



**XL Insurance**

# **XL Insurance Company SE, Dublin, Zurich Branch**

**AN AXA SA GROUP COMPANY**

## **Financial Condition Report**

**Year Ended**

**December 31, 2025**

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# Branch Manager's Statement

The Branch Manager acknowledges his responsibility for ensuring that this Financial Condition Report has been properly prepared in all material respects in accordance with Swiss Financial Market Supervisory Authority ("FINMA") regulations. The Branch Manager confirms that:

(a) throughout the financial year disclosed in this report, the Branch has complied in all material respects with the requirements of the FINMA regulations as applicable to the Branch; and

(b) it is reasonable to believe that, at the date of the publication of this report, the Branch has continued to comply, and will continue to comply in future, in all material respects.

XL Insurance Company SE, Dublin, Zurich Branch

30<sup>th</sup> April 2026



Moreno Bühler  
Branch Manager



Bernhard Leu  
Head of Finance

# Management summary

## General remarks

This report addresses the Swiss specific disclosure requirements for Swiss branches of foreign insurance companies as defined in FINMA circular "2016/2 - Disclosure - insurers" and should be read in conjunction with:

- XL Insurance Company SE, Dublin, Zurich Branch's ("XLICSE ZH" or "the Branch") audited financial statements for the year ended December 31, 2025 disclosed in [appendix 2](#), and
- the Solvency and Financial Condition Report ("SFCR") published by the head office, XL Insurance Company SE ("XLICSE", "XL Insurance Company SE", or "the Company"). The report is available for [download](#) here.

Unless otherwise stated, all amounts in this report are presented in Swiss Francs ("CHF") being the reporting currency of the financial statements of XLICSE ZH.

Amounts shown in this report generally are disclosed in CHF '000 except for [appendix 1](#) which is displayed in CHF millions, with the consequence that the rounded amounts may not add up to the rounded total in all cases.

## Business activities

The principal activity of XLICSE is the transaction of general insurance business. The business conducted is primarily commercial insurance, providing property, casualty, financial lines and specialty products to industrial, commercial and professional firms as well as private clients across its network of branches and through fronting partners.

The Company is a member of the AXA XL division within the AXA Group. AXA XL, through its operating carriers, is a global insurance and reinsurance group of companies and other enterprises situated around the world. The operating entities are structured into regions. The Company provides the main insurance company platform to operate under the AXA XL brand from branches within Europe and Asia Pacific.

AXA XL's operating entities underwrite both insurance and reinsurance business. The operating entities are structured into regions and the Company falls within Europe and Asia Pacific region. The business products are structured into Global Property and Casualty (P&C), Global Specialty and Reinsurance business segments. The P&C segment is structured into two further segments International and North America. AXA XL underwrites across all the platforms available to best service both brokers and clients.

XL Insurance Company SE, Dublin, Zurich Branch, domiciled in Zurich, Switzerland, operates as the main insurance platform of AXA XL in Switzerland.

Further details of the Branch's business are provided in section A. Additional information on AXA Group's performance can be found in AXA's Annual Report for the year ended December 31, 2025.

## Business performance

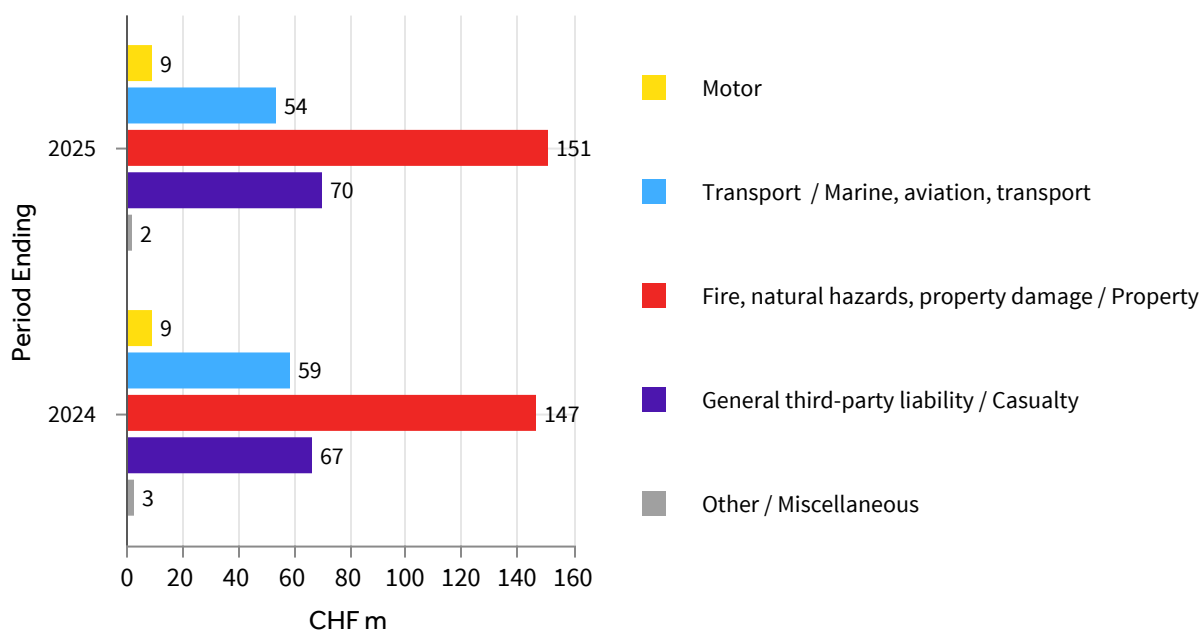
in CHF '000	Gross written premium	Net premium earned	Net Losses incurred	Acquisition costs and administrative expenses	Combined Ratio
<b>Total FY 2025</b>	<b>286,902</b>	<b>74,878</b>	<b>(34,881)</b>	<b>(37,776)</b>	<b>97 %</b>
<b>Total FY 2024</b>	<b>285,028</b>	<b>88,356</b>	<b>(50,055)</b>	<b>(36,387)</b>	<b>98 %</b>

The Branch reported gross written premiums amounting to CHF 287m for the fiscal year 2025, representing an increase in comparison to CHF 285m recorded in the preceding year. This growth is attributable primarily to expansion within the Property and Casualty lines of business. Net premiums earned declined by CHF 13m reaching CHF 75m which is principally due to heightened internal reinsurance cessions and additional facultative reinsurance arrangements.

Net losses in FY 2025 improved by CHF 15m totaling CHF 35m. This reduction is predominantly the outcome of diminished claims incurred across most lines of business during the reporting period.

The acquisition costs and administrative expense ratio rose from 41% to 50%, driven largely by lower net earned premiums.

**Total gross written premium by FINMA category**



Further details of the Branch's performance are provided in section [B](#) and the Annual Financial Statements in [appendix 2](#).

## **A. Business activities**

### **A.1 Strategy, objectives and business segments**

AXA XL, through its operating carriers, is a global insurance and reinsurance group of companies and other enterprises with locations around the world. AXA XL's operating entities underwrite both insurance and reinsurance business within its Global Property and Casualty ("P&C"), Global Specialty and Reinsurance business segments. The P&C segment is structured into two further segments; International and North America. AXA XL underwrites across all the platforms available to provide the best service to both brokers and clients.

The principal activity of XLICSE is the transaction of general insurance business. The Company provides the main insurance company platform to operate under the AXA XL brand within Europe and Asia Pacific.

XL Insurance Company SE, Dublin, Zurich Branch, domiciled in Zurich, Switzerland, operates as the main insurance platform of AXA XL in Switzerland. The business conducted is primarily commercial insurance, providing property, casualty, financial lines and specialty products to industrial, commercial and professional firms as well as private clients across its network of branches and through fronting partners. The Branch offers its clients direct insurance, excess of loss, pro-rata and facultative insurance business both direct and through insurance brokers and fronting partners. In addition, the Branch assumes a series of Group-internal reinsurance contracts from XL Insurance Switzerland Ltd ("XLIS") and AXA Insurance Ltd (AXA Versicherungen AG) in Switzerland.

The Branch prudently manages insurance obligations through controlled risk taking, clear accountability and strong underwriting discipline.

XL Insurance Company SE is domiciled in Dublin, Ireland. The Company issues policies globally through its network of branches or fronting partners in the major locations of its (re)insurance clients and their respective (re)insurance risks. Apart from Switzerland, the Company operates branches in the rest of Europe, Australia, Hong Kong, Malaysia, Singapore and India. This allows the Company (in collaboration with other AXA XL entities, e.g. in UK and the US, AXA companies and other network partners) to service brokers and clients efficiently providing both local service and global expertise, ensuring that it is able to deliver solutions to the often complex risks of multinational companies. As the Company's clients expand into new and emerging markets, the Company seeks to ensure that it can support that international expansion with the capability to provide local (re)insurance solutions and local service.

## A.2 Group information and group related transactions

AXA is one of the best-known brands in the insurance market. It owes this to a long and continuous track record of developing and introducing innovative insurance solutions.

XLICSE ZH is part of the AXA Group and thus one of the world's leading insurance groups. The company has been able to continuously strengthen its position in recent years, among other things through optimized cost efficiency and sustainable growth. Its large portfolio of private and corporate customers, combined with a large and dense distribution network is a key competitive advantage and leads to an influential market position. The diverse range of products and services is supported by many years of expertise, particularly in the areas of asset management, pricing, risk- and claims management.



### ***Related party transactions***

The Branch actively monitors all related party transactions. The material transactions with the shareholder, persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body include the Intra-Group reinsurance arrangements.

## A.3 Shareholder

XLICSE ZH is a Branch of XLICSE Dublin, Ireland, which owns all capital rights.

## A.4 Major branches

XLICSE ZH belongs to the international Branch network of XLICSE Dublin, Ireland.

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<sup>1</sup> Simplified Organisation Chart

## A.5 External auditor

According to Article 28 of the Insurance Supervisory Act the Branch has appointed Ernst & Young Switzerland ("EY") as statutory auditor.

Ernst & Young Switzerland  
Maagplatz 1  
8005 Zurich  
Switzerland

The auditor in charge is Philip Kirkpatrick. EY is accredited with the Federal Audit Oversight Authority in Berne, Switzerland.

## A.6 Significant unusual events

### **Significant events during the year:**

none

### **Significant events post year end:**

On February 28, 2026, the US and Israel conducted a joint military operation against Iran, triggering a war in the middle east and geopolitical tensions. The Branch continues to closely monitor the exposures to the conflict, including (i) the operational impact on its business, (ii) the consequences from a potential deterioration in macroeconomic conditions, (iii) exposure through its Property, Casualty and Specialty policies and (iv) change in asset prices and financial conditions (including interest rates).

## B. Business performance

### B.1 Underwriting result

The table below provides the key performance indicators by FINMA categories for both, direct and indirect business:

CHF '000	FY 2025	FY 2024	Change
Gross written premium	286,902	285,028	1,874
Net earned premium	74,878	88,356	(13,478)
Acquisition costs and administrative expenses for own account	(37,776)	(36,387)	(1,389)
Expenses for claims incurred for own account	(34,881)	(50,055)	15,174
Net underwriting result	2,221	1,914	307
Ratios			
Acquisition and administrative expense ratio	50 %	41 %	9 %
Loss ratio	47 %	57 %	(10)%
<b>Combined ratio</b>	<b>97 %</b>	<b>98 %</b>	<b>(1)%</b>

During the reporting period, the Branch generated gross written premiums totaling CHF 286.9m for the fiscal year representing an increase from CHF 285.0m recorded in the preceding year. This growth is attributable primarily to expansion within the Property and Casualty lines of business.

Net premiums earned declined by CHF 13.5m reaching CHF 74.9m which is principally due to heightened internal reinsurance cessions and additional facultative reinsurance arrangements.

The acquisition costs and administrative expense ratio rose from 41% to 50%, driven largely by lower net earned premiums.

Net losses in FY 2025 amounted to CHF 34.9m, compared to CHF 50.1m in the prior year. This reduction was largely the result of decreased claims incurred across most business lines. The combined ratio for FY 2025 improved to 97% compared to 98% in the preceding year, reflecting a lower net loss ratio, which was partially offset by an increase in the acquisition and administrative expense ratio.

Comprehensive quantitative performance data is provided in [appendix 1](#).

## B.1.1 Underwriting result Direct business

The tables below provide the key performance indicators by FINMA line of business:

CHF '000					FY 2025
Line of business	Gross written premium	Net premium earned	Acquisition costs and administrative expenses	Net losses	Net underwriting result
Transport	27,588	13,770	(6,947)	(7,717)	(894)
Fire, natural hazards, property damage	105,163	16,521	(8,335)	(1,295)	6,891
General third-party liability	66,951	9,130	(4,606)	(21,420)	(16,896)
Other	2,281	879	(443)	(2,702)	(2,266)
<b>Total</b>	<b>201,983</b>	<b>40,300</b>	<b>(20,331)</b>	<b>(33,134)</b>	<b>(13,165)</b>

CHF '000					FY 2024
Line of business	Gross written premium	Net premium earned	Acquisition costs and administrative expenses	Net losses	Net underwriting result
Transport	32,251	21,843	(8,996)	(6,595)	6,252
Fire, natural hazards, property damage	102,074	12,545	(5,167)	(5,742)	1,636
General third-party liability	63,476	12,945	(5,331)	(13,072)	(5,458)
Other	3,056	1,081	(445)	(3,604)	(2,968)
<b>Total</b>	<b>200,857</b>	<b>48,414</b>	<b>(19,939)</b>	<b>(29,013)</b>	<b>(538)</b>

Total direct premiums increased to CHF 202.0m from CHF 200.9m in the preceding year, primarily attributable to growth in the Fire, natural hazards, property damage, and General third-party liability segments.

Net acquisition costs and administrative expenses increased to CHF -20.3m compared to CHF -19.9m in the prior year.

Net losses in FY 2025 amounted to CHF -33.1m, as opposed to CHF -29.0m in the previous year, driven mainly by General third-party liability, which required reserve strengthening for prior year claims. As a consequence, the overall loss ratio increased from 60% in the previous year to 82% in FY 2025.

The combined ratio for FY 2025 increased to 133% compared to 101% in the prior year, reflecting higher net premiums earned and the adverse impact of increased losses as previously described.

Within the Transport line of business, gross written premiums decreased to CHF 27.6m. Net losses increased to CHF -7.7m and despite lower acquisition costs and administrative expenses the net underwriting result declined to CHF -0.9m.

Gross written premiums in the Fire, natural hazards, property damage segment increased to CHF 105.2m from CHF 102.1m in the preceding year. The cession ratio decreased, resulting in a higher net premium base relative to the prior year. Net losses were less affected by significant claims compared to the previous year, culminating in a net underwriting profit of CHF 6.9m.

In the General third-party liability segment, gross written premiums increased to CHF 67.0m from CHF 63.5m in the prior year. Net losses increased as a result of reserve strengthening, leading to a net underwriting loss of CHF -16.9m.

Within other lines of business, gross written premiums decreased to CHF 2.3m. Net losses exhibited a negative outcome of CHF -2.7m resulting in a net underwriting loss of CHF -2.3m.

## B.1.2 Underwriting result Indirect business

The tables below provide the key performance indicators by FINMA line of business:

CHF '000					FY 2025
Line of business	Gross written premium	Net premium earned	Acquisition costs and administrative expenses	Net losses	Net underwriting result
Motor	9,259	1,982	(1,000)	709	1,691
Marine, aviation, transport	26,120	12,385	(6,248)	(6,665)	(528)
Property	46,237	18,902	(9,536)	(7,394)	1,972
Casualty	3,259	1,292	(652)	11,797	12,437
Miscellaneous	44	18	(9)	(195)	(186)
<b>Total</b>	<b>84,919</b>	<b>34,579</b>	<b>(17,445)</b>	<b>(1,748)</b>	<b>15,386</b>

CHF '000					FY 2024
Line of business	Gross written premium	Net premium earned	Acquisition costs and administrative expenses	Net losses	Net underwriting result
Motor	9,164	4,374	(1,801)	(4,107)	(1,534)
Marine, aviation, transport	26,389	15,902	(6,549)	(6,971)	2,382
Property	45,118	18,260	(7,520)	(9,325)	1,415
Casualty	3,472	1,391	(573)	(849)	(31)
Miscellaneous	28	13	(5)	211	219
<b>Total</b>	<b>84,171</b>	<b>39,940</b>	<b>(16,448)</b>	<b>(21,041)</b>	<b>2,451</b>

The indirect business primarily comprises assumed treaties from AXA Insurance Ltd within the Marine, Aviation, Motor, and Property (Art) lines of business. Additionally, it encompasses various assumed intra-group reinsurance agreements (IGRs) from XLIS, which is in run-off.

Collectively, the indirect business generated CHF 84.9m in gross written premiums and CHF 34.6m net earned premiums. Total net losses amounted to CHF -1.7m while acquisition costs and administrative expenses totaled CHF -17.4m, resulting in a net underwriting profit of CHF 15.4m.

The combined ratio for FY 2025 decreased to 55.5% compared to 93.9% in the preceding year, primarily attributable to reduced net losses across nearly all lines of business. Acquisition and administrative expenses increased predominantly within the Property line.

The Motor line of business consists of assumed reinsurance business from AXA Insurance Ltd, with gross written premiums totaling CHF 9.3m, Acquisition expenses were CHF -1.0 and the positive reserve development impact amounted to CHF 0.7m leading to a net underwriting profit of CHF 1.7m.

The Marine, Aviation and Transport lines of business generated CHF 26.1m gross written premiums and incurred net losses of CHF -6.7m resulting in a negative net underwriting outcome of CHF -0.5m.

The Property line of business assumed CHF 46.2m in gross written premiums. Acquisition costs were CHF -9.5m and net losses amounted to CHF -7.4m yielding a net underwriting profit of CHF 2.0m.

Within the Casualty line of business, assumed gross written premiums totaled CHF 3.3m. Net losses, positively impacted by reserve development, stood at plus CHF 11.8m while Acquisition and administrative expenses amounted to CHF -0.7m, resulting in a net underwriting profit of CHF 12.4m.

During 2025 no material business was recorded in the miscellaneous line, net premiums earned at CHF 0.0m. The net underwriting result of CHF -0.2m is driven by negative prior year loss developments.

## B.2 Investment income and expenses

<b>Investment Income</b>				<b>FY 2025</b>
<b>CHF '000</b>	<b>Investment income</b>	<b>Realized gains</b>	<b>Unrealized gains</b>	<b>Total</b>
Fixed income securities	6,441	—	—	6,441
<b>Total</b>	<b>6,441</b>	<b>—</b>	<b>—</b>	<b>6,441</b>

				<b>FY 2024</b>
<b>CHF '000</b>	<b>Investment income</b>	<b>Realized gains</b>	<b>Unrealized gains</b>	<b>Total</b>
Fixed income securities	7,770	59	—	7,829
<b>Total</b>	<b>7,770</b>	<b>59</b>	<b>—</b>	<b>7,829</b>

The investment income totals CHF 6.4m in contrast to CHF 7.8m in FY 2024. The reduction in investment income is primarily attributable to diminished interest income generated from the underlying assets.

The investment portfolio maintained by the Branch possesses an average credit rating of AA, thereby indicating a high degree of security and liquidity. XLICSE ZH holds fixed income portfolios that are generally aligned with the corresponding liabilities of the Branch and are denominated in Swiss Francs, United States Dollars, and Euros. All assets within these portfolios are pledged for tied-asset purposes to fulfill Swiss regulatory requirements.

<b>Investment Expenses</b>				<b>FY 2025</b>
<b>CHF '000</b>	<b>Investment expenses</b>	<b>Realized losses</b>	<b>Unrealized losses</b>	<b>Total</b>
Fixed income securities	(370)	(474)	—	(844)
<b>Total</b>	<b>(370)</b>	<b>(474)</b>	<b>—</b>	<b>(844)</b>

				<b>FY 2024</b>
<b>CHF '000</b>	<b>Investment Expenses</b>	<b>Realized losses</b>	<b>Unrealized losses</b>	<b>Total</b>
Fixed income securities	(382)	(8)	—	(390)
<b>Total</b>	<b>(382)</b>	<b>(8)</b>	<b>—</b>	<b>(390)</b>

The investment expenses have increased due to realized losses to CHF -0.8m compared to CHF -0.4m in FY 2024.

### B.3 Other income and expenses

<b>CHF '000</b>	<b>FY 2025</b>	<b>FY 2024</b>	<b>Change</b>
Other income	1,249	6,081	(4,833)
Other expenses	(2,010)	(1,195)	(815)
Extraordinary income	—	—	—
<b>Total</b>	<b>(761)</b>	<b>4,886</b>	<b>(5,648)</b>

Other income amounts to CHF 1.2m in 2025 and decreased from last year due to lower foreign exchange rate gains.

Other expenses have increased to CHF -2.0m in 2025 driven by realized foreign exchange rate losses.

There was no extraordinary income in 2025.

## Glossary

AXA	AXA SA
AXA XL	Property, casualty, specialty and reinsurance division of AXA
Branch (the)	XL Insurance Company SE, Dublin, Zurich Branch / XLICSE ZH
Company (the)	XL Insurance Company SE, Dublin / XLICSE
FINMA	Swiss Financial Market Supervisory Authority
FY	Financial Year
IGR	Intra-group reinsurance
P&C	Property & Casualty
SFCR	Solvency and Financial Condition Report
XLICSE	XL Insurance Company SE, Dublin
XLICSE ZH	XL Insurance Company SE, Dublin, Zurich Branch
XLIS	XL Insurance Switzerland Ltd

## Appendices

## Appendix 1 - Quantitative template "Performance solo NL"

CHF millions	Total		Direct Swiss business								Indirect business									
	2024	2025	Transport		Fire, natural hazards, property damage		General third-party liability		Other		Motor		Marine, aviation, transport		Property		Casualty		Miscellaneous	
			2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Gross premiums	285.03	286.90	32.25	27.59	102.07	105.16	63.48	66.95	3.06	2.28	9.16	9.26	26.39	26.12	45.12	46.24	3.47	3.26	0.03	0.04
Reinsurers' share of gross premiums	(193.12)	(209.03)	(9.76)	(15.71)	(86.30)	(87.31)	(50.25)	(53.68)	(2.22)	(1.55)	(4.97)	(7.29)	(10.45)	(13.77)	(27.07)	(27.74)	(2.08)	(1.96)	(0.02)	(0.03)
<b>Premiums for own account</b>	<b>91.90</b>	<b>77.87</b>	<b>22.49</b>	<b>11.88</b>	<b>15.77</b>	<b>17.85</b>	<b>13.23</b>	<b>13.27</b>	<b>0.83</b>	<b>0.74</b>	<b>4.19</b>	<b>1.96</b>	<b>15.94</b>	<b>12.35</b>	<b>18.05</b>	<b>18.49</b>	<b>1.39</b>	<b>1.30</b>	<b>0.01</b>	<b>0.02</b>
Change in unearned premium reserves	(4.62)	(3.30)	(1.30)	0.43	(10.43)	(4.54)	5.81	(1.13)	0.68	0.85	0.18	0.02	(0.10)	0.08	0.53	1.02	0.01	(0.03)	—	—
Reinsurers' share of change in UPR	1.07	0.31	0.66	1.46	7.20	3.21	(6.09)	(3.01)	(0.43)	(0.70)	—	(0.01)	0.06	(0.05)	(0.32)	(0.61)	—	0.02	—	—
<b>Premiums earned for own account</b>	<b>88.36</b>	<b>74.88</b>	<b>21.84</b>	<b>13.77</b>	<b>12.55</b>	<b>16.52</b>	<b>12.95</b>	<b>9.13</b>	<b>1.08</b>	<b>0.88</b>	<b>4.37</b>	<b>1.98</b>	<b>15.90</b>	<b>12.38</b>	<b>18.26</b>	<b>18.90</b>	<b>1.39</b>	<b>1.29</b>	<b>0.01</b>	<b>0.02</b>
Other income from insurance business	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total income from underwriting business</b>	<b>88.36</b>	<b>74.88</b>	<b>21.84</b>	<b>13.77</b>	<b>12.55</b>	<b>16.52</b>	<b>12.95</b>	<b>9.13</b>	<b>1.08</b>	<b>0.88</b>	<b>4.37</b>	<b>1.98</b>	<b>15.90</b>	<b>12.38</b>	<b>18.26</b>	<b>18.90</b>	<b>1.39</b>	<b>1.29</b>	<b>0.01</b>	<b>0.02</b>
Payments for insurance claims (gross)	(131.74)	(143.22)	(18.01)	(13.25)	(39.49)	(30.17)	(32.80)	(36.04)	(3.03)	(18.07)	(10.02)	(6.31)	(9.94)	(15.04)	(16.57)	(23.23)	(1.87)	(1.10)	—	—
Reinsurers' share of payments for insurance claims	83.80	99.36	8.39	5.24	27.49	25.46	24.28	29.84	1.96	14.13	4.66	4.32	5.96	5.77	9.94	13.94	1.12	0.66	—	—
Change in technical provisions	(21.87)	52.66	10.75	(7.54)	19.98	28.40	(33.42)	(22.41)	(7.36)	11.69	2.14	0.82	(7.49)	6.85	(6.74)	4.75	(0.25)	30.60	0.53	(0.49)
Reinsurers' share of change in technical provisions	19.75	(43.68)	(7.72)	7.83	(13.72)	(24.98)	28.88	7.19	4.83	(10.45)	(0.89)	1.88	4.49	(4.25)	4.04	(2.85)	0.15	(18.36)	(0.32)	0.29
<b>Expenses for insurance claims for own account</b>	<b>(50.06)</b>	<b>(34.88)</b>	<b>(6.59)</b>	<b>(7.72)</b>	<b>(5.74)</b>	<b>(1.29)</b>	<b>(13.07)</b>	<b>(21.42)</b>	<b>(3.60)</b>	<b>(2.70)</b>	<b>(4.11)</b>	<b>0.71</b>	<b>(6.97)</b>	<b>(6.66)</b>	<b>(9.33)</b>	<b>(7.39)</b>	<b>(0.85)</b>	<b>11.80</b>	<b>0.21</b>	<b>(0.19)</b>
Acquisition and administration expenses	(75.98)	(81.23)	(9.15)	(19.39)	(23.39)	(43.91)	(16.99)	(37.56)	(0.92)	(0.47)	(2.02)	(1.81)	(10.74)	(1.24)	(12.09)	4.53	(0.68)	18.90	—	(0.28)
Reinsurers' share of acquisition and admin. expenses	39.59	43.46	0.15	12.45	18.22	35.58	11.66	32.95	0.48	0.03	0.21	0.81	4.19	(5.01)	4.57	(14.06)	0.11	(19.55)	—	0.27
<b>Acquisition and admin. expenses for own account</b>	<b>(36.39)</b>	<b>(37.78)</b>	<b>(9.00)</b>	<b>(6.95)</b>	<b>(5.17)</b>	<b>(8.33)</b>	<b>(5.33)</b>	<b>(4.61)</b>	<b>(0.45)</b>	<b>(0.44)</b>	<b>(1.80)</b>	<b>(1.00)</b>	<b>(6.55)</b>	<b>(6.25)</b>	<b>(7.52)</b>	<b>(9.54)</b>	<b>(0.57)</b>	<b>(0.65)</b>	<b>(0.01)</b>	<b>(0.01)</b>
<b>Total expenses from underwriting business</b>	<b>(86.44)</b>	<b>(72.66)</b>	<b>(15.59)</b>	<b>(14.66)</b>	<b>(10.91)</b>	<b>(9.63)</b>	<b>(18.40)</b>	<b>(26.03)</b>	<b>(4.05)</b>	<b>(3.14)</b>	<b>(5.91)</b>	<b>(0.29)</b>	<b>(13.52)</b>	<b>(12.91)</b>	<b>(16.85)</b>	<b>(16.93)</b>	<b>(1.42)</b>	<b>11.15</b>	<b>0.21</b>	<b>(0.20)</b>
Investment income	7.83	6.44																		
Investment expenses	(0.39)	(0.84)																		
<b>Net investment income</b>	<b>7.44</b>	<b>5.60</b>																		
Other financial income	—	—																		
Other financial expenses	—	—																		
<b>Operating result</b>	<b>9.35</b>	<b>7.82</b>																		
Interest expenses for interest-bearing liabilities	—	—																		
Other income	6.08	1.25																		
Other expenses	(1.20)	(2.01)																		
Extraordinary income/expenses	—	—																		
<b>Profit / loss before taxes</b>	<b>14.24</b>	<b>7.06</b>																		
Direct taxes	(1.37)	(0.90)																		
<b>Profit / (loss)</b>	<b>12.87</b>	<b>6.15</b>																		

## **Appendix 2 - Audited annual financial statements and report of the statutory auditor**



**XL Insurance**

# **XL Insurance Company SE, Dublin, Zurich Branch**

**AN AXA SA GROUP COMPANY**

## **Financial Statements**

**Year Ended**

**December 31, 2025**

To the General Manager of  
XL Insurance Company SE, Dublin –  
Zurich Branch  
Zurich

Zurich, 14 April 2026

## Report of the independent auditor



### Opinion

We have audited the financial statements of XL Insurance Company SE, Dublin, Zurich Branch of XL Insurance Company SE (the Company), which comprise the balance sheet as at 31 December 2025, the profit and loss account for the financial year then ended and the notes to the financial statements, including a summary of significant accounting policies, pursuant to Art. 28 para. 2 of the Insurance Supervision Act (ISA) and Chapter 3 “Preparation and auditing of the financial statements of branches of foreign insurance companies” of the FINMA directive “Supplementary information in the comprehensive report on the financial audit of insurance companies” dated 4 December 2025 (hereinafter “Chapter 3 of the FINMA directive”).

In our opinion, the accompanying financial statements of the Company comply in all material respects with the financial reporting provisions of Section 3.1 of Chapter 3 of the FINMA directive.



### Basis for opinion

We conducted our audit in accordance with Swiss law, the Swiss Standards on Auditing (SA-CH) and the requirements set out in Section 3.2 of Chapter 3 of the FINMA directive. Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also 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 audit opinion.



### Other information

The General Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of the General Manager for the financial statements**

The General Manager is responsible for the preparation of financial statements in accordance with the financial reporting provisions of Section 3.1 of Chapter 3 of the FINMA directive and for such internal control as the General Manager determines 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 General Manager is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern, and using the going concern basis of accounting unless the General Manager either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



### **Auditor's responsibilities for 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 Swiss law, SA-CH and the provisions according to the supplementary information in the comprehensive report on the audit of insurance companies 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.

As part of an audit in accordance with Swiss law and the SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the General Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the General Manager with a statement that we have complied with the relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and – where applicable – actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Licensed audit expert  
(Lead Auditor)

Chartered certified accountant (UK)

**Enclosures**

- Financial statements of XL Insurance Company SE, Dublin, Zurich Branch of XL Insurance Company SE consisting of the balance sheet as at 31 December 2025, the profit and loss account and the notes.



## Balance Sheet

	Notes	31.12.2025 CHF	31.12.2024 CHF
<b>Assets</b>			
Fixed income securities		422'687'829	436'480'759
<b>Total investments</b>		<b>422'687'829</b>	<b>436'480'759</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	1)	2'487'239	1'387'428
Reinsurer's share in insurance technical provisions	3)	478'206'755	537'682'933
Receivables from insurance business	2)	78'845'034	112'465'831
Other receivables	5)	50'476'039	52'697'798
Accrued income and prepaid expenses		3'702'170	3'810'080
<b>Total other assets</b>		<b>613'717'237</b>	<b>708'044'070</b>
<b>Total assets</b>		<b>1'036'405'066</b>	<b>1'144'524'829</b>
<b>Liabilities</b>			
Technical provisions	3)	688'705'898	765'656'624
Payables from insurance business	4)	74'390'498	84'319'443
Other liabilities	6)	215'790'964	243'431'356
Accrued expenses and deferred income		3'856'928	3'611'468
<b>Total liabilities</b>		<b>982'744'288</b>	<b>1'097'018'891</b>
<b>Branch capital</b>			
Branch capital and retained earnings carried forward	7)	53'660'778	47'505'938
Profit / (loss) of the year		6'154'840	12'870'433
<b>Total branch capital</b>		<b>53'660'778</b>	<b>47'505'938</b>
<b>Total liabilities and branch capital</b>		<b>1'036'405'066</b>	<b>1'144'524'829</b>

Notes to these financials form an integral part of these financial statements.



## Profit and loss account

	Notes	FY 2025 CHF	FY 2024 CHF
Gross written premium		286'902'012	285'027'710
Premium ceded to reinsurer		-209'031'433	-193'123'426
<b>Premium written for own account</b>		<b>77'870'579</b>	<b>91'904'284</b>
Change in provision for unearned premiums		-3'303'985	-4'622'717
Share of reinsurer in change in provision for unearned premiums		311'067	1'073'934
<b>Earned premium for own account</b>	8)	<b>74'877'661</b>	<b>88'355'501</b>
<b>Total income out of insurance business</b>		<b>74'877'661</b>	<b>88'355'501</b>
Claims paid		-143'219'394	-131'736'189
Share of reinsurer in claims paid		99'361'811	83'798'089
Change in reserves for losses and loss expenses		52'657'732	-21'867'284
Share of reinsurer in change in reserves for losses and loss expenses		-43'681'270	19'750'364
<b>Expenses for claims incurred for own account</b>	9)	<b>-34'881'120</b>	<b>-50'055'020</b>
Acquisition costs and administrative expenses		-81'234'680	-75'979'914
Share of reinsurer in acquisition costs and administrative expenses		43'458'485	39'592'652
<b>Acquisition costs and administrative expenses for own account</b>	10)	<b>-37'776'195</b>	<b>-36'387'262</b>
<b>Total expenses from insurance business</b>		<b>-72'657'315</b>	<b>-86'442'282</b>
Investment income	11)	6'441'266	7'828'672
Investment expenses	12)	-843'650	-390'504
<b>Investment result</b>		<b>5'597'616</b>	<b>7'438'168</b>
<b>Operating result</b>		<b>7'817'962</b>	<b>9'351'387</b>
Other income	13)	1'248'615	6'081'444
Other expenses	13)	-2'010'097	-1'195'217
<b>Result before tax</b>		<b>7'056'480</b>	<b>14'237'614</b>
Direct taxes		-901'640	-1'367'181
<b>Result</b>		<b>6'154'840</b>	<b>12'870'433</b>

Notes to these financials form an integral part of these financial statements.



## Notes to the financial statements

### Basis of preparation and summary of significant accounting policies

The financial statements as of 31 December 2025 of XLICSE ZH have been prepared in accordance to the requirements of the 32nd title of the Swiss Code of Obligations and with additional requirements defined by FINMA (articles 110 – 111b AVO, art. 85 para. 4 AVO-FINMA). The valuation principles applied for each line item are further specified in the respective sections below.

### Investments

Fixed Income Securities are recorded no higher than according to the "Amortised Cost Scientific Method". Any further risk to the intrinsic value is taken into account by means of depreciation on individual bonds.

### Receivables and payables

Receivables and payables are recorded with their nominal value.

### Technical provisions

Provision is made at the year end, on the basis of best available information, for the following estimates:

- The ultimate costs of claims notified but not yet settled at the year end, i.e. "outstanding claims";
- The claims incurred but not reported at the year end, i.e. "IBNR claims";
- Related internal and external claims handling costs attributable to the above; and
- Where applicable, deductions for salvage and other recoveries.

The Branch takes all reasonable steps to ensure that it has appropriate information regarding its estimated claim exposures and these are set so that no adverse run-off deviation is envisaged. Given the uncertainty in establishing claims provisions, however, it is likely that the final liability for such claims will prove different from the original estimates established.

### FX rates

The financial statements of XLICSE ZH are disclosed in Swiss Francs ("CHF"). Transactions in foreign currencies are calculated using respective foreign exchange rates applicable to the period in which the transactions take place. Assets and liabilities are revalued at exchange rates prevailing at the balance sheet date, resulting unrealised exchange gains are deferred and recorded as a separate line item on the balance sheet. Unrealised exchange losses are either offset against the provision for currency fluctuation or recorded in the income statement.

### 1) Cash pool facility

The Branch is part of AXA XL's notional cash pool facility and is thereby provided with additional liquidity. The facility is provided by Bank Mendes Gans, a subsidiary of ING and a market leader in notional cash pooling.

<b>2) Receivables from re/insurance business</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
	CHF	CHF
Receivables from policyholders	2'168'562	29'637'737
Receivables from agents and brokers	31'875'814	10'150'216
Receivables from external re/insurance companies	44'799'681	56'186'755
Receivables from internal re/insurance companies	978	16'491'122
<b>Total</b>	<b>78'845'034</b>	<b>112'465'831</b>



<b>3) Technical provisions</b>		<b>31.12.2025</b>	<b>31.12.2024</b>
		CHF	CHF
Reserve for gross unearned premiums	Direct	53'486'280	51'744'547
	Assumed	26'319'814	28'571'859
Reserve for ceded unearned premiums		-58'197'361	-57'215'191
Net reserve for unearned premiums		21'608'733	23'101'215
Reserve for gross claims outstanding	Direct	484'109'631	512'703'135
	Assumed	124'790'173	172'637'083
Reserve for ceded claims outstanding		-420'009'394	-480'467'742
Net reserve for claims outstanding		188'890'410	204'872'476
<b>Total</b>		<b>210'499'143</b>	<b>227'973'691</b>

<b>4) Payables from re/insurance business</b>		<b>31.12.2025</b>	<b>31.12.2024</b>
		CHF	CHF
Payables to policyholders		105'315	1'398'442
Payables to agents and brokers		1'548'029	478'933
Payables to external re/insurance companies		72'763'347	66'192'734
Payables to internal re/insurance companies		-26'193	16'249'334
<b>Total</b>		<b>74'390'498</b>	<b>84'319'443</b>

<b>5) Other receivables</b>		<b>31.12.2025</b>	<b>31.12.2024</b>
		CHF	CHF
Other receivables from internal parties		50'473'468	52'371'164
Other receivables from external parties		2'571	326'634
<b>Total</b>		<b>50'476'039</b>	<b>52'697'798</b>

<b>6) Other liabilities</b>		<b>31.12.2025</b>	<b>31.12.2024</b>
		CHF	CHF
Other liabilities to internal parties		145'266'339	172'352'157
Other liabilities to external parties		9'282'040	13'884'800
Provision for currency fluctuation		38'320'540	12'973'763
Cash pooling balance		22'922'045	44'220'636
<b>Total</b>		<b>215'790'964</b>	<b>243'431'356</b>

<b>7) Branch capital</b>		<b>31.12.2025</b>	<b>31.12.2024</b>
		CHF	CHF
<b>Opening Capital</b>		<b>47'505'938</b>	<b>34'635'505</b>
Profit / (loss) of the year		6'154'840	12'870'433
<b>31.12.</b>		<b>53'660'778</b>	<b>47'505'938</b>

The amount reflected in the branch capital is the capital provided by the home office XL Insurance Company SE, Dublin.



<b>8) Earned premium for own account</b>		<b>FY 2025</b>	<b>FY 2024</b>
		CHF	CHF
Gross written premium	Direct	201'982'568	200'856'795
	Assumed	84'919'444	84'170'915
Premium ceded to reinsurer		-209'031'433	-193'123'426
<b>Net written premiums</b>		<b>77'870'579</b>	<b>91'904'284</b>
Change in unearned premium reserve	Direct	-4'392'638	-5'240'823
	Assumed	1'088'654	618'106
Ceded change in unearned premium reserve		311'067	1'073'934
<b>Net change in unearned premium reserve</b>		<b>-2'992'918</b>	<b>-3'548'783</b>
<b>Total</b>		<b>74'877'661</b>	<b>88'355'501</b>

<b>9) Expenses for claims incurred for own account</b>		<b>FY 2025</b>	<b>FY 2024</b>
		CHF	CHF
Gross claims paid	Direct	-97'536'936	-93'339'140
	Assumed	-45'682'457	-38'397'049
Ceded claims paid		99'361'811	83'798'089
<b>Net paid losses and loss expenses</b>		<b>-43'857'582</b>	<b>-47'938'100</b>
Change in gross reserves for losses and loss expenses	Direct	10'138'104	-10'052'471
	Assumed	42'519'628	-11'814'813
Change in ceded reserves for losses and loss expenses		-43'681'270	19'750'364
<b>Net change in reserves for losses and loss expenses</b>		<b>8'976'462</b>	<b>-2'116'920</b>
<b>Total</b>		<b>-34'881'120</b>	<b>-50'055'020</b>

<b>10) Acquisition costs and administrative expenses for own account</b>		<b>FY 2025</b>	<b>FY 2024</b>
		CHF	CHF
Gross acquisition costs	Direct	-22'596'464	-21'022'924
	Assumed	-15'653'835	-15'855'995
Reinsurer's share of acquisition costs		43'458'485	39'592'652
<b>Net acquisition costs</b>		<b>5'208'186</b>	<b>2'713'733</b>
Administrative expenses		-42'853'484	-38'940'116
Audit fees		-130'897	-160'879
<b>Total</b>		<b>-37'776'195</b>	<b>-36'387'262</b>

There were no full time equivalents employed by the Branch during 2025.



### 11) Investment income

				FY 2025
	Investment income	Realized gains	Unrealized gains	Total
	CHF	CHF	CHF	CHF
Fixed income securities	6'441'266	0	0	6'441'266
<b>Total</b>	<b>6'441'266</b>	<b>0</b>	<b>0</b>	<b>6'441'266</b>

				FY 2024
	Income	Realized gains	Unrealized gains	Total
	CHF	CHF	CHF	CHF
Fixed income securities	7'769'587	59'085	0	7'828'672
<b>Total</b>	<b>7'769'587</b>	<b>59'085</b>	<b>0</b>	<b>7'828'672</b>

### 12) Investment expenses

				FY 2025
	Investment expenses	Realized losses	Unrealized losses	Total
	CHF	CHF	CHF	CHF
Fixed income securities	-369'893	-473'757	0	-843'650
<b>Total</b>	<b>-369'893</b>	<b>-473'757</b>	<b>0</b>	<b>-843'650</b>

				FY 2024
	Expenses	Realized losses	Unrealized losses	Total
	CHF	CHF	CHF	CHF
Fixed income securities	-382'194	-8'310	0	-390'504
<b>Total</b>	<b>-382'194</b>	<b>-8'310</b>	<b>0</b>	<b>-390'504</b>

### 13) Other income / other expenses

	FY 2025	FY 2024
	CHF	CHF
Realized fx gain	0	4'914'198
Misc other income	1'248'615	1'167'246
Other Income	1'248'615	6'081'444
Realized fx loss	-1'471'659	-
Interest expenses	-538'438	-1'195'217
Other expenses	-2'010'097	-1'195'217

### 14) Pledged assets

	31.12.2025	31.12.2024
	CHF	CHF
Swiss Tied Assets (Fixed Income Securities including Cash)	423'274'378	408'285'535
<b>Total</b>	<b>423'274'378</b>	<b>408'285'535</b>



### **15) Contingent liabilities**

The company belongs to the VAT group of AXA Versicherungen AG and is jointly and severally liable for its VAT liabilities to the tax authorities

### **16) Subsequent events**

On February 28, 2026, the US and Israel conducted a joint military operation against Iran, triggering a war in the middle east and geopolitical tensions. The Branch continues to closely monitor the exposures to the conflict, including (i) the operational impact on its business, (ii) the consequences from a potential deterioration in macroeconomic conditions, (iii) exposure through its Property, Casualty and Specialty policies and (iv) change in asset prices and financial conditions (including interest rates).