

NFU MUTUAL 2025 AGM

Jim McLaren MBE, Chairman

Good afternoon everyone. It is my pleasure to welcome you to the 2025 Annual General Meeting of NFU Mutual.

For NFU Mutual, 2024 was a year of continued progress, steadfast resilience and the delivery of exceptional service to our members and communities. We were there when our members needed us, paying claims and providing financial advice while continuing to be a responsible business.

I am pleased to report that our long-term objectives of being a great place to work, a great company to do business with and to deliver sustainable profitable growth continued to serve us well and the Group achieved an overall profit of £360m. I will shortly hand over to Richard Morley, NFU Mutual's Finance Director to talk through our 2024 financial performance in more detail, but first I would like to touch upon some of the ways we made a difference for our members throughout the year.

As members began to recover from the severe storms of 2023, they were hit with a further three in January 2024 and another two as the year ended, resulting in a total of 11,000 claims for customers impacted by flood and storm damage in 2024. In the face of some of the largest flooding events in the UK for several years, we continued to support customers, providing same-day payments for emergency purchases, making alternative accommodation arrangements, and quickly commencing repairs.

NFU Mutual is a member-centric organisation that puts customers first. In 2024 we continued our tradition of rewarding member loyalty through Mutual Bonus and provided £238m in savings to our renewing General Insurance policyholders. We've been providing Mutual Bonus now for more than 25 years and since 2015 we've awarded a total of £2.1bn in Mutual Bonus savings to our loyal General Insurance members.

We also shared £71m amongst eligible With-Profits customers in 2024 through our Mutual Investment Bonus. As a mutual with no shareholders, eligible customers who invest in the With-Profits fund benefit from the success of the fund and its financial strength, reflecting current and expected economic conditions.



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In 2024 we also continued to provide superior levels of customer service, and were named Which? Insurance Brand of the Year. I'm extremely proud to say that just last month we retained the prestigious title of Which? Insurance Brand of the Year for the fourth year running – the only insurer ever to achieve this. Which? standards are incredibly high, and I know this independent recognition is down to our employees and everyone in our agency network, who genuinely care about our customers.

Our commitment to members reaches beyond insurance and I will come on to some of the ways we deliver positive change for the communities we support, live and work in shortly, but first I would like to introduce Richard Morley, our Finance Director, who will give a summary of NFU Mutual's 2024 financial results.

Richard Morley, Finance Director

Thank you, Jim, and good afternoon, to you all.

NFU Mutual delivered a strong 2024 performance with a return to profitability on our underwriting result as well as healthy returns on our investments. As the Chairman mentioned this led to an overall Group profit for the year of £360m.

Investment markets reacted well to lower inflation and falling interest rates despite a year which consisted of significant geopolitical change. This resulted in a 3.7% growth of funds under management to £20.9bn. Our underlying financial, capital and solvency position remained strong, and our 2024 solvency ratio of 221%, gives us the capital strength to focus on our members.

As I have mentioned, the General Insurance business delivered a profitable underwriting result of £168m as the business benefited from lower claims frequency and one-off releases on prior year claims. This included the change to the Personal Injury Discount Rate in England and Wales to better reflect the economic environment and reduced provision for long-term costs for significant injuries.

Our persistency levels remained high, with 94.6% of policies renewed in 2024. Such customer loyalty is extremely important to us, particularly in the current climate with members choosing to remain loyal despite necessary price rises to reflect the higher cost of paying claims. All of these factors contributed to a 10.7% rise of Gross Written Premium Income to £2,459m.

Our 2024 COR of 92.4% shows an improved result on recent years, with premiums now better reflecting the cost of claims following a number of years of inflationary pressure and weather events.

For our Financial Services business, Annual Premium Equivalent for 2024 ended with a 15.7% increase to £77.4m. The year started slowly with customers continuing to feel the pressure of the increased cost of living which impacted their ability to invest, alongside political uncertainties which reduced consumer and investor confidence. The Chancellor's Autumn Budget and in particular

changes to Inheritance Tax affected farmers and businesses across the country, and we saw an influx of customers reaching out for information and advice. Our Financial Advisers have been bringing clarity to this complex area and helping people understand what they can do to mitigate some of the impacts of the changes and make sure they're optimising their affairs.

So, to summarise, throughout 2024 NFU Mutual demonstrated its strength and adaptability once again. We made significant progress towards strengthening the business for the benefit of members, while continuing to deliver our core strategic aim of protecting rural lives and livelihoods.

Jim McLaren MBE, Chairman

Thank you, Richard for that review of NFU Mutual's financial performance in 2024.

Protecting rural lives and livelihoods is what I'd now like to now focus on. Our commitment to members reaches beyond insurance, and we strive to deliver positive change for the communities we support. A powerful way to provide direct support to customers and their communities is through donations to charities. We know these are difficult times for charities who face increasing demand, rising costs and fundraising challenges. To acknowledge the impact of inflation and sustain our support, I'm proud to say that we have increased our annual charitable giving in 2025 from £3.25m to £4m.

We also campaign for change that benefits members and I'd now like to show you a short film which summarises how being a responsible business is an integral part of NFU Mutual.

[View 2024 Responsible Business film ›](#)

I'm extremely proud of how seriously we take our responsibilities at NFU Mutual and the work we do to make a meaningful difference for our members, our people, for farming, rural communities and for the environment.

Farming is our heritage - our close links to the industry mean we understand the challenges farmers face, and we continue to provide financial and practical support to help. In 2024, a year that as Richard has already mentioned was particularly tough for farming businesses and families, we made a voluntary donation of £8.7m to the main UK farming unions to support their vital role in championing the needs of the farming community. As a farmer myself I know how important this support is.

I have spoken at previous AGMs about how we take the impact of our operations seriously and how we are striving to both reduce our own environmental footprint and support our members in their climate efforts.

In 2024, NFU Mutual published its first standalone Climate Change Report, as well as our first Climate Transition Plan, outlining the actions we have already taken, and those we are committing to take. This work is crucial, and I'm pleased to see the progress that's being made to support the UK's transition to a low-carbon economy and becoming a net zero business by 2050.

Throughout our 115-year history, NFU Mutual has adapted to a great deal of change, and we continue to build from strong foundations. Over recent years we have laid some fundamental groundwork for the future of the organisation to improve the way we work and serve our customers. One of these is to introduce a new General Insurance policy administration system which will make our products easier for customers to buy, and easier for customer-facing teams to manage. The programme is making headway, alongside the introduction of a new online account and further developments to our digital capability. This is all crucial work to ensure that we evolve NFU Mutual to meet the differing communication preferences of our members including investing in our unique network of agency offices.

I'd now like to finish with some important thankyou's.

I would like to thank our employees, Agents, and partners, whose dedication and hard work underpin our success. I would particularly like to extend my heartfelt thanks to our members for their continued loyalty and trust in NFU Mutual. Your support inspires us to stay true to our values and deliver on our promises.

I look forward to another year of mutual success as we continue to support our members.

Thank you.

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