operations across 12 countries including Spain and Saudi Arabia and latterly as Managing Director (MD) of Bupa Australia and New Zealand. He held a number of senior roles at Bupa including Group Financial Controller, MD of Bupa's Asia Pacific Division, MD of Bupa's International Division and International Markets Division. Dean was an Independent Non-Executive Director of the Skin and Cancer Foundation, Australia serving on the Board for nine years. Dean was also on the Board of Achieve Together UK for two years.



Martin Kelly Group CFO

Appointment to the Board: March 2024

Martin was appointed the Chief Financial Officer of Vhi Group in May 2022. Having joined the company as Chief Actuary in 2013, Martin played a key role in Vhi's preparation for CBI authorisation and the transition to the Solvency II regulatory regime. Previously Martin held a variety of actuarial positions across a wide range of areas within the life, non-life, and health insurance sectors. Martin received a BSc in Financial and Actuarial Mathematics from Dublin City University in 2002. He has been a Fellow of the Society of Actuaries in Ireland since 2007 and a Certified Insurance Director since 2019



Jennifer Loftus Independent Non-Executive Director

Appointment to the Board: May 2024

Jennifer is an actuary and an accountant with over 20 years' experience in the insurance industry. She is currently an Executive Director of Acorn Life, where she holds the roles of Group CFO, Chief Risk Officer, and Head of Actuarial Function. Jennifer is a Fellow of the Society of Actuaries in Ireland (SAI), the Institute and Faculty of Actuaries (UK), and the Association of Chartered Certified Accountants. In 2024 she was awarded the Bruce Maxwell Medal by the SAI in recognition of her outstanding contribution to the actuarial profession. Jennifer holds an MSc in Data Analytics and is an Ambassador for Women in Data Science Worldwide. She previously served as an INED and member of the Audit and Risk Committee of An Post.



Dr Catherine Motherway

Appointment to the Board: December 2024

Dr Motherway is a retired Consultant Anaesthesiologist with a special interest in Intensive Care Medicine and was Clinical Lead in Organ Donation in University Hospital Limerick. As President of the Intensive Care Society of Ireland (ICSI) from 2017-2020 she was involved in the Intensive Care response to the COVID-19 pandemic. She now works part time with Organ Donation Transplant Ireland supporting and promoting Organ Donation. Dr Motherway previously served on the College Council of the College of Anaesthesiologists of Ireland and is a past Chair of the National Training Committee. She currently serves on the National Advanced Trauma Life Support Committee and represents the ICSI on both National Organ and Transplant Advisory Group and National Office of Clinic Audit ICU audit committee.



Paul Whelan Independent Non-Executive Director

Appointment to the Board: May 2024

Paul Whelan is a Chartered Accountant with over 30 years of executive and non-executive leadership experience spanning healthcare, technology, retail, and financial services. Most recently, he served as Group CFO and Executive Director at Mater Private Network. Prior to this, Paul held a number of positions at O2 and Telefónica Ireland, including Deputy CEO, Group CFO, and Group COO/CTO. Paul began his career at General Electric Corporation, where he held senior executive roles and Board-level positions within its European financial services division, GE Capital Services. Currently, Paul is an independent Non-Executive Director with Golf Ireland, a mentor in the Quinn Business Mentoring Programme, and Managing Director of Zenith Business Consulting.



Dr Paul Zollinger-Read Independent Non-Executive Director

Appointment to the Board: November 2022

Paul is a qualified GP who pioneered the set up and rollout of the first Care Trusts in the UK. He was CEO of five NHS Primary Care Trusts, primary care advisor to the Kings Fund and Bupa's Chief Medical Officer (CMO). Paul is the CMO for a diagnostic imaging company and a group providing aged care services. Paul was Non-Executive Director for Bupa in Saudi Arabia and an advisor to virtual GP organisations.

Vhi Group Leadership Team



Brian Walsh Group CEO

Brian was appointed Group CEO of Vhi on March 1st 2023. He was appointed Interim Group CEO in May 2022 having joined as Chief Financial Officer in 2014. Prior to joining Vhi, Brian held Board and Executive roles in international financial services, telecommunications and FMCG industries in Europe and the USA. Brian is a Fellow of Chartered Accountants Ireland and a Chartered Director of the Institute of Directors. Brian chairs the Board of SOS Kilkenny CLG, a not-for-profit organisation supporting people with intellectual disabilities and autism.



Amy Burke Group People and Sustainability Officer

Amy joined Vhi in 2020. Prior to joining, Amy had a 20 year career in Bank of Ireland where she held a number of roles across the business before taking up the position of Head of Group HR. In Vhi, Amy has made a significant contribution to transforming the People agenda, positively building and shaping key colleague priorities including culture and capability development. As Vhi's Sustainability Officer, Amy is also shaping and implementing a future focused strategy aligned to Vhi's purpose of helping our members live longer, stronger, and healthier lives. Amy's strength is in strategic transformation with a strong commercial bias. Amy has a BSc in Finance from UCC and is a graduate of the Ross School of Business, University of Michigan.



Ronan Fitzpatrick Group Chief Information Officer

Ronan is an IT Executive with over 30 years of experience including five years advisory consulting experience. He joined Vhi in June 2021 from PwC Technology Consulting where he was Director of Digital. Previously Ronan was in Aer Lingus, where he held a number of roles in both commercial/business and IT including Director of Digital and Mobile, and Director of IT Enterprise Applications. Ronan has extensive expertise in transformation, defining new target operating models for a digital age, establishing new ways of working, IT delivery and business problem solving. Ronan has a BSc in Applied Computing from Waterford Institute of Technology.



Aaron Keogh Managing Director, Vhi Insurance DAC

Aaron is responsible for the executive leadership of Vhi Insurance DAC, leading out the Vhi Insurance business delivering care and customer experience across Product Development, Sales, Service, Operations, Claims and Healthcare Partnerships to Vhi's 1.2 million members. Aaron has held a variety of senior roles within the organisation including MD Vhi Healthcare DAC and General Manager of Individual Business. Aaron is a Chartered Director with the Institute of Directors and holds a MSc in Strategic Management from Dublin Technological University as well as a BSc in Software Systems from the National College of Ireland.



Martin Kelly Group CFO, FSAI

Martin was appointed the Chief Financial Officer of Vhi Group in May 2022. Having joined the company as Chief Actuary in 2013, Martin played a key role in Vhi's preparation for CBI authorisation and the transition to the Solvency II regulatory regime. Previously Martin held a variety of actuarial positions across a wide range of areas within the life, non-life, and health insurance sectors. Martin received a BSc in Financial and Actuarial Mathematics from Dublin City University in 2002. He has been a Fellow of the Society of Actuaries in Ireland since 2007 and a Certified Insurance Director since 2019.



Adam Lyon Group Risk Officer

Prior to his current role, Adam was General Manager Value and Business Development in Friends First Life Assurance Company and previously worked in other senior executive roles in Friends First Life Assurance Company including General Manager Product Sales and Marketing, Head of Finance and Head of Product Development and Pension Scheme Services. He is a Fellow of the Society of Actuaries in Ireland and a Fellow of the Institute and Faculty of Actuaries. He also holds a postgraduate diploma in management studies from the University of Sussex and a degree in mathematics from the University of London.



Tim McKeown Group Customer Officer

Tim holds executive responsibility for the Vhi member value proposition and leads Brand, Marketing, CX, Corporate Communications and Customer Transformation activities. He also sits on the Board of Vhi Health & Wellbeing DAC. Previous executive roles at Vhi including Group Strategy Director, Product & Business Development Director, MD Vhi SwiftCare Clinics and Head of Multiline general insurance portfolio. Prior to joining Vhi, he worked as a management consultant in Belgium for 10 years at both the European Commission and in the private sector. He is a Chartered Director (IOD) and holds a BA in Politics (UCD) and an MA in European Policy (UL).



Anne O'Connor Managing Director, Vhi Health & Wellbeing DAC

As MD of Vhi Health & Wellbeing DAC, Anne is responsible for developing and delivering Health and Wellbeing services through Vhi's network of healthcare facilities. Anne joined Vhi from the HSE in 2022 where she held the position of Chief Operations Officer having previously worked as National Director Mental Health, National Director for Community Operations and interim HSE Director General. Anne is also a Director of Vhi's retail intermediary, Vhi Healthcare DAC .



Dr Nicholas Young Group Healthcare Officer

Dr Young joined Vhi as Clinical Director of Vhi 360 Health Centre, Carrickmines in 2020 moving into the role of Chief Clinical Officer at Vhi Health & Wellbeing (H&W) in 2022. He was the interim Managing Director of H&W in 2022, overseeing the opening of the Carrickmines facility and the procurement of the H&W electronic health record. He was made the Group Healthcare Officer in October 2022. Prior to joining Vhi, Dr Young worked in the US with Kaiser Permanente Washington as the Clinical lead for their Emergency and Urgent Care services. He completed his medical training at Trinity College Dublin in 2001 and has 20 years of clinical experience as an emergency medicine consultant working in range of academic and integrated care settings.

Group CFO's Review



Overall 2024 has been a sucessful year for Vhi, we returned a surplus representing a significant financial turnaround.

Martin Kelly
Group CFO

2024 marked a turnaround for Vhi as the company generated a surplus after tax of €36m, following a deficit of €43m in 2023.

The deficit emerged following a number of years where access to, and demand for, healthcare for our members had been constrained due to the pandemic, but in 2023, activity levels recovered, resulting in growth of claims volumes and costs at unprecedented levels. While this was positive news for our members as it meant they could better access their healthcare needs, it did give rise to a significant financial challenge. It was important that we addressed this challenge to enable us to continue to invest in the development of the healthcare services and cover provided to our members in the future.

Overall 2024 has been a successful year for Vhi. We returned a surplus representing a significant financial turnaround. A key factor in this recovery was a renewed focus on cost containment to ensure that every euro spent improved services and healthcare for our members. It was also necessary in 2024 to increase prices as premium income had not kept pace with the growth in claims. Vhi fully recognise the impact of these premium increases on our members and have worked hard to keep them as low as we can. Vhi is unique in an Irish context as it exists only for the benefit of its members and any surpluses generated are reinvested in the services and products we offer to our members.

Membership of our private health insurance increased in 2024 and Vhi remains the largest health insurance provider in Ireland. Our multiline business, of travel, life, dental and international health insurance, was a key driver of growth, and income on these products amounted to €31m. Our success is built on a strong foundation of brand trust, our deep understanding of healthcare and insurance and our commitment to delivering high quality, member focused solutions. Additionally, by leveraging our expertise, expanding our service offerings and continuously innovating we have been able to provide tailored solutions that complement our core health insurance business, strengthen our overall market position and enhance the value we deliver to our members.

Our investment portfolio delivered strong returns in 2024 with investment income in excess of €40m. Our disciplined approach to portfolio management ensured we captured value while maintaining a prudent risk profile. Our capital strength is a key indicator of Vhi's overall financial health and Vhi ended 2024 with capital and reserves of €953m, an increase of €50m over the year, while the solvency position of our insurance business stands at a healthy 177% at year end.

Our portfolio performance and strong capital position provides stability and supports our ability to invest in future growth while delivering value for our members.

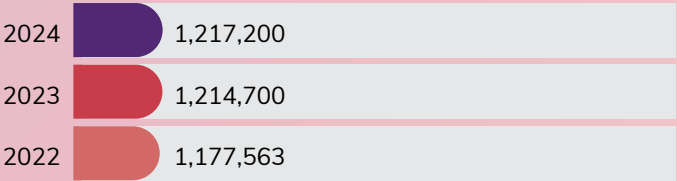
In 2024 Vhi paid out €1.74bn (2023: €1.68bn) in hospital, day-to-day claims and benefits for our members. The sustained increase in both the volume and cost of claims

was driven by more members accessing essential healthcare services along with increased costs in private hospitals, associated healthcare professional costs and the increasing costs of day-to-day care.

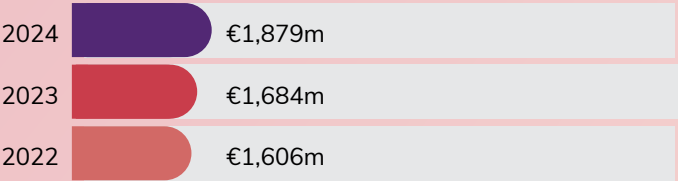
As we look ahead, we anticipate a continued upward trend in healthcare costs and claims, reflecting medical inflation which continues to outstrip general inflation, and an increasing demand for healthcare services. However, we remain committed to delivering value for our members by advancing our business strategy to design and deliver connected care pathways, improve member access to healthcare and ultimately improve our members healthcare outcomes.

Financial Highlights plus three year comparative graphs

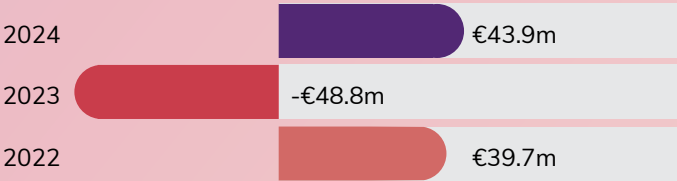
Membership



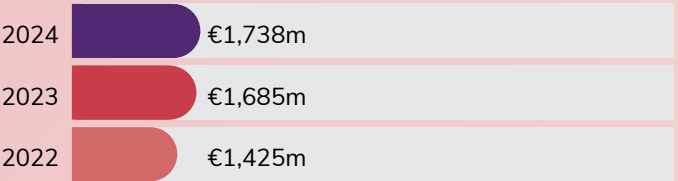
Gross Written Premium



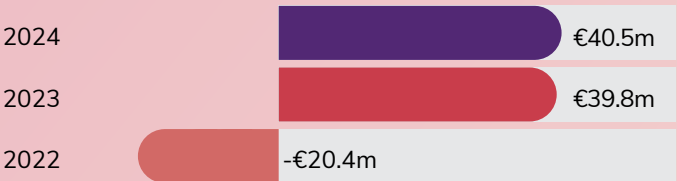
Net Deficit/Surplus Before Tax



Claims Paid



Net Investment Return



Directors’ Report

for the Financial Year ended 31 December 2024

The Directors present their 68th Annual Report in accordance with section 20(1) of the Voluntary Health Insurance Act 1957. The Accounts of The Voluntary Health Insurance Board (“Vhi Board”) and the related notes which form part of the Accounts are included in this report, and have been prepared in accordance with accounting standards generally accepted in Ireland and in accordance with the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Principal activities

The Vhi Board was established under the Voluntary Health Insurance Act 1957 to undertake the business of writing private medical insurance in Ireland. Vhi Insurance DAC was incorporated as the private medical insurance underwriting entity and Vhi Healthcare DAC was incorporated as the retail intermediary for sale of private medical and other insurance offerings (“Regulated Entities”). The Vhi Board also operates medical provision services, including Vhi 360 and Swiftcare Health Centres, Vhi Hospital@Home and other health and wellbeing services through its Vhi Health and Wellbeing company.

Business Review and Results

The consolidated results for the year ending 31 December 2024 are set out in the Income and Expenditure account shown on page 69. The consolidated Vhi Board surplus after tax for the year is €36.3m (2023: €43.4m deficit). This improvement in performance follows a year of strategic initiatives and focused efforts on cost containment. Healthcare costs continued to rise in 2024, driven by more people accessing essential healthcare services along with increased costs in private hospitals, associated healthcare professional costs and the increasing costs of day-to-day care. By optimising our operational efficiencies and leveraging advanced technology, we managed costs effectively without compromising our quality of care and services.

In 2024, Vhi continued to invest more in health and wellbeing and in preventative health programmes delivered through our Vhi 360 clinics. Our members now have access to a wider range of benefits and services including urgent care, planned care such as paediatrics, dermatology, radiology and physiotherapy and access to a new women’s health service. Many of our services are now provided online, which provides our members with more diverse and convenient healthcare options.

A comprehensive review of business transacted during the year is contained in the Chair’s Review, Group CEO’s Report and Group CFO’s Report.

Future developments

The Directors are satisfied with the conduct of business for the year. Looking forward to 2025, the external environment remains volatile due to geopolitical events and the cost of living remains a significant economic challenge. We expect demand for healthcare services to remain high resulting in continuous upwards pressure on claims costs and consequently pricing. Maintaining momentum on the implementation of our Vhi Group’s Strategy will remain a key focus in 2025 and initiatives which will deliver best value to our customers have been prioritised.

Directors’ compliance statement

We, the Directors of the Vhi Board, acknowledge that we are responsible for ensuring compliance with applicable laws and regulations relevant to the business operations of the Vhi Board and its subsidiary companies (the “Vhi Group”).

The Vhi Group’s objective is to conduct business in accordance with both the letter and the spirit of the relevant regulatory and compliance related laws, and the regulations and codes that apply to its regulated activities, as well as Vhi internal compliance policies and standards and to act with integrity, honesty and fairness in dealing with our members and other stakeholders. Vhi’s values are “Together we do our best work,” “We lead with heart” and “Courage to create a new future.”

Our Compliance Policy sets out the scope, philosophy and approach to the management of conduct and regulatory compliance risk within Vhi.

We are committed to taking all reasonable steps to ensure that the Vhi Board complies with all relevant laws and regulations applicable to our business operations.

In this regard, the Directors confirm in respect of the companies that these apply to, that:

- a compliance policy statement has been drawn up setting out Vhi’s policies in respect of its compliance with its defined obligations;
- there are in place appropriate arrangements and structures that are designed to ensure Vhi’s material compliance with its relevant obligations; and
- those arrangements and structures were reviewed in the financial year ended 31 December 2024.

The governance arrangements adopted by the Vhi Group include:

- a clear organisational structure;
- well defined transparent and consistent lines of responsibility, which includes documented delegation of authorities for certain matters;
- effective processes to identify, manage, monitor and report risks to which we are or might be exposed;
- adequate internal control mechanisms that include sound administration and accounting procedures;
- IT systems and controls; and
- remuneration policies and practices that are consistent with and promote sound and effective risk management.

Corporate Governance

The Vhi Group is committed to maintaining the highest standards of corporate governance, and to support this, a board and committee structure is in place to oversee the Vhi Group’s activities. The Vhi Board has ultimate responsibility for oversight of the conduct and performance of the Vhi Group. The Vhi Board sets the strategic, risk appetite, risk management and cultural parameters for the Vhi Group and creates accountability around each of these parameters. The Vhi Board has full responsibility for carrying on its business as a holding company, for ensuring compliance with its legal and regulatory obligations and for overseeing the delivery of the Vhi Group’s strategy through its health insurance and health services provision businesses.

The Vhi Board is required to comply with the Code of Practice for the Governance of State Bodies, revised by the Department of Public Expenditure and Reform during 2016 (the “State Code”). The Directors have put in place measures to comply with the State Code, including agreement with the Department of Health to incorporate certain required disclosures in the Chairperson’s Comprehensive Report of the Voluntary Health Insurance Board issued annually to the Minister for Health.

As an authorised non-life insurance undertaking, Vhi Insurance DAC is required to comply with the requirements of the Central Bank of Ireland’s Corporate Governance Requirements for Insurance Undertakings 2015. The Directors confirm compliance with the requirements of the corporate governance codes applying to Vhi and its subsidiaries during 2024.

The Vhi Board oversees the management of the business and affairs of the subsidiary companies so that no one individual has unfettered powers or control of the Vhi Group and so that the strategic objective of the Vhi Group can be achieved. The Vhi Board reserves certain key matters for itself and delegates others (within specified limits) to management. The Terms of Reference of the Vhi Board stipulates decisions reserved for the Board and decision-making powers it has chosen to delegate. The Vhi Board’s responsibilities extend to the following areas: financial oversight, structure and capital, values, strategy and management, Board membership, appointments and removals, people and culture, board policies, financial reporting and controls, internal controls, risk management, remuneration, sustainability, corporate governance and reputational matters. Matters reserved to the Vhi Board in each of these areas are reviewed annually.

The Directors have access to the services and advice of the Company Secretary, who is responsible for ensuring that Board procedures are complied with and advises the Vhi Board, through the Chair, on corporate governance matters generally.

Board of Directors

The Directors of the Vhi Board at 31 December 2024 are listed on page 108 and in the following table. The roles of Chair and Chief Executive Officer are separate. All Directors are appointed by the Minister for Health. The Board held nine meetings during 2024, of which eight were scheduled and one was ad-hoc. As part of their continuous review of the Group Strategy, the Board also had a dedicated strategy day in July.

Appropriate training and briefings are provided to all Directors on appointment to the Vhi Board, with further training available over the course of the year, as required. In 2024, training was provided in the areas of Operational Resilience, Risk, Digital Operational Resilience Act (“DORA”), Sustainability and Climate Risk, Information Security and Individual Accountability Framework (“IAF”) Conduct Standards.

There is a procedure in place to enable the Directors of Vhi and its subsidiaries to take independent professional advice, on matters concerning their role as Directors. Vhi holds insurance to protect Directors against liability arising from legal actions brought against them in the course of their duties.

The Board conducts an annual evaluation of its performance and that of its committees, which is externally facilitated at least every three-years. The 2024 process was led by the Chair and supported by the Company Secretary. The results were discussed by the Board at its March meeting.

Directors’ Report continued

Corporate Governance continued

Board and Board Committee Members’ Attendance at Meetings held during the financial year 2024*

	Board	Audit Committee	Risk Committee	Remuneration Committee	Nominations, Governance and Sustainability Committee
Greg Sparks	9/9	-	-	8/8	6/6
Peter Cross	5/6	5/5	5/5	5/5	-
Catherine Doyle	5/6	-	1/2	1/3	-
Mike Frazer	9/9	1/1	7/7	5/5	-
Karen Furlong	7/9	5/5	-	8/8	6/6
Mary Halton	8/9	6/6	-	-	6/6
Dean Holden	8/9	-	-	3/3	6/6
Martin Kelly	8/8	-	-	-	-
Jennifer Loftus	6/6	1/1	-	-	-
Catherine Motherway	1/1	-	-	-	-
Brian Walsh	9/9	-	7/7	8/8	-
Paul Whelan	6/6	1/1	-	-	-
Paul Zollinger-Read	8/9	-	6/7	-	-

*This table shows the number of meetings each board member attended out of the number they were eligible to attend.

At the end of 2024 the Vhi Board consisted of 12 members, a majority (10) being Independent Non-Executive Directors ("INED") with 2 executive directors. Peter Cross resigned from the Board on 01 October 2024. Martin Kelly was appointed to the Board on 11 March 2024. Catherine Doyle, Jennifer Loftus and Paul Whelan were each appointed to the Board on 27 May 2024 and Catherine Motherway was appointed on 02 December 2024. The Vhi Board believes its composition is suitably qualified to enable it to meet its strategic objectives and any applicable regulatory requirements.

Board Committees

While the Board operates on the principle that it reserves certain matters to itself, other matters may be delegated to the Group CEO or others as appropriate. The Board has established committees to assist with its work and may authorise such committees to undertake certain work on behalf of the Board. However, ultimate decision-making authority rests with the Vhi Board and all decisions remain the responsibility of the Board.

Each Committee has detailed Terms of Reference that articulate the role and position of the committee in the governance framework. The Terms of Reference are reviewed regularly by the Committees to ensure continuing appropriateness, are approved by the Board and require Board approval for material alteration. Revised Terms of Reference for the Committees of the Vhi Board were approved by the Board in 2024.

Group Audit Committee

The Vhi Board has established a Group Audit Committee to assist in the execution of its responsibilities. The Group Audit Committee met six times in 2024. The Committee consists of four Independent Non-Executive Directors, namely, Mary Halton (Chair), Mike Frazer, Jennifer Loftus and Paul Whelan, all of whom are INEDs. Mike Frazer, Jennifer Loftus and Paul Whelan were appointed to the Audit Committee on 10 September 2024. Peter Cross served on the Committee until his resignation on 01 October 2024. Karen Furlong also served on the Committee until her resignation on 11 September 2024.

The principal purpose of the Group Audit Committee is to support the Vhi Board in its oversight of the appropriateness of the Vhi Group's financial reporting and of the overall effectiveness of internal controls across the Vhi Group. The Committee's responsibilities extend to financial and regulatory reporting, internal controls, external audit, internal audit, protected disclosures, anti-fraud and anti-corruption.

Key responsibilities are summarised below:

- Reviews the integrity of the Vhi Group's financial statements including all published annual and reports and regulatory financial statements, having regard to matters communicated to it by the external auditor;
- Considers and reports on the overall effectiveness, adequacy, scope and implementation of, and compliance with, the Vhi Group's system of internal controls;
- Monitors progress by Management in implementing recommendations from internal audit, external audit or other controls reviews;
- Reviews and recommends to the Vhi Board, the annual external audit plan, ensuring it is consistent with the scope of the audit engagement;
- Approves the Internal Audit plan and monitors the effectiveness and adequacy of the Internal Audit function so that it is appropriately resourced, is appropriately independent and has appropriate standing within the Vhi Group;
- Apprises the Vhi Board of significant developments in the course of performing its duties.
- Oversight of the sustainability reporting process, disclosures and related assurance under the Corporate Sustainability Reporting Directive ("CSRD").

Group Remuneration Committee

The principal purpose of the Group Remuneration Committee is to support the Vhi Board in ensuring that the Vhi Group's overall reward philosophy and the design and structure of the Vhi Group's remuneration policy are consistent and aligned with the Vhi Group's purpose, values and strategic objectives. While the Group CEO has responsibility for ensuring an effective people management strategy to enable the Vhi Group's strategic objectives, the Committee provides oversight of these functions and exercises independent judgment on remuneration. The Committee's responsibilities extend to oversight of the remuneration of the Group CEO and Executives, termination and severance arrangements and people and culture.

The Committee currently consists of five members, four Independent Non-Executive Directors, namely, Karen Furlong (Chair), Greg Sparks, Catherine Doyle (appointed 10 September 2024), Dean Holden (appointed 10 September 2024) and Executive Director Brian Walsh.

Group Nomination, Governance and Sustainability Committee

The principal purpose of the Group Nomination, Governance and Sustainability Committee is to support the Vhi Board in decisions relating to the composition of the Boards and the Committees of Vhi Group DAC and its subsidiary companies through the provision of proposals and recommendations for board and committee appointments, renewals and board succession planning. The Committee also supports the Vhi Board in the appointment of senior executives and Pre-Approved Functions (PCFs) as well as succession planning and performance management for senior executives. While the Group CEO has responsibility for the recruitment and retention of colleagues, for ensuring an effective people management strategy to enable the Vhi Group's strategic objectives, and for ensuring effective succession planning, the Committee provides oversight of these functions and exercises independent judgment on performance management and senior appointments. The Committee also supports the Vhi Board in relation to oversight of the appropriateness of the Vhi Group's overall governance arrangements as well as oversight of the implementation of the Vhi Group's Sustainability programme. The Sustainability Strategy requires Vhi to achieve a net zero decarbonisation target by 2050.

The Committee currently consists of four Independent Non-Executive Directors, namely, Greg Sparks (Chair), Karen Furlong, Dean Holden, and Mary Halton.

Group Risk Committee

The purpose of the Group Risk Committee is to support the Vhi Board in its responsibility to ensure that an effective risk management and compliance framework is in place as part of the overall effective corporate governance of the Vhi Group. The Committee's responsibilities extend to risk management, compliance, data protection and information security.

Key responsibilities are summarised below:

- Monitors the ongoing development and maintenance of an effective enterprise-wide Risk Management Framework proportionate to the nature, scale and complexity of the Vhi Group's risks, liaising regularly with the Chief Risk Officer ("CRO") in this regard;
- Carries out an Own Risk Assessment annually and reviews, challenges and recommend to the Vhi Board for its approval, a Group Risk Appetite Statement that is appropriate to the risks, strategy, objectives, culture and values of the Vhi Group;

Directors’ Report continued

Corporate Governance continued

Group Risk Committee continued

- Reviews and recommends to the Vhi Board for approval, any changes to the Risk Management Function’s mandate outlined in the Risk Management Policy & Framework as required including the Risk Management Function’s Monitoring Plan;
- Promotes a culture of compliance across the Vhi Group and supports the objectives of fostering a customer-centric culture throughout the Vhi Group;
- Monitors and reviews the effectiveness of Management’s regulatory compliance activities across the Group and reviews the Compliance Function’s annual compliance plan and recommends it to the Vhi Board for approval;
- Monitors and reviews Management’s processes with regard to data protection, information security and related risks including in relation to compliance with relevant obligations.

There are currently five members of the Group Risk Committee, four of whom are Independent Non-Executive Directors, namely, Mike Frazer (Chair), Paul Zollinger-Read, Catherine Doyle, Mary Halton and Executive Director Brian Walsh. Peter Cross resigned from the Committee on 01 October 2024.

Internal Control

The system of internal control provides reasonable, but not absolute, assurance of the safeguarding of assets against unauthorised use or disposition and the maintenance of proper accounting records and the reliability of the information they produce, for both internal use and publication.

The Vhi Board has given effect to Internal Control recommendations issued by the Central Bank of Ireland: Guidance for Directors on the Corporate Governance Requirements for Insurance Undertakings 2015 in respect of Vhi Insurance DAC, as well as the Code of Practice for the Governance of State Bodies. The Vhi Board is satisfied that there is a sound system of internal control in place.

The Directors are responsible for the Vhi Board’s system of internal control and for reviewing its effectiveness and is supported in this responsibility through regular meetings of the Audit Committee. They have delegated responsibility for the implementation of this system to Executive Management on a day-to-day basis.

The key elements of the system are:

- The Internal Audit function prepares an Internal Audit plan which is approved by the Audit Committee. Internal Audit reports to the Audit Committee on an ongoing basis;
- Formal policies, procedures and organisational structures which support the maintenance of a strong control environment;
- A comprehensive set of management information and performance indicators is produced on a monthly basis. This enables progress against longer term objectives and annual budgets to be monitored, trends to be evaluated and variances to be acted upon. Detailed budgets are prepared annually in the context of longer term strategic plans. Forecasts are also updated on a regular basis in light of emerging experience;
- The business strategy, planning and budgetary process includes analysis of the major business risks which affect the organisation. Risk assessment is a continuous process on which the Vhi Board places significant emphasis;
- Accounting procedures are documented, transaction cycles are defined, accounting timetables are detailed, automated interfaces are controlled, review and reconciliation processes are carried out, duties are segregated and authorisation limits are checked; and
- Experienced and qualified staff have been allocated responsibility for all major business functions.

Directors’ Remuneration

Annual remuneration levels for the Chair and each INED of the Group Board have been set by the Government at €31,500 and €15,750, respectively, with effect from 1 January 2015. The Executive Directors do not receive a Board fee under the One Person One Salary (“OPOS”) principle.

Going Concern

The accounts of the Vhi Board have been prepared on a going concern basis and the Directors have satisfied themselves that the Vhi Board will have adequate resources to continue in operational existence and to meet solvency requirements for the foreseeable future. In forming this view, the Directors consider that it is appropriate to do this on the basis that projections for future years are prepared which take account of reasonably foreseeable changes in trading performance. Stress test assessments, strong governance structures in place, and satisfactory capital position during 2024 further contributed to this assessment.

Principal risks and uncertainties

The principal risks and uncertainties of the Vhi Group have been determined by assessing potential finance and capital, strategic, operational, clinical, member value and conduct, and people and culture risks. Vhi Group’s risk tolerance levels are recorded in the Risk Appetite Statement (“RAS”) approved by the Board of Directors. Vhi’s principal risks are monitored and managed by the Group Leadership Team and are reported to the Vhi Board on a regular basis. They are summarised below.

Strategic

Strategic risk is the risk that the Vhi Group does not achieve its strategic objectives. This covers the inherent risk in our strategy and business model and may result from both internal and external factors. These risks include:

- a) **Risks from inadequate Risk Equalisation**
The Risk Equalisation Scheme (“RES”) only partially equalises the significant differences in risk profiles that exist between the competing insurers. It places insurers covering a disproportionate share of higher health risk policy members at a competitive disadvantage with attendant risks to capital, value and sustainability.
- b) **Risks from supply and demand changes for private healthcare**
The ageing population and pressures on capacity in healthcare, as well as changes in the transfer of patients from public to private facilities leads to increased demand for medical treatment and the risk of higher treatment costs, volatility in the volume and capacity of the private healthcare system, reduced access to care and lower affordability for private medical insurance policyholders.
- c) **Risks from legislative, political, social and regulatory changes**
There are risks that legislative or regulatory changes, or the impact of political and social changes affect the operation of private medical insurance and healthcare services markets.
- d) **Higher inflation and economic stagnation**
There is continued uncertainty over the outlook for inflation and economic growth leading to volatile interest rates, economic activity and negative impact on consumer disposable income and spending behaviour.

- e) **Risks associated with the successful delivery of our transformation programme**
There are risks to the successful, timely, efficient and effective delivery of Vhi’s transformation programme in a competitive market environment. These programmes will deliver significant change in relation to the delivery of our services to our members, but there are risks that continually changing member expectations impact on the value realisation of these projects due to factors such as digitisation and artificial intelligence.
- f) **Risks relating to Environmental, Social and Governance (“ESG”)**
ESG risks could impact on our reputation and consequently have the potential to undermine our strategy and achievement of our objectives. These risks include reputational risk from falling behind peers in delivering our sustainability strategy; high costs associated with energy management and carbon emissions reduction particularly if we underestimate or act too late; physical and transition climate change risk at Vhi and in our value chain; increase in insurance claims costs associated with climate change impacts and health in-equity risk whereby our healthcare services and cover become a barrier to better health outcomes.

Finance and Capital

Finance and capital risks are those risks that can result in the loss of capital and/or negatively affect the solvency of the business, such as the risk of not meeting regulatory solvency requirements, financial losses and reserving risks. These risks include:

- g) **Volatile financial markets**
The Vhi Group is exposed to a range of risks in relation to its investment portfolio. These include market, credit and liquidity risks. The Vhi Group principally invests in high quality debt securities whose term matches the short-term nature of our liabilities, in accordance with prudent investment policies that are implemented by management, monitored by the Investment Committee and approved by the Vhi Board.
- h) **Uncertainty in claims costs and development**
The Vhi Group is exposed to the risk that its premium pricing or claims reserves may not align to the severity, frequency and timing of claims. Uncertainty in claim cost development is higher where medical inflation is increasing and where there is disruption to, or expansion of, the provision of private healthcare.

Directors’ Report continued

Principal risks and uncertainties continued

Finance and Capital continued

- i) **Financial risks from new ventures and investment in our transformation strategy**
A challenging macroeconomic environment, key skills shortages and significant shifts in healthcare provision could increase our change delivery and operational costs or make it harder to realise the financial objectives of our transformation strategy. This could be caused by political, regulatory or public health policy changes as well as increased competition from new market entrants and the current geopolitical instability.

Operational
Operational risks are the risks of financial loss or reputational damage resulting from inadequate or failed internal processes, people or systems that affect Vhi Group’s business operations. The principal risks include:

- j) **Cybersecurity and data protection risk**
The Vhi Group recognises that cyber criminals continue to become more sophisticated and members have increasing expectations of technical solutions. There is the risk of failing to anticipate changing expectations in relation to information technology and operational resilience.
- k) **Service Resilience and Third-Party Providers**
As we improve the systems and processes that underpin the services to members, we manage the risks of using 3rd party providers and increasingly complex systems (including the use of new technology). These include the risk that we deliver services effectively to meet member needs, risks of significant system disruption and risks to providing services cost effectively.

Member Value and Conduct
Member value and conduct risks are anything that would threaten the business’ objective to treat members fairly and with due skill, care and diligence. These risks include:

- l) **Miscommunication of services and advice to members**
The risk that our behaviours result in detrimental or unfair outcomes for our members are increased where we are introducing new services and changing the way we interact with members (including online interactions).

- m) **Disruption to access to insured benefits**
The risk that we fail to meet our members’ reasonable expectations of access to product benefits that are valuable to our members due to, for example, staff capacity in Vhi’s own healthcare services or waiting times for private treatment or products and services that are not well matched to members’ needs.

People and Culture
Risks that have an adverse impact on our members or business including resourcing and staff wellness risk as well as risks relating to employee behaviours or non-adherence to Vhi policies, procedures, practices or rules and the risk that colleagues do not behave in line with the Vhi values that underpin our strategy and member proposition. People and Culture risks have potentially large impacts for the organisation if we do not have sufficient skills and knowledge in order to deliver our strategic objectives. This can include embedding a diverse and inclusive workforce and identifying a strong succession and leadership pipeline.

Clinical
Clinical risks are the risk that we cause preventable harm to patients through our provision of healthcare services. The Vhi Group promotes a culture of excellence in patient and customer experience and safety, and our clinical services and facilities are accredited by international accreditation programmes. The principle of patient care and high standards of clinical quality are paramount as we extend our healthcare services. These risks include:

- n) **New healthcare services and supporting systems including third-party services**
We ensure high standards for all new services, critical suppliers and changes to the ways we interact with patients (including new digital healthcare services).
- o) **Shortages of staff with necessary expertise**
Well supported skilled staff are key to managing the risk of injury, loss or harm to members in receipt of healthcare. Pressure on healthcare capacity increases the risk that access to services is reduced.

Environmental Matters
The Vhi Group’s energy efficiency and decarbonisation programmes are informed by national public sector obligations. The Government Climate Action Plan (“CAP”) 2023 obliges the public sector, including semi state bodies, to achieve at least a 51% reduction in absolute Scope 1 and Scope 2 carbon dioxide equivalent (CO₂ eq.) emissions by 2030 and a 50% improvement in energy efficiency by 2030. In 2024, the Vhi Group continued to provide biannual reports to the New Economy and Recovery Authority (“NewERA”) on the Climate Action Framework for Commercial Semi State Bodies (“CAF”) which the Vhi Group adopted in 2022. These reports cover all five commitments set out in the CAF, namely, Governance of Climate Action Objectives, Emissions Measurement & Reduction Target, Measuring and Valuing Emissions in Investment Appraisals, Circular Economy and Green Procurement, and Disclosures in Financial Reporting.

Energy and Emissions
All public bodies, including semi-state bodies, have an important part to play in contributing to the achievement of the Government’s 2030 climate action targets set out in the Climate Action and Low Carbon Development (Amendment) Act 2021 and the Climate Action Plan 2023. All public bodies, including semi state bodies, are required to report energy and emissions data on an annual basis using the Sustainable Energy Authority of Ireland (“SEAI”) online Monitoring & Reporting (“M&R”) system which is used to track their progress towards the mandatory 2030 energy efficiency and emissions reduction targets.

Energy
In 2024 energy savings of c.411k kWh was achieved through energy initiatives and minor alterations to mechanical, electrical plant and operating systems. Energy audits for all sites were also undertaken in 2024, the results of which are assisting us with planning and prioritising future investments. In 2024, we also introduced an energy tracking program for energy monitoring. Overall, based on the SEAI’s M&R energy reporting to year end 2023, Vhi has achieved 42.5% of the 50% increase in the energy efficiency target required by 2030 (against a 2009 baseline). Energy saving actions undertaken in 2024, together with existing energy conservation measures, provided estimated total annualised energy savings of c.411k kWh and reduced the environmental impact of energy use by c.98k kg CO₂ for 2024.

Emissions
In 2022, we opened our flagship Vhi 360 Health Centre in Carrickmines – a critical addition to the care we provide. In 2024, we further expanded our estate with an extension at our 360 Health Centre in Swords. While these expansions have been essential in meeting our members’ healthcare needs, they have also resulted in our emissions reaching +27% from our original 2016-2018 baseline emissions figure. This highlights the importance of integrating emissions considerations into our decision-making for future service expansions. While health will always be our top priority, we are acutely aware of the need to grow responsibly. To support this aim, we commenced, as part of our Net Zero programme, a full carbon footprint review across all three scopes using 2023 as the baseline year. The report, due Q1 2025, will help us to develop a fully costed decarbonisation roadmap and a comprehensive Climate Action Plan which we will publish by the end of 2025. This decarbonisation roadmap and Climate Action Plan will guide us toward achieving our mandated targets of reducing emissions by 51% by 2030, cutting Scope 1 and 2 emissions by 51%, and achieving net zero, across all three scopes, by 2050.

Transport and Travel
In 2024, one of the most significant changes we made was in relation to the electrification of our Sales fleet. This has resulted in a reduction in vehicle carbon emissions of c.43k kg CO₂.

Waste
Vhi is compliant with the Waste Management (Amendment) Act 2001 surrounding waste management and only uses licenced and permit approved Environmental Protection Agency (“EPA”) waste service providers for the disposal of waste. The Vhi Group is committed to constant improvement of the waste management programme following the guidelines set out by the National Waste Prevention Programme (NWPP).

Vhi’s waste can be broken down into five waste streams the majority of which is general waste (47%), followed by recycling (22%), confidential shredding (12%), cardboard (3%) composting (8%) and clinical waste (8%). Vhi segregates as much waste as possible to reduce the requirement for landfill. In relation to Vhi’s healthcare services, all clinical and hazardous waste complies fully with the IPC PP 109 Guidelines on the Segregation and Disposal of Healthcare Risk and Non-Risk Waste. Annual audits are conducted on all clinical sites by an external auditor.

Directors’ Report continued

Environmental Matters continued

Waste continued

The Vhi Group engages a dangerous goods safety advisor (“DGSA”) to audit Vhi’s compliance with the European Communities (Carriage of Dangerous Goods by Road and Use of Transportable Pressure Equipment) Regulations and associated amendments. Vhi is audited annually by the DGSA in relation to its compliance with the storage of clinical waste and reporting on clinical waste volumes. Vhi facilities also utilise modern environmental engineering solutions to reduce our impact on the overall environment.

- Waste segregation has improved 2023 vs 2024 with an increase in recycling by 20%.
- Organic waste has decreased by 49% across our Abbey Street and Kilkenny offices with the bulk of the reduction due to the introduction of a biodigester and careful management of food from source to plate.
- Following a successful clinical waste reduction pilot in our Urgent Care service in Carrickmines, where clinical waste was reduced by 3% and recycling increased on 29%, we rolled out the programme to our 360 Clinical in Limerick. The programme is being rolled out to the remainder of our Carrickmines site in Q1 2025 along with our clinics in Swords and Cork.
- In 2024, we piloted compostable PPE aprons in our Urgent Care services in Carrickmines. These aprons, which can be disposed of in the organic waste stream instead of being disposed of as landfill waste, are now being used across most services in Hospital@Home and Carrickmines. In 2025, we will be phasing out non-compostable PPE aprons and exclusively using compostable PPE aprons across all our healthcare services.

Circular Economy

Several capital projects have been undertaken by Vhi and as part of these projects a process of reusing office furniture, fixtures, and finishes was undertaken. This included reusing, where possible, existing office workstations, office storage cabinets, and existing floor finishes (carpet tiles). Where reuse was not possible, donations to charities were made. The net result was a small amount of waste being sent to landfill and the embedding of a circular economy mindset and approach which will be applied to any future projects.

Paper Use

Through a shift to more digital communications to our members, we reduced the amount of paper we used by 11% in 2024 when compared with 2023 and by 33% when compared with 2020.

Biodiversity

Since 2020, we have installed five colonies of bees across our Abbey Street and Kilkenny sites. The bees produced 20 kilos of honey in 2024 which was sold and used in our colleague restaurants. In the second half of 2024, we installed a biodigester at our restaurant in Kilkenny. Organic pellets from this biodigester were then used to feed the hedges in our carpark.

Employee matters and respect for human rights

In Vhi Group we have a dual emphasis on do what is right by our colleagues and our members. We are committed to doing the just and fair thing, not just what is easy.

Our values, “We Lead with Heart,” “Courage to Create a New Future” and “Together we do our Best Work” and our purpose to “help members live longer, stronger, healthier lives” guide our interactions with our members and our colleagues. Each of our colleagues are in a unique position of being employed by Vhi but also being members of Vhi.

We place emphasis on listening to our colleagues and acting on feedback. In 2024 we conducted an annual Voice of Colleague survey and completed a full Culture diagnostic. Focus groups are put in place to identify proposed changes and implement action plans to address areas identified for improvements, with a significant leadership emphasis on responding to feedback from colleagues.

Results from the 2024 Culture survey indicate that we have made progress against all 12 cultural indexes, previously tested in 2021. We have increased from an overall average percentile of 33 in 2021 to 47 in 2024 across the 12 indexes.

The recent voice of colleague pulse survey included results such as:

- 79% of colleagues feel comfortable to be themselves at work
- 80% of colleagues have a clear understanding of the company’s strategic objectives

In 2024, we continued to embed our core values across the organisation. A highlight was the inaugural “Powered by Values Awards,” which celebrated and recognised colleagues who consistently live our values and exemplify our desired behaviours. With nearly 600 colleague-to-colleague nominations, our Powered by Values Awards gave us the opportunity to recognise and celebrate those who are living our values on a consistent basis and demonstrating the related behaviours.

Vhi Group recognises the importance of ensuring all colleagues have access to timely and digestible communications updates that are relevant to them. In 2024, we revised our communication strategy, introducing a number of enhancements such as – revised weekly all colleague communications, enhanced use of instant communication channels, short self-produced video messages from the leadership team and hybrid all-colleague townhalls. The overall aim of our refreshed colleague communication strategy ensures a multi-channel approach – that engages colleagues in a way that is varied and easy for them to consume.

We encourage colleagues to speak freely, our ‘speaking – up’ policy is a cornerstone of fostering this environment. We also provide guidance on colleague interactions with our ‘code of conduct’ policy.

Vhi Group recognises a Trade Union for collective bargaining purposes and has a collective agreement in place in the event of an employee dispute with the company. Vhi Group also recognises union representation in disciplinary matters under Disciplinary and Grievance process agreements.

Bribery and corruption

Vhi Group are committed to ethical conduct and adherence by colleagues and directors to the highest business ethical, professional and legal standards. The Vhi Group ‘Code of Conduct’ policy sets out principles to guide employees and members of the Board of Directors in their day-to-day Vhi business conduct with specific reference to fraud, corruption, bribery and blackmail.

Vhi Group seeks to ensure adequate, effective and cost-efficient internal controls are in place. Audit processes exist to ensure that the Internal Control Framework is implemented in compliance with the Internal Control Policy.

The Code of Conduct, along with the other aforementioned policies, is brought to the attention of all employees during induction by the People and Sustainability Function and on appointment to members of the Board of Directors by the Company Secretary. The Vhi Group strives to create an environment where every colleague, not only feels supported but celebrated for their individuality, fostering a culture that is inclusive, diverse, equitable and seeks to create a sense of belonging for all.

Inclusion, Diversity and Equity

Our mission for Inclusion, Diversity and Equity (“IDE”) in Vhi is that we are an organisation where differences are valued, recognised and supported. We harness our differences to drive innovative solutions to meet the needs of colleagues and to help our members live longer stronger and healthier lives.

In 2024, we communicated the IDE strategy to all colleagues and asked them to be “All in” on IDE. We activated this through a video campaign where senior leaders and IDE network leads voiced their commitment to IDE. Throughout the year we concentrated on Horizon 1 of our three-year IDE Strategy, with a keen focus on Inclusion. This strategic initiative encompasses four critical areas: enhanced communication, training, data gathering and utilisation, and network development. Our commitment to inclusion aims to foster an environment where every individual feels valued, respected, and empowered to contribute to our shared success.

We made commendable progress in the year, particularly in the areas of enhanced communication and network development. By improving our internal communication channels and fostering open dialogues, we ensure that every voice within the organisation is heard and considered. Additionally, our efforts in network development have strengthened connections across teams and departments, promoting a culture of collaboration and mutual support. As we continue our journey through the various horizons in our IDE Strategy, we remain dedicated to advancing our inclusion goals and building a truly inclusive workplace.

Directors' Report continued

Inclusion, Diversity and Equity continued

During 2024 the Vhi Group hosted numerous events to raise awareness of IDE including International Women's Day, International Men's Day, Diwali, Ramadan, Pride Month, Autism Awareness, World Mental Health Day, Menopause Coffee mornings and other IDE events to create spaces where colleagues feel included and have a sense of belonging. Our values-based approach was evident through the IDE events offered, with cross collaboration across our IDE networks demonstrating our company values – "Together we do our best work," "We Lead with Heart" and "Courage to Create a New Future."

Key highlights in 2024 include:

- This year marked the introduction of our fourth IDE network: the Neurodiversity Network. In its inaugural year, some of the highlights for the Neurodiversity Network were hosting a talk on fostering an autism-friendly workplace, featuring insights from AslAm, a prominent autism advocacy organisation. Additionally, they organised their first Sensory Santa event, providing a calm and fuss-free Santa experience for colleagues and their children. This event allowed families to enjoy the festive season in an inclusive and sensory-friendly environment, further demonstrating our commitment to supporting neurodiversity
- Introduction of Menopause leave policy; by providing specific leave to colleagues, we acknowledge and respect the unique challenges faced by our colleagues, allowing them to take the necessary time to manage their health without added stress or stigma. This policy not only promotes well-being but also demonstrates our commitment to creating an empathetic and understanding work environment where all colleagues feel valued and supported.
- Continued commitment to support the development of female talent in our organisation. Further nourishing the female alumni that has been created and fostering a culture that supports females to progress and share their learnings with other colleagues. An example of the high impact of our Women's in action is the Flourish mentoring programme which was launched in February 2024, successfully matching 45 mentoring pairs within the business. This initiative, and the colleagues involved, went on to be recognised at our Vhi Powered by Values Awards in winning the 'Courage to Create a New Future' team award.

We are proud to continue our Silver Investors in Diversity accreditation with the Irish Centre for Diversity, a testament to our ongoing efforts to promote inclusion, diversity, and equity. Additionally, we signed up to the Elevate Pledge with Business in the Community, further demonstrating our commitment to fostering a diverse and inclusive workplace. As part of that pledge, we committed to an action to make our organisation more inclusive with the introduction of the Inclusive Holiday Swap initiative. This allows colleagues to swap two existing company days, Christmas Eve and Good Friday, for alternative days off that hold more personal significance to them. This initiative reflects our recognition that our colleagues have diverse beliefs and traditions and ensures that we respect and accommodate, creating more time for our colleagues to celebrate their differences, while also retaining the significance that these two days hold for many of our colleagues

In addition to our engagements with the Irish Centre for Diversity and Business in the Community, we are also members of the Insurance Ireland Inclusion Taskforce, which brings together representatives from many organisations in the Insurance industry to share insight, learnings, supports and agree on collective commitments to enhance IDE across our organisations and the industry as a whole.

As we look ahead to 2025, we remain committed to delivering our IDE strategy. We will continue to engage with external forums to ensure we uphold best practices and always strive to do the right thing for our colleagues. Moreover, we are dedicated to seeking feedback, actively listening to our team, and taking meaningful action. When action isn't possible, we aim to communicate openly about the reasons why. Together, we will create a workplace where every voice is valued, and everyone feels empowered to contribute to our shared success.

Prompt Payment of Accounts

The Vhi Board acknowledges its responsibility for ensuring compliance with the provisions of the Prompt Payment of Accounts Act 1997 (as amended by the European Communities (late payment in commercial transactions) Regulations, 2012). Procedures are in place to identify the dates upon which invoices fall due for payment and for payments to be made on such dates, and accordingly, the Vhi Board is satisfied that the Vhi Group has complied with the requirements of the Regulations.

Subsidiary undertakings

The Vhi Board's subsidiaries and other undertakings, as at 31 December 2024, are listed in note 35.

Subsequent events

There have been no material subsequent events affecting the Vhi Board or any of its subsidiary companies since the balance sheet date.

Adequate Accounting Records

The Directors have taken appropriate measures with regard to the keeping of adequate accounting records. The specific measures taken are the employment of suitably qualified accounting personnel and the maintenance of appropriate accounting systems. The books of account are located at VHI House, 20 Lower Abbey Street, Dublin 1.

Independent Auditors

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, were reappointed as auditors on 12 September 2019. The auditors, Deloitte Ireland LLP, will resign on completion of the 2024 audit, due to the mandatory firm rotation requirements. On 28 March 2024 the directors approved the appointment of PwC as statutory auditors to fill the vacancy as soon as Deloitte Ireland LLP have resigned.

Statement of disclosure of information to Auditors

So far as each of the Directors in office at the date of approval of these financial statements are aware:

- there is no relevant audit information not disclosed to the Auditors; and
- they have taken all the steps to make themselves aware of any relevant audit information and to establish that the Vhi Board's Auditors are aware of that information.

On behalf of the Vhi Board



Greg Sparks
Chair

27 March 2025



Brian Walsh
Group CEO, Director

27 March 2025

Directors’ Responsibilities Statement

The Directors are responsible for preparing the Directors’ report and the financial statements in accordance with applicable regulations.

The Directors are required to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements in accordance with FRS 102 and FRS 103, the Financial Reporting Standards applicable in the UK and Republic of Ireland (“relevant financial reporting framework”). The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Vhi Board as at the financial year end date and of the surplus or deficit of the Vhi Board for the financial year.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the group financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Vhi Board will continue in business.

The Directors are responsible for ensuring that the Vhi Board keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Vhi Board, enable at any time the assets, liabilities, financial position and surplus or deficit of the Vhi Board to be determined with reasonable accuracy and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Vhi Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on Vhi’s website.

Independent Auditor’s Report to the members of the Voluntary Health Insurance Board

Report on the audit of the financial statements

Opinion on the financial statements of The Voluntary Health Insurance Board (“the parent company”)

In our opinion the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2024 and of the profit of the group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting frameworks and, in particular, with the requirements of Irish Law.

The financial statements we have audited comprise:

the group financial statements:

- Consolidated Income and Expenditure Account;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Cash Flows;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Comprehensive Income; and
- the related notes 1 to 39, including a summary of significant accounting policies as set out in note 1.

the Parent company financial statements:

- the Balance Sheet;
- the Statement of Changes in Equity;
- the Statement of Comprehensive Income; and
- the related notes 1 to 39, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied is the Irish Law and FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” issued by the Financial Reporting Council and FRS 103 Insurance Contracts issued by the Financial Reporting Council (“the relevant financial reporting framework”).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the “Auditor’s responsibilities for the audit of the financial statements” section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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 group and parent company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue

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

Other information

The other information comprises the information included in the Directors’ Report and Audited Financial Statements, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the Directors’ Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor’s Report to the Members of the Voluntary Health Insurance Board continued

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Irish Law, 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 group and parent company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and parent 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA’s website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor’s report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Based on the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors’ report.

We have nothing to report in respect of the following:

- Under the provisions of the Voluntary Health Insurance Act 1957.
- Under the Code of Practice for the Governance of State Bodies (August 2016) (the “Code of Practice”), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement in the Directors Report does not reflect the group’s compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements. We have nothing to report in this respect.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

Eimear McCarthy

For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

Date: 04 April 2025

Notes: An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in Ireland governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Consolidated Income and Expenditure account for the financial year ended 31 December 2024

	Notes	2024 €'m	2023 €'m
Technical Account:			
Earned Premium, net of Reinsurance			
Gross written premiums	2	1,879.1	1,683.5
Change in gross provision for unearned premiums and unexpired risks	2,22	(42.6)	(76.7)
Earned Premium, net of reinsurance		1,836.5	1,606.8
Allocated investment return transferred from the non-technical account			
Other technical income, net of reinsurance	4	93.0	162.1
Total Technical Income		1,970.0	1,808.7
Claims incurred, net of reinsurance			
Claims paid – gross amount	2	(1,737.6)	(1,685.1)
Claims paid – reinsurer’s share		(0.3)	(0.1)
Change in the provision for claims – gross amount	2,22	(19.0)	(5.4)
Change in the provision for claims – reinsurer’s share	22	(0.3)	(2.2)
		(1,757.2)	(1,692.8)
Customer return of value	9	–	2.0
Net operating expenses	2,7	(155.1)	(157.2)
Balance on the technical account		57.7	(39.3)
Non-Technical Account:			
Balance on the technical account			
Net investment return	10	40.5	39.8
Allocated investment return transferred to the insurance technical account		(40.5)	(39.8)
		57.7	(39.3)
Other income	11	46.2	44.1
Other expenses	12	(60.0)	(53.6)
Surplus/(Deficit) on ordinary activities before tax	27	43.9	(48.8)
Tax on Surplus/(Deficit) on ordinary activities	13	(7.6)	5.4
Surplus/(Deficit) on ordinary activities after tax	14	36.3	(43.4)

The notes on pages 76 to 107 form an integral part of these financial statements. The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2025.

Consolidated Balance Sheet

as at 31 December 2024

	Notes	2024 €'m	2023 €'m
Assets			
Investments			
Land held under finance lease	15	1.0	1.0
Land and buildings	16	74.1	79.1
Other financial investments	17	1,086.0	1,041.0
		1,161.1	1,121.1
Reinsurer's share of technical provisions			
Claims outstanding	22	–	3.8
		–	3.8
Debtors			
Debtors arising out of insurance operations	33	627.1	561.9
Other debtors	18,33	440.1	447.2
		1,067.2	1,009.1
Other assets			
Deferred tax asset	19	1.3	8.6
Intangible assets	20	1.7	2.6
Tangible fixed assets	21	11.0	10.3
Cash at bank and in hand	28	73.1	85.3
		87.1	106.8
Prepayments and accrued income			
Deferred acquisition costs	24	8.6	7.8
Other prepayments and accrued income		14.7	11.9
		23.3	19.7
Retirement benefit asset	31	73.0	55.8
Total Assets		2,411.7	2,316.3

	Notes	2024 €'m	2023 €'m
Equity and Liabilities			
Capital and reserves			
General reserve		902.7	949.3
Comprehensive income		49.9	(46.6)
Shareholder's funds		952.6	902.7
Technical provisions			
Provision for unearned premium and unexpired risks	6,22	691.4	648.8
Claims outstanding	22,33,34	416.3	397.3
		1,107.7	1,046.1
Funds withheld for Reinsurer	23,34	–	3.8
Creditors			
Creditors arising out of direct insurance operations		93.3	94.2
Other creditors and accruals	25	250.0	260.6
Other provisions	26	8.1	8.9
		351.4	363.7
Total Liabilities and Shareholder's Equity		2,411.7	2,316.3

The notes on pages 76 to 107 form an integral part of these financial statements. The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2025. They were signed on its behalf by:

Greg Sparks
Chair

27 March 2025

Brian Walsh
Group CEO, Director

27 March 2025

Vhi Board Balance Sheet as at 31 December 2024

	Notes	2024 €'m	2023 €'m
Assets			
Other financial investments			
Investment in subsidiaries	17	479.7	479.7
		479.7	479.7
Debtors: Amounts falling due in 1 year		0.2	0.2
Retirement benefit asset	31	73.0	55.8
Total Assets		552.9	535.7
Equity and Liabilities			
Capital and reserves			
General reserve		535.7	529.6
Comprehensive income		17.2	6.1
Shareholder's funds		552.9	535.7
Total Liabilities and Shareholder's Equity		552.9	535.7

The notes on pages 76 to 107 form an integral part of these financial statements. The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2025. They were signed on its behalf by:



Greg Sparks
Chair
27 March 2025



Brian Walsh
Group CEO, Director
27 March 2025

Consolidated Statement of Cash Flows for the financial year ended 31 December 2024

	Notes	2024 €'m	2023 €'m
Net cash from operating activities	27	(9.1)	(127.2)
Cash flows from investing activities:			
Sale/(purchase) of property		–	0.7
(Purchase)/sale of equipment		(5.3)	1.5
Investment and dividend income received		23.8	19.8
Net (purchase)/sale of portfolio investments		(21.6)	131.4
Net cash flows from investing activities		(3.1)	153.4
Cash flows from financing activities:			
Loans (repaid)		–	–
Interest (paid)		–	–
Net cash flows from financing activities		–	–
Net (decrease)/ increase in cash at bank and in hand		(12.2)	26.2
Cash at bank and in hand at beginning of financial year		85.3	59.1
Cash at bank and in hand at end of financial year		73.1	85.3

Vhi Board Statement of Cash Flows for the financial year ended 31 December 2024

A cash flow statement has not been prepared for the Vhi Board as it is availing of an exemption from preparing cash flows under FRS 102 as consolidated financial statements for the Vhi Board include a cash flow statement.

Consolidated Statement of Changes in Equity as at 31 December 2024

	Total €'m
At 31 December 2022	949.3
Deficit for the financial year	(43.4)
Other Comprehensive Income	(3.2)
At 31 December 2023	902.7
Surplus for the financial year	36.3
Other Comprehensive Income	13.6
At 31 December 2024	952.6

Vhi Board Statement of Changes in Equity as at 31 December 2024

	Total €'m
At 31 December 2022	529.6
Surplus for the financial year	12.0
Other comprehensive income	(5.9)
At 31 December 2023	535.7
Surplus for the financial year	5.2
Other comprehensive income	12.0
At 31 December 2024	552.9

Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2024

	2024 €'m	2023 €'m
Surplus/(Deficit) for the financial year	36.3	(43.4)
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>		
Net gain/(loss) on available for sale financial assets during the year	1.8	3.0
Taxation (charge)/ credit relating to items that may be reclassified in subsequent periods	(0.2)	(0.3)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>		
Measurement of actuarial surplus/(deficit) on pension fund liability	12.0	(5.9)
Total	49.9	(46.6)

Vhi Board Statement of Comprehensive Income for the financial year ended 31 December 2024

	2024 €'m	2023 €'m
Surplus for the financial year	5.2	12.0
Remeasurement of actuarial surplus/(deficit) on pension fund liability	12.0	(5.9)
Total	17.2	6.1

Notes to the financial statements

1. Significant accounting policies

General Information

The Voluntary Health Insurance Board (“Vhi Board”) was established under the Voluntary Health Insurance Act 1957 to act as a statutory body to undertake the business of writing private medical insurance in Ireland. The address of the registered office is given on page 108. The nature of operations and the Vhi Board’s operating and financial review are detailed in the Directors’ report on page 54.

Statement of compliance

The financial statements of Vhi Board for the financial year ended 31 December 2024 have been prepared in accordance with the provisions of Financial Reporting Standard 102 (FRS 102) and Financial Reporting Standard 103 (FRS 103).

Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” and FRS 103 “Insurance Contracts” issued by the Financial Reporting Council. The financial statements are prepared on a consolidated basis. All intra group transactions, balances, income and expenses are eliminated on consolidation.

In preparing financial statements, the Vhi Board may depart in specific instances from the formats adopted in preparing a balance sheet or profit and loss account as laid out in the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. In these financial statements, an amendment to the prescribed format was necessary to ensure that more appropriate language is used to accurately describe the customer return of value transaction.

The Directors have a reasonable expectation that the Vhi Board has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Foreign Currency

The Vhi Board financial statements are presented in Euro which is the functional currency of the Vhi Group. Transactions during the year denominated in foreign currencies have been

translated at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated to Euro at the rates of exchange ruling at the balance sheet date. The resulting gain or loss is included in the income and expenditure account.

Premiums Written

Gross written premiums consist of the premium income receivable from members in respect of policies commencing in the financial year. Unearned premiums represent the proportion of premiums written in the year that relate to the unexpired term of policies in force at the balance sheet date, calculated on a time apportioned basis.

Claims Incurred

Claims incurred comprise claims and related expenses paid during the year together with changes in provisions for outstanding claims, including provisions for the estimated cost of claims reported but not yet paid, claims incurred but not reported and related handling expenses.

The gross provision for claims represents the estimated liability arising from medical claims incurred in current and preceding financial years which have not yet given rise to claims paid. The provision includes an allowance for claims handling and expenses. The estimation of claims liabilities is subject to inherent uncertainty. A margin for uncertainty is included to reduce the risk that insufficient provisions are set aside.

The claims provision is estimated based on best information available as well as subsequent information and events. Adjustments to the amount of claims provision for prior years are included in the income and expenditure account in the financial year in which the change is made. Prudent assumptions are made so that the provision should be sufficient in reasonably foreseeable adverse circumstances.

Unexpired Risks

Provision is made, based on information available at the balance sheet date, where the estimated value of claims and expenses attributable to the unexpired periods of policies in force at the reporting date exceeds the unearned premiums provision in relation to such policies after deduction of any deferred acquisition costs, an unexpired risks provision is established.

Risk Equalisation Scheme

Health Insurance Levy consists of the amounts payable to the Revenue Commissioners in respect of stamp duty on private medical insurance policies commencing in the financial year. Provision for unearned levy represents the proportion of levy relating to policies written in the year that relates to the unexpired term of policies in force at the balance sheet date, calculated on a time apportioned basis. The net amount is recognised on an earned premium basis over the life of the policies and included as other technical income in the income and expenditure account. Risk Equalisation Premium Credits consist of amounts receivable from the Risk Equalisation Fund, administered by the Health Insurance Authority, in respect of policies commencing in the financial year. Provision for unearned credits represents the proportion of credits written in the year that relate to the unexpired term of policies in force at the balance sheet date, calculated on a time apportioned basis. Hospital Utilisation Credits consist of amounts receivable from the fund for claims paid during the year. High Cost Claims Pool compensates insurers directly for individual claim costs that are in line with legislative requirements. Provision for amounts owed to Vhi at the balance sheet date is held in the accounts.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of the equity instruments issued plus the costs directly attributable to the business combinations.

On acquisition of a business, fair values are attributed to the identifiable assets and liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values of the net assets acquired. Goodwill is amortised over its expected useful life. Goodwill is assessed for impairment where there are indicators of impairment and any impairment is charged to the profit and loss account.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software licence and development costs are recognised as intangible assets when they are not an integral part of the related hardware and are amortised to the income and expenditure account over their estimated useful lives of four years. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Property, Plant and Equipment

Land, buildings and other tangible assets are initially recognised at cost. Cost includes any costs directly attributable to bringing the asset to the intended use. Costs for assets under construction are included under work in progress until the asset is brought into use.

i) Land and buildings

Land and buildings are carried at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of land and buildings are included in the income and expenditure account in the year in which they arise, including the corresponding tax effect. Fair values are evaluated annually by an accredited external, independent valuer with recent experience in the location and class of the property held.

All properties are maintained in a continual state of sound repair. As a result, the directors consider that the economic lives and residual values of these properties are such that any depreciation is insignificant and is therefore not provided.

ii) Tangible assets

Tangible assets are carried at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of the assets to their residual values over their estimated useful lives on a straight line basis as follows:

Motor vehicles	4 years
Computer equipment	4 years
Fixtures, furniture & fittings	5 years
Office equipment	5 years
Medical equipment	5 years

Expenditure incurred on the development of computer equipment which is substantial in amount and is considered to have an economic benefit to the Vhi Board lasting more than one year into the future is capitalised and depreciated over the years in which the economic benefits are expected to arise. This period is subject to a maximum of four years. In the event of uncertainty regarding its future economic benefit, the expenditure is charged to the income and expenditure account.

Notes to the financial statements continued

1. Significant accounting policies continued

Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Financial Assets and Liabilities

The Vhi Board's investments comprise debt securities, equity, shares in collective investment undertakings, derivatives and deposits in banks.

Financial assets and liabilities are recognised when the Vhi Board becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Vhi Board transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Vhi Board, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

All financial assets and liabilities, excluding derivatives, are initially measured at cost. Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into. All derivatives are carried as assets when the fair value is positive, and as liabilities when the fair value is negative.

Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models as appropriate. Where possible, financial instruments are marked at prices quoted in active markets. In certain instances, such price information is not available for all instruments and Vhi Group uses valuation techniques to measure such instruments. These techniques use "market observable inputs" where available, derived from similar assets in similar and active markets, from recent transaction prices for comparable items, or from other observable market data. For positions where observable reference data are not available for some or all parameters, Vhi Group estimates the non-market observable inputs used in its valuation models.

(i) Financial Investments held for trading at fair value

Financial investments held for trading are stated at fair value and include corporate bonds, government bonds, collective investment schemes, and deposits in banks. They are initially recognised on the basis of their trade date and are revalued at the reporting date to fair value using bid prices, with gains or losses included in the non-technical profit and loss account in each reporting period.

Investments are designated as held for trading if:

- They have been acquired principally for the purpose of selling in the near future; or
- They are part of an identified portfolio of financial instruments that the Company manages together and they have a recent actual pattern of short term profit making; or
- They form part of a portfolio that is managed on a fair value basis in accordance with the Vhi Board's risk management and investment policy (or they did so at the time of acquisition); or
- They are derivative contracts that are not specifically designated and effective as hedging instruments.

(ii) Financial Investments available for sale

Financial Investments available for sale are composed of corporate bonds and government bonds, and are stated at fair value on the reporting date. They are initially recognised on the basis of their trade date and are revalued at the reporting date to fair value using bid prices, with gains or losses included in the Statement of Other Comprehensive Income in each reporting period. If an asset is disposed of in the reporting period, the cumulative gain or loss previously recognised is transferred to the non-technical profit and loss account in the year that the disposal occurs.

Investment in Subsidiaries

Investments in subsidiary companies are recognised at cost. At each year end, a review is performed to determine whether there is any indication of impairment. If impaired, investments in subsidiary companies are recorded at their recoverable amount.

Impairment

Financial assets, other than those at market value, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Investment Income

Investment income consists of dividends, interest, rent, realised gains and losses, and unrealised gains and losses on fair value assets. Investment income is presented net of related investment expenses. Rent and investment expenses are recognised when incurred. Interest income is recognised using the effective interest method. Income from equities is included on the basis of dividends received during the financial year. Realised and unrealised gains and losses are presented in the non-technical income and expenditure account in the financial year in which they arise.

The allocation of investment return from the non-technical account to the technical account is based on the return on investments attributable to the insurance business.

Pension

Certain employees of Vhi group companies are part of the Vhi Board's defined benefit pension scheme.

The cost of providing benefits and liabilities of defined benefit plans are determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

Current service cost, interest cost and return on scheme assets are recognised in the income and expenditure account of Vhi Board. The Actuarial surplus or deficit is recognised in the statement of total comprehensive income of Vhi Board. Past service cost is recognised immediately. The net surplus or deficit on the defined benefit pension scheme is recognised, net of deferred tax, on the balance sheet of Vhi Board.

The Vhi Board also operates a defined contribution pension scheme for qualifying employees. The assets of the plan are held separately from those of the Vhi Board in funds under the control of the Scheme Trustees. Costs arising in respect of pension schemes are charged to the Vhi Board's income and expenditure account as an expense as they fall due.

The subsidiary companies of the Vhi Board recognise costs in their profit and loss account equal to their contribution payable as an employer of members of the scheme.

Other Income

Other income includes insurance agency commission earned on the sale of insurance products for other insurance companies. Insurance agency commission for products that do not require further service are recognised as income on the commencement of the related policy. Insurance agency commission for products requiring further customer service is recognised on a straight line basis over the lifetime of the policies.

Other income also comprises revenue from the provision of health services to clients. Revenue from the provision of health services to clients represents the invoiced value and work-in-progress of health services provided to clients exclusive of value added tax.

Deferred Acquisition Costs

The costs incurred during the financial year that are directly attributable to the acquisition of new insurance business are expensed in the same accounting year as the premiums to which they relate are earned. All other acquisition costs are recognised as an expense when incurred. Subsequent to initial recognition, these costs are deferred commensurate with the unearned premiums provision. Deferred acquisition costs are reviewed at the end of each reporting year and are written-off where they are no longer considered to be recoverable.

Provisions

Provisions have been included for known present obligations arising from past events based on management estimates, incorporating a review of available information and appropriate external advice where available.

Notes to the financial statements continued

1. Significant accounting policies continued

Reinsurance

Reinsurance amounts are accounted for in line with the Reinsurance agreement and described below. The reinsurance agreement expired on 31 December 2017 and was fully terminated on 30 September 2024.

Reinsurance commissions relate to reinsurance commission and profit participation accrued on the basis of premiums ceded and claims reimbursed and are presented in the income and expenditure account in other technical income.

Premiums payable in respect of reinsurance ceded are recognised over the period of the reinsurance contract. A technical provision, reinsurer’s share of unearned premium, is recognised for the portion of ceded premiums remaining on unexpired contracts.

An additional technical provision, reinsurer’s share of claims outstanding, is recognised to reflect the amount estimated to be recoverable under the reinsurance contracts in respect of the outstanding claims reported under insurance liabilities. The amount recoverable from reinsurers is initially valued on the same basis as the underlying claims provision. The amount recoverable is reduced when there is an event arising after the initial recognition that provides objective evidence that the Vhi Board may not receive all amounts due under the contract and the event has a reliably measurable impact on the expected amount that will be recoverable from the reinsurer.

Funds withheld from Reinsurer

The reinsurance contract was on a funds withheld basis. Under the agreements, Vhi retains premiums at least equal to the reinsurance asset at all times. This reinsurance agreement expired on 31 December 2017 and was fully terminated on 30 September 2024.

Tax

The charge for tax is based on the tax adjusted surplus for the year calculated at current rates. Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred Tax

Deferred tax is provided on timing differences between the taxable surplus and surplus as stated in the financial statements. The provisions are made at the tax rates which

are expected to apply in the years in which the timing differences are expected to reverse. Deferred tax assets are recognised to the extent that it is probable that they will be recovered.

Critical accounting estimates and judgements in applying accounting policies

The principal accounting policies adopted by the Group are set out on pages 76 to 80. In the application of these accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the critical judgements and estimates that the Directors have made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in financial statements:

Technical Provisions

The gross provision for claims represents the estimated liability arising from medical claims incurred in current and preceding financial years which have not yet given rise to claims paid. It is based on best information available as well as subsequent information and events. The provision includes an allowance for claims handling and expenses. The estimation of claims liabilities is subject to inherent uncertainty. A margin for uncertainty is included to reduce the risk that insufficient provisions are set aside. Prudent assumptions are made so that the provision should be sufficient in reasonably foreseeable adverse circumstances.

Provision for unexpired risks is also made, based on information available at the balance sheet date, where the estimated value of claims and expenses attributable to the unexpired periods of policies in force at the reporting date exceeds the unearned premiums provision in relation to such policies after deduction of any deferred acquisition costs, an unexpired risks provision is established.

2. Particulars of business

The insurance business of Vhi Board is that of health insurance and all business is written in the Republic of Ireland. Other income and expenses are disclosed in note 11 and note 12.

Analysis of gross premium earned, gross claims incurred, operating expenses and reinsurance balance for Vhi Board is as follows:

	2024 €'m	2023 €'m
Gross written premium	1,879.1	1,683.5
Change in provision for unearned premium and unexpired risks (note 22)	(42.6)	(76.7)
Gross earned premium	1,836.5	1,606.8
Other technical income gross	92.8	160.3
Claims paid – gross amount	(1,737.6)	(1,685.1)
Change in the provision for claims – gross amount (note 22)	(19.0)	(5.4)
Gross claims incurred	(1,756.6)	(1,690.5)
Operating expenses	(155.1)	(157.2)
Reinsurance (deficit)	(0.4)	(0.5)

3. Earned premium

All earned premium relates to health insurance and all business written is in the Republic of Ireland.

4. Other technical income, net of reinsurance

	2024 €'m	2023 €'m
Risk Equalisation Scheme – gross (note 5)	92.8	130.3
Other technical income	–	30.0
Reinsurance commissions*	0.2	1.8
	93.0	162.1

*The reinsurance contract expired on 31 December 2017 and was fully terminated and on 30 September 2024.

Notes to the financial statements continued

5. Risk equalisation scheme

	2024 €'m	2023 €'m
Risk Equalisation Credits	514.7	534.2
Health Insurance Levy	(421.9)	(403.9)
	92.8	130.3

Risk Equalisation Credits consist of credits payable by the Risk Equalisation Fund in respect of older and/or hospitalised members of private medical insurance policies. These are received for each insured person aged over 65 and for claims paid which included a hospital day case or overnight stay. These credits also include the High Cost Claims Pool amounts.

The Health Insurance Levy is a stamp duty which is payable on renewal or inception of a private health insurance policy in Ireland and is used to fund the risk equalisation scheme.

6. Unexpired risks

Each year the Directors assess whether the Vhi Board will incur deficits on the unexpired element of existing private medical insurance policies. This is assessed by carrying out a liability adequacy test on the unexpired portion of the business. The principal uncertainty relates to the cost and volume of future claims. The amount provided at December 2024 is €21.2m (2023: €43.1m).

7. Net operating expenses

	2024 €'m	2023 €'m
Acquisition costs	24.1	21.8
Change in acquisition costs	0.7	0.7
Administration expenses	130.3	134.7
	155.1	157.2

8. Remuneration

Payroll and Related Costs

	2024	2023
The average monthly number of people employed during the financial year was as follows:	1,869	1,776

	2024 €'m	2023 €'m
Wages and salaries	135.7	123.2
Social security costs	15.4	14.2
Other retirement benefit costs	9.2	8.6
Other compensation costs	8.4	7.4
	168.7	153.4

Directors' remuneration

Remuneration of Directors, including disclosures in accordance with the Code of Practice for the Governance of State Bodies (the Code of Practice), is set out below:

	2024 €'m	2023 €'m
Other amounts – in connection to fair employment	0.4	0.4
Directors fees for services as Directors	0.2	0.2
	0.6	0.6

Other amounts – in connection to fair employment

The annual basic salary of the Group CEO pursuant to his contract is €287,000.

The total remuneration paid to the Group CEO for 2024 was €383,590, which included basic salary of €287,000, other taxable benefits of €28,590 and pension contributions of €68,000.

In 2023, the Group CEO was appointed on the 1st March and prior to that held the office of Interim Group CEO from 1 May 2022. The total remuneration paid to the Group CEO for the year was €443,247, which incorporated the period as interim Group CEO, and included basic salary of €276,667, other taxable benefits of €99,289 and pension contributions of €67,292.

Directors also receive a private medical insurance policy from Vhi during their tenure.

Directors Fees – for services as Directors

Directors' fees are determined by the Minister for Health, with the consent of the Minister for Public Expenditure and Reform, and are currently payable at the annual rate of €31,500 for the Chair and €15,750 for individual non-executive Directors. The Executive Directors do not receive a Board Fee under the OPOS principle.

Notes to the financial statements continued

9. Return of value

	2024 €'m	2023 €'m
Return of value	–	(2.0)

Return of value relates to a programme implemented by Vhi to return value to its members as part of its commitment to not profit from the global COVID pandemic.

10. Net investment return

	2024 €'m				
	Investment income	Investment expense	Realised gains and (losses)	Changes in fair value	Net investment return
Financial assets classified as available for sale:					
Corporate bonds	13.4	(0.5)	–	–	12.9
Government bonds	1.4	(0.1)	–	–	1.3
Financial assets classified as held for trading:					
Corporate bonds	8.6	(0.4)	1.0	6.7	15.9
Government bonds	0.7	(0.2)	–	1.7	2.2
Collective investments	2.4	(0.3)	5.0	5.5	12.6
Other investments	2.3	–	(2.8)	(3.9)	(4.4)
	28.8	(1.5)	3.2	10.0	40.5

	2023 €'m				
	Investment income	Investment expense	Realised gains and (losses)	Changes in fair value	Net investment return
Financial assets classified as available for sale:					
Corporate bonds	8.2	(0.2)	(0.1)	–	7.9
Government bonds	1.0	–	–	–	1.0
Financial assets classified as held for trading:					
Corporate bonds	9.5	(0.4)	(7.1)	16.9	18.9
Government bonds	0.7	(0.2)	(1.4)	7.4	6.5
Collective investments	1.7	(0.2)	2.7	8.5	12.7
Other investments	0.7	–	13.8	(21.7)	(7.2)
	21.8	(1.0)	7.9	11.1	39.8

11. Other income

Other income includes income generated by subsidiary companies.

	2024 €'m	2023 €'m
Commission income	30.7	29.9
Income from the provision of health services	15.5	14.2
	46.2	44.1

12. Other expenses

Other expenses include expenses associated with the provision of services to clients by subsidiary companies.

	2024 €'m	2023 €'m
Expenses from the provision of health and other services	60.0	53.6
	60.0	53.6

13. Tax

	2024 €'m	2023 €'m
The tax charge/(credit) in the income and expenditure account comprises:		
Current tax for year	0.5	0.6
Deferred tax credit	7.1	(6.0)
	7.6	(5.4)

Factors affecting the current tax charge for the financial year:

The differences are explained below:

	2024 €'m	2023 €'m
(Deficit)/Surplus on ordinary activities before tax	43.9	(48.8)
Surplus/(deficit) on ordinary activities multiplied by standard rate of corporation tax of 12.5% (2023: 12.5%)	5.5	(6.1)
Effects of:		
Expenses not allowed for tax purposes	0.1	(0.2)
Capital allowances in excess of depreciation for financial year	0.1	0.4
Income taxed at higher rate	–	0.1
Movement in expenses deductible when paid in respect of prior periods	–	0.1
Recognition of Deferred Tax Asset	–	6.0
Prior year adjustment	0.6	0.3
Losses utilised in the period	(5.8)	–
Current tax for financial year	0.5	0.6
Tax charge recognised in the Other Comprehensive Income Statement	0.2	0.3

Notes to the financial statements continued

13. Tax continued

Pillar II Tax Note

Taxation is calculated at the prevailing standard corporation tax rate of 12.5% for the financial year end 2024.

On 18 December 2023 the Government of Ireland, enacted the Pillar Two income taxes legislation into Finance (No.2) Act 2023 which allows for a minimum effective tax rate of 15% to be applied to companies in the State subject to certain conditions. As the Vhi Group is a large-scale domestic company with no international activity the legislation allows for a deferral period of five years and as a result it is expected that the Vhi Group will not be subject to Pillar Two rules until the financial year commencing 1 January 2029.

The Group continues to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

14. Surplus/(deficit) on ordinary activities after tax

Surplus/(deficit) for the financial year has been arrived at after charging the below to the consolidated financial statements.

	2024 €'m	2023 €'m
Auditors remuneration		
Audit of individual company financial statements	0.5	0.4
Other assurance services	0.1	0.1
Other non-audit services	–	–
	0.6	0.5

15. Land held under finance lease

	2024 €'m	2023 €'m
Land held under finance lease	1.0	1.0

During 2019, a finance lease was entered into relating to the lease of land. The term of the lease is 500 years. All liabilities due have been paid and there are no material future obligations outstanding.

16. Land and Buildings

	2024 €'m	2023 €'m
Valuation		
At 1 January	79.1	85.8
Additions	–	0.2
Work in progress	–	–
Disposals	–	(0.9)
(Loss)/Gain on revaluation	(5.1)	(6.0)
At 31 December	74.1	79.1

Land and buildings were valued by an independent external valuer as at 31 December 2024 at open market value in accordance with Royal Institute of Chartered Surveyors ("RICS") appraisal and valuation standards.

17. Other financial investments

The carrying values of the Vhi Board's financial assets and liabilities are summarised by category below:

	2024 €'m	2023 €'m
Consolidated		
i) financial assets classified as available for sale		
Corporate bonds	445.6	290.5
Government bonds	47.5	50.4
ii) financial assets classified as held for trading		
Corporate bonds	248.5	313.4
Government bonds	91.7	166.9
Collective investments	245.0	216.8
Derivatives	2.8	3.0
iii) financial assets at cost		
Deposits in banks	6.5	6.2
iv) financial liabilities classified as held for trading		
Derivatives	(1.6)	(3.0)
Other	–	(3.2)
	1,086.0	1,041.0
Vhi Board		
i) at cost		
Investment in subsidiaries	479.7	479.7
	479.7	479.7

Notes to the financial statements continued

18. Other debtors

	2024 €'m	2023 €'m
Amounts falling due within one year:		
Risk equalisation scheme	381.0	368.3
Other debtors	43.8	56.0
	424.8	424.3
Amounts falling due after one year:		
Other debtors	15.3	22.9
	440.1	447.2

The Risk Equalisation Scheme debtor includes the unexpired portion of the Health Insurance Levy which amounted to €140.2m (2023: €146.9m).

19. Deferred tax asset

An asset has been recognised in respect of deferred tax for the following timing differences:

	2024 €'m	2023 €'m
Capital allowances in excess of depreciation	1.5	2.5
Expenses deductible when paid	–	0.5
Fair value movements through other comprehensive income	(0.2)	(0.3)
Deferred tax on losses carried forward	0.3	5.9
Prior year adjustment	(0.3)	–
Total deferred tax asset	1.3	8.6

20. Intangible assets

	Software €'m	Total €'m
Cost:		
Balance at 1 January 2024	52.0	52.0
Additions	–	–
Transfers	–	–
Balance at 31 December 2024	52.0	52.0
Amortisation		
Balance at 1 January 2024	(49.4)	(49.4)
Charge for the year	(0.9)	(0.9)
Transfers	–	–
Balance at 31 December 2024	(50.4)	(50.4)
Net book value:		
At 31 December 2024	1.7	1.7
At 31 December 2023	2.6	2.6

	Software €'m	Total €'m
Cost:		
Balance at 1 January 2023	71.3	71.3
Additions	2.0	2.0
Retirements	(17.2)	(17.2)
Transfers	(4.1)	(4.1)
Balance at 31 December 2023	52.0	52.0
Amortisation		
Balance at 1 January 2023	(68.9)	(68.9)
Charge for the year	(0.9)	(0.9)
Retirements	16.4	16.4
Transfers	4.0	4.0
Balance at 31 December 2023	(49.4)	(49.4)
Net book value:		
At 31 December 2023	2.6	2.6
At 31 December 2022	2.4	2.4

Notes to the financial statements continued

21. Tangible assets

	Motor vehicles €'m	Fixtures, furnishings and fittings €'m	Computer/office equipment €'m	Medical equipment €'m	Total €'m
Cost:					
Balance at 1 January 2024	2.7	30.2	39.6	2.4	74.9
Additions	2.8	1.0	1.5	–	5.3
Disposals	(0.7)	–	(0.3)	–	(1.0)
Transfers	(0.1)	(0.1)	0.1	–	(0.1)
Balance at 31 December 2024	4.7	31.1	40.9	2.4	79.1
Depreciation:					
Balance at 1 January 2024	(2.7)	(24.1)	(36.6)	(1.2)	(64.6)
Charge for the year	(0.7)	(1.9)	(1.7)	(0.4)	(4.7)
Disposals	0.7	–	0.3	–	1.0
Transfers	0.1	0.1	–	–	0.2
Balance at 31 December 2024	(2.6)	(25.9)	(38.0)	(1.6)	(68.1)
Net book value:					
At 31 December 2024	2.1	5.2	2.9	0.8	11.0
At 31 December 2023	–	6.1	3.0	1.2	10.3

	Motor vehicles €'m	Fixtures, furnishings and fittings €'m	Computer/office equipment €'m	Medical equipment €'m	Total €'m
Cost:					
Balance at 1 January 2023	2.9	30.9	36.0	2.5	72.3
Additions	–	4.5	2.5	0.1	7.1
Revaluations	–	–	–	–	–
Disposals	(0.2)	(5.2)	(3.0)	(0.2)	(8.6)
Transfers	–	–	4.1	–	4.1
Balance at 31 December 2023	2.7	30.2	39.6	2.4	74.9
Depreciation:					
Balance at 1 January 2023	(2.9)	(26.9)	(33.2)	(1.0)	(64.0)
Charge for the year	–	(2.5)	(2.6)	(0.4)	(5.5)
Disposals	0.2	5.3	3.2	0.2	8.9
Transfers	–	–	(4.0)	–	(4.0)
Balance at 31 December 2023	(2.7)	(24.1)	(36.6)	(1.2)	(64.6)
Net book value:					
At 31 December 2023	–	6.1	3.0	1.2	10.3
At 31 December 2022	–	4.0	2.8	1.5	8.3

22. Technical provisions

	Provision for Unearned Premium and Unexpired Risks €'m	Claims Outstanding €'m	Total €'m
Gross Amount			
As at 31 December 2023	(648.8)	(397.3)	(1,046.1)
Movement in provision* (note 2)	(42.6)	(19.0)	(61.6)
As at 31 December 2024	(691.4)	(416.3)	(1,107.7)
Reinsurance Amount**			
As at 31 December 2023	–	3.8	3.8
Movement in provision	–	(0.3)	(0.3)
Reinsurance closure	–	(3.5)	(3.5)
As at 31 December 2024	–	–	–
Net Technical Provision			
As at 31 December 2024	(691.4)	(416.3)	(1,107.7)
As at 31 December 2023	(648.8)	(393.5)	(1,042.3)

	Provision for Unearned Premium and Unexpired Risks €'m	Claims Outstanding €'m	Total €'m
Gross Amount			
As at 31 December 2022	(572.1)	(391.9)	(964.0)
Movement in provision* (note 2)	(76.7)	(5.4)	(82.1)
As at 31 December 2023	(648.8)	(397.3)	(1,046.1)
Reinsurance Amount**			
As at 31 December 2022	–	6.0	6.0
Movement in provision	–	(2.2)	(2.2)
As at 31 December 2023	–	3.8	3.8
Net Technical Provision			
As at 31 December 2023	(648.8)	(393.5)	(1,042.3)
As at 31 December 2022	(572.1)	(385.9)	(958.0)

*Change in provisions for unearned premium and unexpired risks relates to business performance during 2024 and the impact of price adjustments during 2023.

**Change in provision for claims includes claims expenses net of payments made in respect of the reporting period and change in provisions in respect of prior years' net of payments made, adjusted for reinsurer's share at the applicable quota share rates. The reinsurance contract ended as at 31 December 2017 and was fully terminated on 30 September 2024 resulting in no provision held for the reinsurer's share being recognised at year end 2024.

Notes to the financial statements continued

23. Funds withheld from Reinsurer

The reinsurance contract is on a funds withheld basis. Under the agreements, Vhi retains premiums at least equal to the reinsurance asset at all times. This reinsurance agreement expired on 31 December 2017 and was fully terminated on 30 September 2024.

	2024 €'m	2023 €'m
Funds withheld from reinsurer	–	3.8
	–	3.8

24. Deferred acquisition costs

Acquisition costs are expensed as the premiums to which they relate are earned. The amount of €8.6m provided for 2024 (2023: €7.8m) is in respect of costs incurred during the financial year which are directly attributable to the acquisition of new business. All other acquisition costs are recognised as an expense when incurred.

25. Other creditors and accruals due within one year

	2024 €'m	2023 €'m
Risk Equalisation Scheme	161.0	176.7
Other creditors	60.8	51.8
Accruals	28.2	32.1
	250.0	260.6

The Risk Equalisation Scheme creditor includes the value of the provision for unearned premium credits at the year ended 31 December 2024 of €98.2m (2023: €113.1m).

26. Other provisions

	Total €'m
At 1 January 2024	8.9
Additional provisions during the year	3.0
Provisions utilised during the year	(3.8)
At 31 December 2024	8.1

Other provisions relate, in part, to expected payments to third parties.

A provision is also held for committed Group restructuring in accordance with the Vhi Group Strategy. The timing of cash flows or release of this provision will occur in accordance with delivery of Vhi's strategic plan and is not expected to give rise to material losses beyond the amounts provided for as at 31 December 2024.

An amount is also provided for relating to the timing of cashing of cheques by members in relation to the return of value made to members as part of the Board's Charter to not profit from the global COVID pandemic.

27. Notes to the cash flow statement

	2024 €'m	2023 €'m
Surplus/(deficit) on ordinary activities before tax	43.9	(48.8)
Add back depreciation	4.7	5.5
Add back amortisation	0.9	0.9
Defined benefit pension contributions in excess of charge	(5.2)	(19.4)
Net investment return	(40.5)	(39.8)
Operating cash flows before movements in working capital	3.9	(101.6)
Increase in deferred acquisition costs	(0.7)	(0.7)
Increase in insurance contract liabilities	18.0	11.0
Increase in provision for unearned premium	42.6	76.7
Increase in receivables	(53.8)	(134.0)
Increase/(decrease) in payables	(11.3)	15.8
Working capital movements	(5.2)	(31.2)
Cash generated by operations	(1.3)	(132.8)
Income taxes paid	7.8	5.6
Net cash flows from operating activities	(9.1)	(127.2)

28. Analysis of changes in net cash/(debt)

	At 1 Jan 2024 €'m	Cash flows €'m	Other non-cash changes	At 31 Dec 2024 €'m
Cash and cash equivalents				
Cash	85.3	(12.2)	–	73.1
Overdrafts	–	–	–	–
	85.3	(12.2)	–	73.1
Borrowings				
Debt due within one year	–	–	–	–
Debt due after one year	–	–	–	–
Total	85.3	(12.2)	–	73.1

29. Capital commitments

There were no capital commitments in 2024.

Notes to the financial statements continued

30. Prompt payment of accounts

Payments made during 2024 were governed by the Prompt Payment of Accounts Act 1997 (as amended by the European Communities (late payment in commercial transactions) Regulations 2012) to address late payments in commercial transactions. This Act applies to goods and services supplied to the Vhi Board by EU based suppliers.

Statement of payment practices including standard payment periods

The Vhi Board operates a policy of paying all undisputed supplier invoices within the agreed terms of payment. The terms specified in Vhi's standard purchase order are 30 days. Other payment terms may apply in cases where a separate contract is agreed with the supplier.

Compliance with the Directive

The Vhi Board complies with the requirements of the legislation in respect of all supplier payments. Procedures and systems, including computerised systems, have been modified to comply with the Directive.

These procedures ensure reasonable but not absolute assurance of compliance.

31. Retirement benefit schemes

The Vhi Board operates a defined contribution retirement plan open to eligible employees. The assets of this plan are held separately from those of the Vhi Board in funds under the control of Trustees. Costs arising in respect of this plan are charged to the income and expenditure account as an expense as they fall due.

The Vhi Board also operates a defined benefit pension scheme which was closed to new members effective 24 January 2013. The assets of the defined benefit scheme are held in a separate trustee administered fund. Retirement benefit costs and liabilities are determined by an independent qualified actuary, using the projected unit credit method of funding. The pension scheme is internally financed. The contributions to the scheme for 2024 amounted to €7.3m (2023: €14.3m).

The liabilities at the reporting date have been calculated through the means of a full valuation of the Plan's liabilities at that date. The amounts have been fully implemented in the financial statements in accordance with the requirements of Section 28 FRS 102.

The actuarial reports are available for inspection by members of the scheme but not for public inspection.

(i) The major assumptions used in respect of the pension scheme are:	2024 %	2023 %
Rate of increase in salaries	2.05	2.45
Rate of increase in pensions in payment	1.80	1.80
Discount rate	3.60	3.60
Revaluation	1.80	1.80
Inflation assumption	2.05	2.45

(ii) Weighted average life expectancy for mortality tables used to determine benefit obligations at	2024	2023
Member age 65 (current life expectancy)	25.1	25.1
Member age 40 (life expectancy at age 65)	27.1	27.1

(iii) The assets in the pension scheme at market value were:	2024 €'m	2023 €'m
Equities	87.6	89.7
Fixed interest	57.3	21.9
Property	27.5	33.2
Non-sovereign bonds	56.2	28.6
Cash	–	14.0
Inflation-linked bonds	117.2	120.3
Other	37.6	58.1
Total market value of assets	383.4	365.8
Present value of scheme liabilities	(299.9)	(302.0)
Surplus/(Deficit) in the scheme	83.5	63.8
Related deferred tax asset	(10.5)	(8.0)
Net retirement benefit asset	73.0	55.8

(iv) Income and expenditure account	2024 €'m	2023 €'m
Charged to net operating expenses		
Retirement benefits		
Current service cost	(4.4)	(4.6)
Death in service cost	(0.3)	(0.4)
	(4.7)	(5.0)
Other retirement benefits		
Charge to income & expenditure	(4.7)	(5.0)
Interest in scheme liabilities	(10.7)	(11.2)
Expected return on scheme assets	13.3	13.9
Past service cost	–	–
Net change in operating result	(2.1)	(2.3)

(v) Statement of comprehensive income	2024 €'m	2023 €'m
Actual return less expected return on scheme assets	5.3	13.9
Experience gains and losses on scheme liabilities	2.7	6.0
Changes in financial assumptions	6.5	(24.9)
Remeasurement of actuarial surplus/(deficit) on pension fund liability	14.5	(5.0)
Movement on deferred tax	(2.5)	(0.9)
Total remeasurement of actuarial surplus/(deficit) on pension fund liability	12.0	(5.9)

Notes to the financial statements continued

31. Retirement benefit schemes continued

(vi) Movement in net deficit during the financial year	2024 €'m	2023 €'m
Net surplus in scheme at start of year	55.8	49.7
Current service cost	(4.4)	(4.6)
Death in service cost	(0.3)	(0.4)
Past service cost	–	–
Contributions	7.3	14.3
Interest on scheme liabilities	(10.7)	(11.2)
Expected return on scheme assets	13.3	13.9
Remeasurement of actuarial surplus/(deficit) on pension fund liability	14.5	(5.0)
Movement in deferred tax	(2.5)	(0.9)
Net surplus/(deficit) at end of financial year	73.0	55.8

(vii) History of experience gains and losses	Year ended Dec 2024	Year ended Dec 2023	Year ended Dec 2022	Year ended Dec 2021	Year ended Dec 2020	Year ended Dec 2019
Difference between expected and actual return on assets	5.3	13.9	(87.7)	39.9	25.0	28.7
% of scheme assets	1%	4%	(27%)	10%	7%	9%
Experience (losses) and gains on scheme liabilities	2.7	6.0	(4.6)	(1.9)	4.4	0.1
% of scheme liabilities	1%	2%	(2%)	(4%)	(1%)	0%
Total (increase)/decrease in actuarial surplus/(deficit)	14.5	(5.0)	65.2	23.9	22.0	(22.7)
% of scheme liabilities	5%	(2%)	24%	6%	6%	(6%)

(viii) Recognised within the Balance Sheet:	2024 €'m	2023 €'m
Net deficit as at 31 December	73.0	55.8

(ix) Movement in group assets and liabilities:	2024 €'m	2023 €'m
Assets		
Assets in scheme at 1 January	365.8	330.3
Return on scheme assets (excluding interest income)	5.3	13.9
Employer contributions	7.3	14.3
Employee contributions	2.3	2.3
Interest on scheme assets	13.3	13.9
Insurance premiums for risk benefits	(0.3)	(0.4)
Benefits paid	(10.3)	(8.5)
Assets in scheme at 31 December	383.4	365.8
Liabilities		
Liabilities in scheme at 1 January	302.0	273.5
Experience gains and losses on scheme liabilities	(2.7)	(6.0)
Changes in assumptions	(6.5)	24.9
Current service cost	4.4	4.6
Death in service cost	0.3	0.4
Employee contributions	2.3	2.3
Interest on scheme liabilities	10.7	11.2
Insurance premiums for risk benefits	(0.3)	(0.4)
Benefits paid	(10.3)	(8.5)
Liabilities in scheme at 31 December	299.9	302.0

32. Capital management

The objective of Vhi in managing its capital is to ensure that it will not compromise its ability to meet its current or future commitments to policyholders and will be able to continue as a going concern and maintain a prudent level of capital. The capital structure of the Vhi Group consists of retained earnings. Vhi has also employed the use of reinsurance and subordinated debt as capital management tools in the past.

Vhi Insurance DAC, a subsidiary of Vhi Board, is prudentially regulated by the Central Bank of Ireland. Under this, Vhi Insurance DAC is required to hold regulatory capital in line with the EU Solvency II Directive. Vhi Insurance DAC's regulatory capital level was compliant with its obligations throughout 2024.

Vhi Healthcare DAC declared and paid dividends of €12.7m to its parent, Vhi Group DAC during 2024 (2023: €16.0m).

Notes to the financial statements continued

32. Capital management continued

The table below sets out the capital and reserves of the Vhi Board:

	€'m
Capital resources at 1 January 2023	949.3
Surplus for the financial year	(43.4)
Remeasurement of actuarial deficit on pension fund liability	(5.9)
Other Comprehensive Income	2.7
Capital resources at 31 December 2023	902.7
Surplus/(Deficit) for the financial year	36.3
Remeasurement of actuarial surplus on pension fund liability	12.0
Other Comprehensive Income	1.6
Capital resources at 31 December 2024	952.6

33. Financial risk management

The Vhi Group operates an enterprise risk management system across the group to monitor and manage risks including financial risks. These risks include market risk (interest rate risk, currency risk and other price change risks), credit risk and liquidity risk.

Fair value

Fair value is the amount for which an asset or liability could be exchanged between willing parties in an arm's length transaction. FRS 102 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 – Quoted prices unadjusted for an identical asset in an active market.

Level 2 – When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If it can be demonstrated that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

Level 3 – If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, yield curves, credit spreads, liquidity statistics and other factors. The use of different valuation techniques could lead to different estimates of fair value.

The table below shows financial assets (as disclosed in note 17) that are measured at fair value:

	2024 €'m			
	Level 1	Level 2	Level 3	Total
Financial assets classified as available for sale:				
Corporate Bonds	–	445.6	–	445.6
Government Bonds	–	47.5	–	47.5
Financial assets classified as held for trading:				
Corporate Bonds	–	248.5	–	248.5
Government Bonds	–	91.7	–	91.7
Collective investments	32.1	213.0	–	245.0
Other investments	2.8	6.5	–	9.3
Financial investments at fair value	34.8	1,052.8	–	1,087.6

	2023 €'m			
	Level 1	Level 2	Level 3	Total
Financial assets classified as available for sale:				
Corporate Bonds	–	290.5	–	290.5
Government Bonds	–	50.4	–	50.4
Financial assets classified as held for trading:				
Corporate Bonds	–	313.4	–	313.4
Government Bonds	–	166.9	–	166.9
Collective investments	22.1	194.7	–	216.8
Other investments	–	9.2	–	9.2
Financial investments at fair value	22.1	1,025.1	–	1,047.2

Notes to the financial statements continued

33. Financial risk management continued

Market risk

Market risk is the risk of losses on the value of investments due to financial market movements such as changes in interest rates, changes in share prices, currency exchange rates, and other price changes. The objective of Vhi Board in managing its market risk is to ensure risk is managed in line with the Board's risk appetite.

Vhi Board has established policies and procedures in order to monitor and manage market risk and methods to measure it.

Market risk has remained within risk appetite throughout the year. There were no other significant changes to the objectives, or policies and processes for managing market risk.

i. Interest rate risk management

Interest rate risk is the risk of change in assets and liabilities caused by fluctuations in interest rates.

Interest rate risk arises primarily from Vhi Board's investment in fixed interest government and corporate bonds. The risk is managed by Vhi Board by limiting the maturity of instruments which the portfolio invests in, closely matching the outstanding duration of its assets to its liabilities and using derivative contracts. Vhi Board diversifies its fixed interest investments by issuer and type to ensure it has no significant concentration of interest rate risk at the balance sheet date.

In the analysis below we set out the sensitivity of the Vhi Board's investments to a severe (1-in-200 year) shock to prevailing interest rates, as set out by EIOPA for the calculation of the interest rate risk sub-module of the Solvency Capital Requirement for Vhi Insurance DAC, which accounts for all of the Vhi Board's exposure to interest rate risk.

	Pre-tax surplus		Shareholder's equity	
	2024 €m	2023 €m	2024 €m	2023 €m
Upward shock in interest rates	(22.4)	(22.2)	(19.6)	(19.4)
Downward shock in interest rates	20.2	20.0	17.7	17.5

The Vhi Board's measured sensitivity to interest rate changes has increased compared to the prior year due to an increase in the overall financial investment assets from €1,041.0m to €1,086.0m.

ii. Equity Price Risk

The company is exposed to equity price risk due to its holdings in collective investment schemes which invest in listed shares in developed markets. The amounts exposed to equity price risk at the reporting date are:

	2024 €m	2023 €m
Equity Exposure	32.1	22.1

iii. Foreign currency risk management

Vhi Board's financial assets are mostly denominated in Euro, as are all its insurance contract liabilities. Foreign currency risk arises from non-euro denominated assets directly held in the investment portfolio. Any currency risk from assets denominated in foreign currencies is minimised using suitable derivative contracts. As of the reporting date, the Board had a total exposure to foreign currency risk of €2.6m (2023: €1.3m).

iv. Other market price risk management

Vhi Board is exposed to market price risk arising from fluctuations in the value of financial instruments as a result of changes in the market prices and the risks inherent in all investments. There is limited concentration of price risk as the portfolio of investments are diversified by sector and geography. The risk is managed by Vhi Board by investing primarily in listed fixed income securities, maintaining an appropriate mix of investment instruments, limiting the maturity profile of fixed interest securities and matching liabilities by outstanding duration and type.

The Vhi Board's sensitivity to a 0.5% increase and decrease in market prices is as follows:

	2024 €'m	2023 €'m
0.5% increase		
Movement in the fair value of investment assets	8.4	8.8
0.5% decrease		
Movement in the fair value of investment assets	(8.4)	(8.8)

Credit risk

Credit risk is the risk of a change in the value of assets and liabilities caused by an unexpected default or deterioration in the credit rating of counterparties and debtors. The main credit risk is counterparty default risk. The key areas of exposure to credit risk for Vhi Board are in relation to its investment portfolio and amounts due from policyholders and other third parties.

The objective of Vhi Board in managing its credit risk is to ensure risk is managed in line with the Board's risk appetite. Vhi Board has established policies and procedures in order to manage credit risk and methods to measure it.

Financial assets are graded according to current credit ratings issued by credit rating agencies. Investment grade financial assets are classified within the range of AAA to BBB ratings. AAA (or equivalent) is the highest possible rating. Financial assets which fall outside this range are classified as speculative grade. The majority of debt securities held are investment grade and the Board has limited exposure to below investment grade securities.

Vhi Board's exposure and the credit ratings of its counterparties are continuously monitored. Vhi Board monitors the credit risk in relation to its investment portfolio by monitoring external credit ratings for the investment assets held by Vhi Board on a monthly basis. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Investment Committee annually.

The carrying amount of financial assets and reinsurance assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk.

Loans and receivables from policyholders, agents, intermediaries and other third parties generally do not have a credit rating. Receivables consist of a large number of policyholders, and their financial condition is subject to ongoing evaluation.

Notes to the financial statements continued

33. Financial risk management continued

Credit risk continued

The following table shows aggregated credit risk exposure for assets held at the reporting date. For Collective Investments, it illustrates the average credit risk of each fund primarily exposed to credit risk.

2024 €m	AAA	AA	A	BBB	BB or Lower	Unrated	Total
Financial assets classified as available for sale:							
Corporate bonds	44.2	50.2	189.8	161.4	–	–	445.6
Government bonds	10.7	25.7	–	11.1	–	–	47.5
Financial assets classified as held for trading:							
Corporate bonds	–	19.6	112.9	113.0	3.0	–	248.5
Government bonds	45.8	42.4	0.4	3.0	–	–	91.7
Collective investments	–	27.6	142.2	11.5	31.7	–	213.0
Deposits in banks	–	0.1	6.4	–	–	–	6.5
Other investments	–	0.0	2.8	–	–	–	2.8
Cash, loans and receivables:							
Cash at hand and in bank	–	47.2	25.9	–	–	–	73.1
Insurance receivables	–	–	–	–	–	627.1	627.1
Other debtors	–	–	–	–	–	440.1	440.1
Assets bearing credit risk	100.7	212.8	480.4	299.9	34.7	1,067.2	2,195.8

2023 €m	AAA	AA A	BBB	BB or Lower	Unrated	Total
Financial assets classified as available for sale:						
Corporate bonds	30.6	34.6	127.0	98.3	–	290.5
Government bonds	5.1	21.7	–	23.6	–	50.4
Financial assets classified as held for trading:						
Corporate bonds	0.7	31.0	154.0	115.5	12.2	313.4
Government bonds	61.2	70.6	0.5	34.6	–	166.9
Collective investments	45.6	–	107.1	11.1	30.9	194.7
Deposits in banks	–	0.0	6.1	0.1	–	6.2
Other investments	–	0.1	2.9	–	–	3.0
Cash, loans and receivables:						
Cash at hand and in bank	–	32.3	53.0	–	–	85.3
Insurance receivables	–	–	–	–	–	561.9
Other debtors	–	–	–	–	–	447.2
Assets bearing credit risk	143.2	190.3	450.6	283.2	43.1	1,009.1

The following table shows the carrying value of assets that are neither past due nor impaired, the ageing of assets that are past due but not impaired and assets that have been impaired. The factors considered in determining that the value of the assets have been impaired were: analysis of impairment, ageing of balances, past loss experience, current economic conditions and other relevant circumstances.

	Neither past due nor impaired €'m	Past due less than 30 days €'m	Past due 31 to 60 days €'m	Past due 61 to 90 days €'m	Past due more than 90 days €'m	Past due and impaired €'m	Carrying amount €'m
Insurance receivables							
2024	611.4	8.7	7.0	–	–	–	627.1
2023	546.8	5.9	9.7	–	–	–	561.9

Liquidity risk management

Liquidity risk is the risk that the group cannot meet its obligations associated with financial liabilities as they fall due, or the risk of incurring excessive costs in selling assets to meet these obligations. The group has adopted an appropriate liquidity risk management framework for the management of the group's liquidity requirements.

The group is principally exposed to liquidity risk for claims payments arising under its insurance contracts. The group manages liquidity risk by continuously monitoring forecasted and actual cash flows, ensuring that the maturity profile of its financial assets is in line with the maturity profile of its liabilities, and by maintaining appropriate liquidity buffers at all times.

In practice, most of the group's assets are marketable securities which could be converted to cash when required.

There were no material changes in the group's liquidity risk exposure in the financial year nor to the objectives, policies and processes for managing liquidity risk.

The following table shows details of the expected maturity profile of the group's undiscounted obligations with respect to its financial liabilities and estimated cash flows of recognised insurance and participating investment contract liabilities. Unearned premiums are excluded from this analysis. The table includes both interest and principal cash flows.

	2024 €'m					
	Less than 1 month	1–3 months	3 months to 1 year	1–5 years	5+ years	Total
Insurance contract liabilities	130.2	113.7	132.5	39.6	0.3	416.3
Trade and other liabilities	111.6	186.2	45.6	–	–	343.4

	2023 €'m					
	Less than 1 month	1–3 months	3 months to 1 year	1–5 years	5+ years	Total
Insurance contract liabilities	106.2	108.5	142.0	40.3	0.3	397.3
Trade and other liabilities	115.2	188.3	51.3	–	–	354.8

Notes to the financial statements continued

34. Insurance risk management

Assumptions and sensitivities

The risks associated with the health insurance contracts are subject to a number of variables. The Vhi Board uses several statistical and actuarial techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The key methods used by the Vhi Board for estimating liabilities are:

- chain ladder;
- estimated loss ratio;
- average cost per claim; and
- Bornhuetter-Ferguson.

Prudent assumptions are made so that the provision should be sufficient in reasonably foreseeable adverse circumstances.

The Vhi Board considers that the liability for health insurance claims recognised in the balance sheet is adequate. However, actual experience will differ from the expected outcome.

Some results of sensitivity testing are set out below, showing the impact on surplus before tax and shareholder's equity. For each sensitivity the impact of a change in a single factor is shown with other assumptions unchanged.

	Pre-tax Surplus		Shareholder's equity	
	2024 €'m	2023 €'m	2024 €'m	2023 €'m
5% increase in loss ratios	(92.1)	(80.6)	(80.6)	(70.5)
5% decrease in loss ratios	92.1	80.6	80.6	70.5

The Vhi Board's method for sensitivity testing has not changed from the prior financial year.

Claims development tables

The following tables show the development of claims over a period of time on both a gross and net of reinsurance basis. The top half of the table shows how the estimates of total claims for each accident year develop over time. The lower half of the table reconciles the cumulative claims to the amount appearing in the balance sheet.

The following tables show the information for 2014 to 2024 only, as information pertaining to prior years is not available due to underlying methodology changes in the reserving process.

Analysis of claims development

	2014 €'m	2015 €'m	2016 €'m	2017 €'m	2018 €'m	2019 €'m	2020 €'m	2021 €'m	2022 €'m	2023 €'m	2024 €'m	Total €'m
Gross Estimate of ultimate claims:												
End of accident year	1,478.7	1,461.1	1,488.0	1,492.5	1,439.5	1,487.1	1,183.0	1,392.9	1,499.1	1,710.5	1,802.6	
One year later	1,326.1	1,334.6	1,365.5	1,338.1	1,337.2	1,407.7	1,086.3	1,321.2	1,470.8	1,642.4		
Two years later	1,304.4	1,307.3	1,340.4	1,312.8	1,323.2	1,393.0	1,068.1	1,309.7	1,461.9			
Three years later	1,296.6	1,295.9	1,331.8	1,309.0	1,316.7	1,386.1	1,065.0	1,309.1				
Four years later	1,290.4	1,290.5	1,330.6	1,305.9	1,313.2	1,382.5	1,064.0					
Five years later	1,286.2	1,289.4	1,328.4	1,302.6	1,310.0	1,381.9						
Six years later	1,282.4	1,285.1	1,324.2	1,296.4	1,306.8							
Seven years later	1,279.9	1,283.4	1,323.2	1,296.0								
Eight years later	1,279.8	1,283.2	1,323.0									
Nine years later	1,279.7											
Current estimate of ultimate claims	1,279.6	1,283.0	1,323.2	1,296.0	1,306.8	1,381.9	1,064.0	1,309.1	1,461.9	1,642.4	1,802.6	
Cumulative payments	1,278.3	1,282.1	1,316.7	1,296.3	1,311.6	1,378.0	1,059.1	1,301.9	1,450.6	1,604.6	1,456.0	
In balance sheet	1.3	0.9	6.3	(0.3)	(4.8)	3.9	4.9	7.2	11.3	37.8	346.7	415.2
Provision for prior Accident Years (2013 & Prior)												1.1
Liability in balance sheet												416.3

Analysis of claims development – Net of Reinsurance

	2014 €'m	2015 €'m	2016 €'m	2017 €'m	2018 €'m	2019 €'m	2020 €'m	2021 €'m	2022 €'m	2023 €'m	2024 €'m	Total €'m
Estimate of ultimate claims:												
End of accident year	605.9	1,028.6	1,047.4	1,051.7	1,439.5	1,487.1	1,183.0	1,392.9	1,499.1	1,710.5	1,802.6	
One year later	532.7	935.1	956.9	937.6	1,337.2	1,407.7	1,086.3	1,321.2	1,470.8	1,642.4		
Two years later	522.6	915.5	938.6	919.1	1,323.2	1,393.0	1,068.1	1,309.7	1,461.9			
Three years later	519.2	907.3	932.4	916.4	1,316.7	1,386.1	1,065.0	1,309.1				
Four years later	516.5	903.4	931.6	914.2	1,313.2	1,382.5	1,064.0					
Five years later	514.6	902.6	930.0	911.9	1,301.0	1,381.9						
Six years later	513.0	899.6	927.0	907.4	1,306.8							
Seven years later	512.0	898.4	926.3	907.1								
Eight years later	512.0	898.2	927.9									
Nine years later	511.9	898.4										
Current estimate of ultimate claims	512.6	898.4	927.9	907.1	1,306.8	1,381.9	1,064.0	1,309.1	1,461.9	1,620.5	1,824.6	
Cumulative payments	511.3	897.5	921.7	907.4	1,311.6	1,378.0	1,059.1	1,301.9	1,450.6	1,604.6	1,455.9	
In balance sheet	1.3	0.9	6.2	(0.3)	(4.8)	3.9	4.9	7.2	11.3	15.9	368.7	415.2
Provision for prior Accident Years (2013 & Prior)												1.1
Liability in balance sheet												416.3

Notes to the financial statements continued

35. Subsidiary undertakings

The Vhi Board is the parent of Vhi Group DAC and the ultimate parent of Vhi Insurance DAC, Vhi Healthcare DAC, Vhi Group Services DAC, Vhi Health and Wellbeing Holdings DAC, Vhi Health and Wellbeing DAC, Vhi Occupational Health DAC, Vhi Abbey DAC, Vhi Portfolio DAC, Vhi Health Services DAC, Vhi Cumhdach DAC and Áras Sláinte Limited at 31 December 2024.

Vhi Group DAC is the holding company for the Vhi group companies and the Vhi Board holds 100% of the shares in Vhi Group DAC. Vhi Group DAC holds 100% of the shares of Vhi Insurance DAC, Vhi Healthcare DAC, Vhi Group Services DAC and Vhi Health and Wellbeing Holdings DAC. The other subsidiary companies shown in the table below are 100% subsidiaries of Vhi Health and Wellbeing Holdings DAC. Vhi Group DAC and Vhi Health and Wellbeing Holdings DAC are Irish registered companies with a registered address at Vhi House, 20 Lower Abbey Street, Dublin 1.

Subsidiaries	Country of Incorporation	Registered Address	Nature of Business	Holding by Vhi Group DAC (Directly or Indirectly)	%
Vhi Insurance DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Insurance	€5,000,000	100
Vhi Healthcare DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Retail Intermediary	€1	100
Vhi Group Services DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Shared Services	€1	100
Vhi Health and Wellbeing Holdings DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Holding company	€1,577,966	100
Vhi Health and Wellbeing DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Provision of health services and minor injury clinics	€1	100
Vhi Portfolio DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Property rental activities	€1	100
Vhi Occupational Health DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Ceased to trade in 2024	€1	100
Vhi Abbey DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Property Development Services	€1	100
Vhi Health Services DAC	Ireland	Waverley Office Park, Old Naas Road, Dublin 12	Did not trade during 2023	€700	100
Vhi Cumhdach DAC	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	Did not trade during 2023	€1	100
Áras Sláinte Limited	Ireland	Vhi House, 20 Lower Abbey Street, Dublin 1	In liquidation	€1	100

36. Related party transactions

As with many other entities, the Vhi Board deals in the normal course of business with Government sponsored agencies, including the Health Service Executive (“HSE”) through the public hospitals and with Government owned financial institutions. The Minister for Health also appoints the members of the Vhi Board. Transactions with Government related parties, therefore, include claims and other expense and taxation payments, banking and investment transactions. Details of such transactions are not disclosed separately as it is the view of the Board that it would not constitute information useful to the readers of the financial statements.

Interests of Board Members and Secretary

The Board Members and Secretary had no beneficial interest in the Voluntary Health Insurance Board or its subsidiaries at any time during the year. Please see note 35 for interests in subsidiary undertakings.

The total remuneration of the Vhi Board key management personnel for the financial year ending 31 December 2024 was €3.5m (2023: €3.9m), of which remuneration in respect of directors disclosed in Note 8 comprises €0.6m (2023: €0.6m). Key management personnel consist of the Group CEO, members of the Group Leadership Team and Vhi Group Independent Non-Executive Directors.

Intra group transactions

There are a number of intra group transactions within the Vhi Group which are described below:

- The Vhi Board is the administrator of the Vhi Group Pension fund and as such has intra group transactions regarding the pension fund with Vhi Group Services DAC, Vhi Insurance DAC, Vhi Healthcare DAC and Vhi Health and Wellbeing DAC. There were no outstanding balances in the financial statements of the Vhi Board at 31 December 2024.
- Vhi Group DAC is the holding company for the Vhi Group. Vhi Group DAC has an intra group loan agreement in place with Vhi Group Services DAC, Vhi Abbey DAC, Vhi Portfolio DAC and Vhi Health and Wellbeing Holdings DAC.
- Vhi Health and Wellbeing Holdings DAC has an intra group loan agreement in place with Vhi Health and Wellbeing DAC.
- Vhi Insurance DAC is authorised by the Central Bank of Ireland to sell approved non-life Insurance products for specific classes of business. Vhi Insurance DAC has an agency agreement in place with Vhi Healthcare DAC (regulated as a Retail Intermediary by the Central Bank of Ireland) to sell and administer its policies.
- Vhi Health and Wellbeing DAC provides and develops medical, health and wellbeing services exclusively to Vhi Insurance DAC members.
- Vhi Group Services DAC is a shared service provider for the Vhi group companies and as such has transactions with the other entities within the Vhi Group.
- Vhi Group Services DAC has a cash pooling agreement in place with all other entities within the Vhi Group.
- Vhi Occupational Health DAC provided recruitment services to Vhi Health and Wellbeing DAC. The company ceased trading on 30 April 2024.
- Vhi Portfolio DAC provides rental property to Vhi Health and Wellbeing DAC.
- Vhi Abbey DAC provides property development services to other group companies.

37. Subsequent events

There have been no material subsequent events affecting the Vhi Board or any of its subsidiary companies since the balance sheet date.

38. Legal cases

The Vhi Board is satisfied that there are no material legal cases that require disclosure.

39. Approval of financial statements

These financial statements were approved by the Board of Directors on 27 March 2025.

Directors and Advisors

Directors

Peter Cross* (resigned 01 October 2024)
Catherine Doyle* (Appointed 27 May 2024)
Mike Frazer*
Karen Furlong*
Mary Halton*
Dean Holden*
Martin Kelly (Appointed 11 March 2024)
Jennifer Loftus* (Appointed 27 May 2024)
Catherine Motherway* (Appointed 02 December 2024)
Greg Sparks* (Chair)
Brian Walsh
Paul Whelan* (Appointed 27 May 2024)
Paul Zollinger-Read*

*Independent Non-Executive Director

Secretary

Tara Glynn

Registered office

Vhi House
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Dublin 1
D01 DX77

Bankers

Allied Irish Bank
7–12 Dame Street
Dublin 2
D02 KX20

Solicitor

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Riverside One
Sir John Rogerson’s Quay
Dublin 2
D02 X576

Independent Auditors

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
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Dublin 1,
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Cork

Kilkenny
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Purcellsinch,
Dublin Road,
Kilkenny

Administrative Offices

Galway
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Headford Road, Galway

Donegal
Údarás na Gaeltachta, Business Park,
Gweedore, Co. Donegal

Limerick
7th Floor, Riverpoint,
Bishop’s Quay, Limerick

Vhi Clinical Practices

Vhi 360 Health Centre
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Carrickmines Park,
Dublin 18, D18 R6HX

Vhi 360 Health Centre
Citygate House,
Raheen Business Park,
Limerick, V94 H9YE

Vhi 360 Health Centre
Rockfield Medical Campus, Balally,
Dundrum, Dublin, D16 A6K5

Vhi 360 Health Centre
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Airside Retail Park, Swords,
Co. Dublin, K67 R2Y9

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